



CHARN ISSARA



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Highlights of 2023

SUMMARY OF FINANCIAL STATUS (THOUSAND BAHT)

	2023	2022	2021
CASH OR CASH EQUIVALENTS	297,503	397,050	335,709
TOTAL ASSETS	12,820,068	11,153,415	10,199,456
TOTAL DEBT	10,204,377	8,132,824	7,797,320
SHAREHOLDER'S EQUITY	2,615,591	3,020,591	2,402,136

OPERATING RESULTS (THOUSAND BAHT)

INCOME FROM REAL ESTATE SALES	794,192	1,150,404	1,451,590
RENTAL AND SERVICE INCOME	81,069	65,010	68,721
REVENUE FROM HOTEL OPERATIONS	947,427	672,338	336,819
REVENUE FROM PRODUCT SALES	65,464	67,851	60,429
TOTAL INCOME	2,220,755	2,175,502	2,299,095
GROSS PROFIT	481,501	430,361	372,409
NET PROFIT (LOSS)	(306,208)	(256,355)	(99,346)
NET PROFIT (LOSS) – ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	(221,508)	(199,774)	(44,608)

PER SHARE RATIO (BAHT PER SHARE)

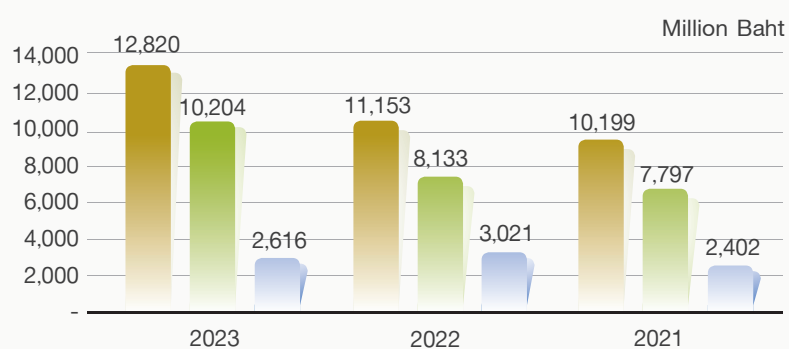
BOOK VALUE PER SHARE	1.50	1.82	1.38
PROFIT-ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY PER SHARE	(0.21)	(0.19)	(0.04)

FINANCIAL RATIOS

RATE OF RETURN ON TOTAL ASSETS (PERCENT)	2.55	(2.40)	(0.95)
RATE OF RETURN ON EQUITY (PERCENT)	(12.54)	(11.73)	(2.94)
GROSS PROFIT RATIO (PERCENT)	25.50	22.01	19.42
NET PROFIT (LOSS) RATIO (PERCENT)	(13.60)	(11.79)	(4.32)
NET PROFIT (LOSS) RATIO ATTRIBUTABLE TO THE COMPANY (PERCENT)	(9.85)	(9.19)	(1.94)
DEBT TO EQUITY (TIMES)	3.90	2.69	3.25

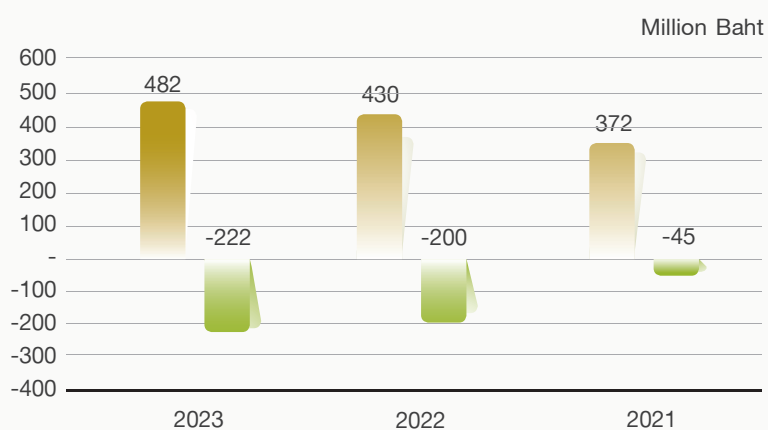
Assets / Liabilities / Shareholders' Equity

■ Total assets
■ Total debt
■ Shareholder's equity



Gross profit / Net profit (loss)

■ Gross profit
■ Net profit (loss) -
 Equity holders
 of the company





Message from the Chairman

Dear Shareholders,

In the past year 2023, I regret to inform that our company has suffered a continuous loss of 306 million baht, which is a loss of 161 million baht from the real estate business and 145 million baht from the hotel business. This is partly due to the economic conditions of Thailand and the world, which are still fragile, declining or growing gradually. The Thai economy this year expanded only 1.9%, lower than the expected 3.4% and decreasing from the 2.6% expansion in 2022, resulting in negative factors for various real estate sectors, including decreased purchasing power. Interest rates are rising. Household debt is above 90% of GDP. It clearly makes lending tighter and more difficult. Production costs are more expensive while purchasing power has not yet recovered.

The Company's operating results in 2023 had total income of 2,251 million baht, an increase of approximately 75 million baht from the previous year. This is income from real estate sales of 794 million baht per year, a decrease of 356 million baht. The income from hotel operations is 947 million baht, an increase of 275 million baht from the previous year. The company has total assets of 12,820 million baht, an increase of 1,667. Million baht from 2022

Income from real estate sales mainly comes from project sales, Baan Rama IX 210 million baht, the Issara Chiang Mai 167 million baht, Thew Talay Group 124 million baht, The Issara Sathorn 139 million baht, and Sasara Hua Hin 76 million baht. The transfer of these two projects was later than scheduled. The transfer began at the end of last year. Therefore, there are remaining sales awaiting transfer at the beginning of 2024 in the amount of 450 million baht and 860 million baht, respectively. The project that is selling very slowly is the Baan Issara Bangna project. In 2023, our company invested in construction of several houses and completed them. But we are still unable to sell as targeted. As for the various projects at Thew Talay Estate Cha-Am, sales have slowed down significantly because the number of people traveling to Cha-Am and Hua Hin has decreased significantly.

In Hotel business, more tourists are starting to travel to Phuket. Even though the number is still not the same as before Covid. The operating results of Sri Panwa Hotel improved sequentially, but the operations of Baba Beach Club Natai Phang Nga and Habita Sea View Hua Hin were still at a loss. However, both hotels and Sri Panwa Yaya - Convention Hall are assets. The total value of over 3,000 million baht that the company will be able to sell at the appropriate time. As for negotiating to reduce the rent during the period when the hotel had to close due to the COVID crisis with Assets of the Sri panwa Hotel Real Estate Investment Trust (REIT). The trust that owns three parts of the Sri Panwa Hotel assets, namely SPM 1, SPM 2, and SPM 3, which is a very detailed and complicated matter. It took us three years to negotiate.

Therefore, we received a partial rent reduction for SPM 1 and SPM 3. As for SPM 2, the lease agreement has ended. Negotiations are close to being concluded by calling an extraordinary meeting of unitholders in March 2024, where there will be no rent reduction. However, installment payments can be agreed upon by the unit holder giving authority to the Trustee to negotiate for a better return. On the day of the meeting, unitholders voted unanimously to renew the lease agreement with the existing tenant instead of opening the general auction again.

In 2023, the company also purchased three more plots of land. One plot in Bangkok, to develop the Baan Issara Rama 9 Wongwaen project, worth 798 million baht, which is a location that the company has seen as having potential. One plot in Hua Hin, to develop the Sasa project worth 248 million baht, with a press release announcing the launch at the end of last year. It is a seven-story vacation condominium next to a golf course and close to the sea, 248 units, and another plot in Phuket for the Sri Panwa Laguna project worth 677 million baht. We have also launched the Sky Series, four five-bedroom luxury pool villas in the plot. The last project of Sri Panwa is in Phuket to support the foreign market that has come to buy houses in Phuket in large numbers in the past year.

Investment in this new plot of land, the interest rate is very high. Interest is recognized as an expense rather than a project cost when it is in the construction phase and carrying out various construction projects to complete. These are all common causes that cause the company to suffer a loss from operations in 2023.

Despite continuous losses, if our money is invested in the assets or projects of the company which intends to create only valuable things to offer to customers. Even though some projects are selling slowly, we hope to sell it when factors favor the growth of the real estate market and in conditions where negative factors have a greater impact. The company is not complacent in developing, improving and being thorough in every aspect.

I pray that 2024 will be better than 2023. The economy and politics of Thailand and other countries in the world are stability and peace. I wish everyone would have a great business, purchasing power returned. Everyone can travel and relax happily. I would like to thank all shareholders and apologize.



MRS. SRIVARA ISSARA

Chairperson

Report of the Audit Committee

Dear shareholders,

In the past year the Audit Committee performed duties independently within the scope specified in the audit committee charter which is reviewed annually to be consistent with the current situation. In 2023, the Audit Committee emphasizes its role in driving and assigning the internal audit department give support company secretary department to propose to be considered and certified as a member of the Thai Private Sector Anti-Corruption Coalition.

Until success has been certified, there will be a period of 3 years from January 2024 to December 2026, including pushing for organizational development to achieve the goals set for sustainable business operations. By focusing on the integration of all 3 parts: governance risk management and supervision of compliance with regulations (Integrated Governance Risk Compliance and Control - Integrated GRC) through the work of the Audit Committee and internal audit department. By adhering to the issue of efficiency in supervision to ensure clarity, transparency, and accountability.

In 2023, there were 5 Audit Committee meetings, with a quorum of the Audit Committee attending every time. There was a meeting with the auditor without the company's management. A total of 4 times to consider the scope of the guidelines and the auditor's annual audit plan including inquiring and following up on account audit results and issues of interest. In addition, there was a discussion with the internal auditors and auditors in related matters. At present, the Audit Committee of Charn Issara Development Public Company Limited consists of 3 independent directors who are experts and have experience in law, finance, accounting, and organizational management, consisting of Mr. Pisut Dechakaisaya as Chairman of the Audit Committee, Mr. Witit

Ratchatatanan and Mr. Pinit Puapan as Audit Committee members.

At the end of every year, the Audit Committee evaluates the overall performance of the Audit Committee and evaluates itself which the evaluation results are in good condition. The summary of important points in performing duties in the year 2023 as follows:

1. Review of financial reports

The Audit Committee reviewed important information in the quarterly financial statements annual financial statements and consolidated financial statements of the company and its subsidiaries which has been prepared according to Thai financial reporting standards which are consistent with international financial reporting standards. By reviewing important issues, special items, and receiving clarification from the auditor and management until satisfied that the arrangement and the making of financial statements including the disclosure of notes in the financial statements conforms to legal requirements and financial reporting standards. Therefore, the committee has given their approval to the financial statements which the auditor has reviewed and audited. It is an unqualified opinion report. In addition, the audit committee met with the auditor without management team to discuss freely about obtaining information examining material information in the preparation of financial statements and disclosing information that complies with financial reporting standards and is beneficial to users of financial statements. Important matters from the audit (Key Audit Matters) including suspicious

circumstances according to section 89/25 of the Securities and Exchange Act B.E. 2535, amended by Securities and Exchange Act (No. 4) B.E. 2008, which in 2023. Certified public accountants that is independent and can be verified, giving opinions that no material observations and no suspicious circumstances were found that affected the financial statements. The company's consolidated financial statements are reliable and transparent, and consistent with standards.

The Audit Committee has considered and has the opinion that the Company's accounting and financial reporting process has adequate controls to ensure that the Company's financial reports and operating results are accurate according to accounting standards and adequate information is disclosed in the financial statements.

2. Review of internal control system

The Audit Committee has reviewed the results of the evaluation of the internal control system to assess the adequacy and appropriateness of the internal control system risk management according to internal audit standards. Including assessment forms according to guidelines set by the Securities and Exchange Commission.

The Audit Committee has considered and has the opinion that the company has an appropriate and adequate internal control system and effective and consistent with the auditor's opinion who reported that the review found no material deficiencies affecting the company's financial reports. This is one of the missions specified in the Audit Committee Charter.

3. Review of risk management

One audit committee member has joined the company's risk management committee to be a representative of the Audit Committee in reviewing the efficiency and effectiveness of the risk management process by attending meetings to review policies. Set guidelines for the company's risk management to be consistent with the changes in the environment and situation by considering internal and external factors and the possibility of impact according to the guidelines set by the Office of the Securities and Exchange Commission. There is a risk management committee who responsible

for considering the structure, policy, and framework for risk management risk management plan reviewing risks and following up on the company's risk management. There is a risk management unit which esponsible for preparing risk reports and risk management of the company.

The Audit Committee has considered and has the opinion that the Company has an appropriate and adequate internal control and risk management system.

4. Supervision of internal audit work

The Audit Committee has considered and reviewed the Audit Committee Charter and the Audit Department Charter annually to be in line with current risks and situations. There is supervision of the work of the internal audit department, which covers the main missions scope of work scope of duties and responsibilities independence in audit performance, including organization. and manpower. By reviewing and approving the annual internal audit plan that is prepared according to the risk assessment results setting up inspection quality development plans and knowledge development skills and expertise of internal audit personnel.

The Audit Committee has considered and has the opinion that the Company has adequate and appropriate supervision of internal audit work and effective. Including the continuous development of the quality of internal audit work in terms of personnel and audit operations to meet international standards.

5. Compliance with laws governing securities and the stock exchange.

The Audit Committee has reviewed the laws regarding securities and the stock exchange, various requirements of the Stock Exchange and SEC, as well as laws related to business operations. Including compliance with obligation requirements that the company has with the third party.

The Audit Committee has considered and has the opinion that the Company has complied with the law and various requirements related matters strictly, completely and in accordance with the principles of good corporate governance.

6. Review procedures for entering into connected transactions.

The Audit Committee has reviewed the appropriateness and adequacy of the regulations and procedures for entering into connected transactions, items have been sold, items that may have conflicts of interest and reports of relevant directors. As well as reviewing the disclosure of such information to be accurate, complete, timely and in accordance with relevant announcements, regulations, and guidelines of the Stock Exchange of Thailand.

The Audit Committee has considered and has the opinion that the transactions occurred during the year were transactions that occurred in the normal of business and were for the benefit of the Company including the disclosure of sufficient information.

7. Independence of the Audit Committee

The Audit Committee evaluates the overall performance of the entire group including self-assessment according to guidelines of the Securities and Exchange Commission of Thailand in order for the review to be complete and complete.

The Audit Committee has acted independently throughout the period of its work and there was compliance with the scope specified in the Audit Committee's charter, which concluded that the results were good.

8. Consideration of selection, appointment and compensation of annual auditors.

The Audit Committee has considered and selected proposing to appoint an auditor including determining the auditor's remuneration for the year 2023 to the Board of Directors for consideration and requesting approval from the shareholder meeting to appoint an auditor from Deloitte Touche Tohmatsu Jaiyos Consulting Company Limited as the auditor of the company for 2023, based on the performance of the previous year. The auditor is independent, skilled, knowledge, ability, and experience in business auditing and provide knowledge related to business besides auditing by taking into account the announcement of the Securities and Exchange Commission of Thailand.

In summary the Audit Committee considers that the Company's Board of Directors, executives, and employees are committed to performing their duties to achieve the goals. We attach great importance to operating under a strict and appropriate internal control and risk management system. There is adequate and transparent good corporate governance and reliable.

On behalf of the audit committee



Mr. Phisut Dechakaisaya

Chairman of the Audit Committee



Report from the Nomination and Remuneration Committee |

Dear Shareholders,

The Board of Directors has approved the appointment of a Remuneration Committee to consider appropriate remuneration for Directors and Management. In 2015, the Company's Board of Directors has approved the appointment of a Nomination Committee to perform the duty of setting up guideline of selection process for the right candidate to fill the position of Director, Chief Executive officer and Managing Director. This Committee shall be merged with the Remuneration Committee which consists of 3 Directors who are independent Directors as follows:-

1. Mr. Pravesvudhi Raiva
Chairman of Nomination and Remuneration Committee
2. Mr. Phisud Dejakaisaya
Nomination and Remuneration Committee
3. Mr. Witit Ratchatatanun
Nomination and Remuneration Committee

The Nomination and Remuneration Committee has considered and proposed appropriate remuneration for the Board of Directors and other sub committees : Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and management from Chief Executive Officer and Managing Director upward by thoroughly and reasonably studying additional information in related matters with an encouragement on each individual Director to express their view independently according to the duty stipulated in the Codes of the Nomination and Remuneration Committee.

In 2023 there was two meeting of the Nomination and Remuneration Committee to consider the remuneration for the Company's Board of Directors, other sub committees and management from the Managing Director level upward by adopting criteria which have been agreed in advance with the Managing Director in accordance with objectives including financial operation, achievement on long term strategy and operational achievement in relative comparison with the set target. In addition there have been conducts of self-assessment for Directors and individual high level management in consideration of Directors' responsibility, size of business and the on-going economy including the operation in relation to the operating results and the comparison to remuneration in other companies of the same industry. The Director's remuneration has been disclosed in this Annual Report.

Every the Nomination and Remuneration Committee members has paid attention to attending meeting with fair and reasonable consideration of remuneration for related parties and has considered the Codes of the Nomination and Remuneration Committee suitable to its duty for proposing to the Board of Directors for consideration and approval. It has followed the good corporate governance. The Company's Board of Directors and its management has a suitable structure and qualification in corresponding to valid regulations and are well capable of driving the Company's operation to achieve its target.



Mr. Pravesvudhi Raiva

Chairman of the Nomination and Remuneration Committee
Charn Issara Development Public Co., Ltd.



Report from the Risk Committee

Dear Shareholders,

Risk management is an important activity in doing business and need to be undertaken. The Company realized the important of risk management and its effect on business so it has included in the policy of the Company and its subsidiaries to assess risk which may affect the business. It has appointed a Risk Committee consisting of independent director, management, and independent consultant who has qualifications and experience in the business organization with an objective to allow the management to effectively carry out its duty in the operation in accordance with policy and target assigned by the Company's Board of Directors.

The Risk Management Committee consists of 5 committee members as follows:

1. Mr. Songkran Issara
Chairman of the Risk Committee
2. Mrs. Teeraporn Srijaroenwong
Committee
3. Mr. Pinit Puapan
Committee/Independent Director
4. Mrs. Kanitha Subpaasa
Committee

The Committee has a duty to consider for approval the risk management plan and monitor the Company's business risk assessment including setting up a measure to prevent and rectify those risks. In 2023, there was one meeting of the Risk Management Committee with consideration to acknowledge and monitor risk assessment. The Risk Management

Committee has established business guidelines. under the risk from the business operations of the company and affiliated companies The Board of Directors has considered risk factors in many aspects such as strategic, financial, operational. Corruption reputation

Finally, each member of Risk Committee has taken seriously and determine to ensure an adequate management monitoring to contain risk and allow effective operation.

Mr. Songkran Issara

Chairman of the Risk Committee
Charn Issara Development Public Company Limited



MRS. SRIVARA ISSARA

Chairperson



Age : 69 years

shares

-none-

Shareholding

-none-

Education/Training Program

- Master of Business Administrator (MBA), Indiana University, U.S.A.
- Certificate of Director Accreditation Program (DAP), 2008, Thai Institute of Directors (IOD)
- Certificate of Role of the Chairman Program (RCP) 36/2015, Thai Institute of Directors (IOD)

Professional career

2007-Present	Chairperson	Charn Issara Development Public Co., Ltd.
1986-Present	Executive Committee Manager	Charn Issara Residence Co., Ltd. Pimsai Associate Writer
1984-Present	Advisor and Manager	Jack and Jill Co., Ltd.
1986-Present	Advisor	Jindarak Co., Ltd.
1983-1986	Assistant Vice President	Citi Bank
1978-1983	Senior Oil Economist	The Shell Co. of Thailand Ltd.



MR.SONGKRAN ISSARA

Chief Executive Officer and Managing Director,
Chairman of Risk Management Committee

Age : 69 years

shares	313,634,494	Shareholding	29.405
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Education/Training Program

- Master degree in Economics University of Bloomington
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD) / 2008
- Leader Program, Capital Market Academy (CMA10)

Professional career

Present	Chief Executive Officer and Managing Director	Charn Issara Development Public Co., Ltd.
	Director	C.I. Property Co., Ltd.
	Director	Cha-am Ruamthun Co., Ltd.
	Director	Narai Ruamphiphat Co., Ltd.
	Director	International Resource Development Co., Ltd.
	Director	Charn Issara REIT Management Co., Ltd.
	Director	Sripanwa Management Co., Ltd.
	Director	Issara Development Co., Ltd.
2001-Present	Director	Chalongkrungkarnkaset Co., Ltd.
2001-Present	Director	Issara Development Public Co., Ltd.
2002-Present	Chairman	Charn Issara Residence Co., Ltd.
2003-Present	Chairman	Charn Issara Vipaphol Co., Ltd.
2006-Present	Chairman	C.I.N. Estate Co., Ltd.
2011-Present	Deputy Chairman	Issara United Co., Ltd.
2015-Present	Deputy Chairman	Issara United Development Co., Ltd.
2014-Present	Chairman	Issara Junfa Co., Ltd.

MR.PRAVESVUDHI RAIVA

Independent Director,
Chairman of Nomination and Remuneration Committee



Age : 72 years

shares

-none-

Shareholding

-none-

Education/Training Program

- BBA, Political Science University of Indiana, U.S.A. Chulalongkorn University Training Program:
- MMP-Modern Management Program
- MMM-Modern Marketing Management
- Directors Accreditation Program (DAP), Thai Institute of Director (IOD) / 2005
- Directors Certification Program (DCP), Thai Institute of Director (IOD) 135/2010
- Senior Executive Program of Chulalongkorn University Poompalungpandin, Class 2
- Top Executive Program in Commerce and Trade (TEPCot), Class 8

Professional career for the past five years

Present	Vice Chairperson & Director	S&P Syndicate Public Co., Ltd.
	Director	S&P Global Co., Ltd.
	Director	S&P Restaurants Limited (UK)
	Director	Patara Fine Thai Cuisine PTE Ltd. (UK)
	Director	Suda Limited (UK)
	Director	MSP Property Limited (UK)
	Director	Patara (Geneva) SA (Switzerland)
	Director	Patara Restaurant Vienna GmbH. (Austria)
	Director	Patara International Restaurant Management (Beijing) Co., Ltd. (China)
	Director	Shanghai Yueshi Restaurant Management Co., Ltd. (China)
	Director	S&P International Foods (Cambodia) Co., Ltd. (Cambodia)
1993-Present	Independent Director and Chairman of Nomination / Remuneration Committee	Charn Issara Development Public Co., Ltd.
2019-2020	President	Indiana University Alumni Association, Thailand Chapter
2013-2020	Director	Foodhouse Catering Services Co., Ltd.
1993-2005	Executive Director	S.R. Estate Co., Ltd.
	Executive Director	S&P Syndicate Public Co., Ltd.
	President	HD Distributors (Thailand) Co., Ltd.
	President	S&P Distribution and Sales Co., Ltd.
	Vice President Marketing Dept.	S&P Syndicate Public Co., Ltd.
1992 Director	Thai Wheat Products Trader's Association	
1991-1993	Asst. Marketing Manager	S&P Syndicate Co., Ltd.
1990	Honorary Instructor	Mini M.B.A. Programme, Kasetsart University
1973	Financial Director	S.R. Tapioca International Co., Ltd.
AWARDS:	SET Awards 2011, Outstanding CEO Awards	



MRS. TEERAPORN SRIJAROENWONG

Director, Risk Management Committee,
Managing Director

Age : 59 years

shares	44,550	Shareholding	0.004
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Education/Training Program

- Master Degree Business Administration Kasetsart University
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD) / 2008
- Anti-Corruption for Executive Program (ACEP) 11/2014, Thai Institute of Directors (IOD)
- CGR Workshop : Enhancing Good Corporate Governance based on CGR Scorecard", The Stock Exchange of Thailand / September 2014
- Director Certification Program (DCP) 211/2015, Thai Institute of Director (IOD)
- Certification "How to Develop a Risk Management Plan (HRP) 13/2017, Thai Institute of Director (IOD)
- Certification "Risk Management Program for Corporate Leaders (RCL) 17/2019, Thai Institute of Director (IOD)
- Certification "Ethical Leadership Program (ELP) 31/2023, Thai Institute of Director (IOD)

Professional career for the past five years

Present	Director, Deputy Managing Director And Acting Assistant Managing Director on Project Management and Development	Charn Issara Development Public Co., Ltd.
Present	Director	Issara Development Co., Ltd.
Present	Director	Sri panwa Management Co., Ltd.
2021-Present	Director	Issara Development Public Co., Ltd.
2021-Present	Director	Issara Development Public Co., Ltd.
2006-Present	Director, Managing Director	C.I.N. Estate Co., Ltd.
2011-Present	Director	Issara United Co., Ltd.
2015-Present	Director	Issara United Development Co., Ltd.
2015-Present	Director	Issara Junfa Co., Ltd.
2002-2014	Director and Project & Development Manager	Charn Issara Development Public Co., Ltd.
1990-2002	Project & Development Manager	C.I.M. Development Co., Ltd.
1998-1990	Foreign Exchange Officer	Bangkok Bank PLC (Bangkok)

MR. VORASIT ISSARA

Director



Age : 43 years

shares	5,107,909	Shareholding	0.574
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Education/Training Program

- Bangkok Christian College
- Certification, Port Regis School, England
- Certification, Bradfield College, England
- Certification, Saddle Brook preparatory School, U.S.A.
- Certification, Santa Fe College, U.S.A.
- Certification, DCT School of Hotels and Business management, Switzerland
- Degree Associate of Arts degree in Business Management, Santa Fe College, Gainesville, FL, U.S.A.
- Degree International Hotels and Business Management, DCT International Hostel & Business Management School
- Honorary Master of International Business Degree in Hospitality and Tourism Management Cesar Ritz Colleges, Switzerland

Professional career for the past five years

2015-Present	Director	Charn Issara Development Public Co., Ltd.
2015-Present	Director	Issara Development Co., Ltd.
2015-Present	Managing Director	Issara Junfa Co., Ltd.
2013-Present	Managing Director	Sri panwa Management Co., Ltd.
2005-Present	Managing Director and Project Developer	Charn Issara Residence Co., Ltd.
2011-Present	Director	Issara United Co., Ltd.
2015-Present	Director	Issara United Development Co., Ltd.
2014-2020	Director	Hida Grill Co., Ltd.
2005	Management Training	Villa Feltrinelli, Italy
2001-2002	Bar founding members (l'ambiance) Responsible for concept development And operation Manager, Practical training in kitchen and service, Event Coordinator (Cultural Gastronomia)	Hotel School
2001-2002	Cashier, Guest relation personnel, Responsible Reservation and Guest related issue, Club and event Promotion	Lush lounge and nightclub, Gainesville, Florida
2000	Stewarding, cashier, host, advance to waiter	Baan Thai Restaurant, Gainesville, Florida
1996	Trainee in Public Relation Department	Ramada Hotel, Bangkok Thailand



MR.PHISUD DEJAKAISAYA

Chairman of Audit Committee,
Independent Director,
Nomination and Remuneration Committee

Age : 68 years

shares	8,167	Shareholding	0.001
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Education/Training Program

- LL.B Thammasat University, Thailand, 1982 M.C.L, Southern Methodist University, USA, 1984
- Diploma in Comparative Law, South Western Legal Foundation, Dallas Texas
- Bachelor of Laws, Thammasat University
- Director Accreditation Program (DAP), Thai Institute of Director (IOD)
- Corporate Governance Program for Directors and Executive of State Enterprises and Public Organization (Class 10), Public Director Institute (PDI)

Professional career

1990-present	Managing Director	Siam Premier International Law Office Limited
2011-present	Managing Director	Lao Premier International Law Office
2011-present	Nomination and Remuneration Committee	Charn Issara Development Public Company Limited
2002-present	Chairman of the Audit Committee	Charn Issara Development Public Company Limited
2016-present	Director	Spruson & Ferguson Co., Ltd.
Oct 29, 2019-present	Advisor to the Senate of the Poverty and Inequality Reduction Committee	
June 2019-present	Personal Expert Advisor to Senator Weerasak Kowsurat	
Jan 2018-Apr 2019	Chairman of Legal Committee	Ministry of Tourism and Sports
31 May 2016-May 2017	Vice Chairman	Graduate Law Development Program Faculty of Law, Bangkok University
Jan 2012-Dec 2013	Advisor to the Board	Airports Authority of Thailand Public Co., Ltd.
July 2009-30 Dec 2009	Advisor	Deputy Minister of Agriculture and Cooperative
Apr 2009-Jul 2009	Subcommittee	Evaluation of the Legal Development of the Government Subcommittee for Fiscal year 2009
Jul 2008-16 June 2010	Advisor to the Board	Thailand Post Co., Ltd.
Nov 2008-Feb 2009	Director	Office of Small and Medium Enterprise Promotion (OSMEP), Ministry of Industry
Jul 2008-Jan 2009	Advisor to the Board	Software Industry Promotion Agency Organization Ministry of ICT
1987-1990	Senior Lawyer	Baker & McKenzie Ltd.

MR.WITIT RATCHATATANUN

Audit Committee and Independent Director



Age : 69 years

shares	1,930,500	Shareholding	0.181
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Education/Training Program

- Doctoral Degree in Education, Harvard University, U.S.A.
- M.A. University of Essex U.K.,
- B.Sc. (Econ) London School of Economics U.K.

Professional career

Present	Director	Panyaprateep School, Pak Chong, Nakhon Ratchasima
	Advisor	Thawsi School
2002-Present	Independent Director	Charn Issara Development Public Co., Ltd.
	Audit Committee	
	Nomination and Remuneration Committee	
2004	Director,	Community Economic Development and Income Distribution Office, NESDB
1999-2003	Assistant Secretary	General of NESDB
2001-2002	Director	International Policy Office
	Director	Macro Social Policy Office
1997-2003	Director	Thai-German Institute, Ministry of Industry
2000-2004	Director	Liquor Distillery Organization, Ministry of Finance
1996-1999	Director	Office of the Joint Public/Private Consultative Committee
1993-1996	Director	Government and Private Cooperation Division



MR.PINT PUAPAN

Independent Director, Audit Committee,
Risk Management Committee

Age : 56 years

shares 1,336,500

Shareholding 0.125

Education/Training Program

- Executive Architect Council Training (EXACT4), Architect Council of Thailand (2023)
- Hot Issue for Directors : What Directors Need to Know about Digital Assets, Batch (4/2022) Thai Institute of Directors Association (IOD) and Stock Exchange of Thailand
- Health Ambassador (HAM 4), Chulabhorn Royal Academy (2022)
- IT Governance and Cyber Resilience Program (ITG 13) (2020) Thai Institute of Directors (IOD)
- Oxford Programme on Negotiation Programme in Bangkok, Executive Education and Enrichment Institute (2018)
- Corporate Governance in Digital Era (2018) Fiscal Policy Research Institute Foundation
- Executive Energy Program (EEP 3), The Federation of Thai Industries
- Public Director Certification Program (PDI 15), King Prajadhipok's Institute (2016)
- Corporate Governance for Capital Market Intermediaries (CGI 2/2015) Thai Institute of Directors (IOD) (2015)
- Advanced Security Management Program (ASMP 5), The Association National Defense College of Thailand / 2014
- Leader Program, Capital Market Academy (CMA11) / 2011
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD) / 2004
- Audit Committee Program (ACP), Thai Institute of Directors (IOD) / 2004
- Advance Management Program, Harvard Business School (2006)
- Master Degree in Economics, The London School of Economic and Political Science (1990)
- BA, Economics & Political Science, Tufts University (1989)

Professional career for the past five years

2002-Present	Independent Director,	Charn Issara Development Public Co., Ltd. Audit Committee, Risk Management Committee
2 August 2023-Present	Director	Bay Computing Co., Ltd.
17 May 2023-Present	Director	MG 1962 Solar Co., Ltd.
1 March 2023-Present	Director	More Abundance Co., Ltd.
10 February 2023-Present	Director	Definitely Brilliant Co., Ltd.
1 February 2023-Present	Director, Chairman	Srisawad Capital 1969 Plc.
9 November 2021-Present	Expert Committee Risk Management Member	National Housing Authority
March 201-Present	Director	Krungthai XSpring Securities Co., Ltd.
February 2021-Present	Director	XSpring Capital Plc.
2018-Present	Director	Veyla Natai Residences (Villa) Co., Ltd.
2016-Present	Director	MG 1962 Warehouse and Distribution Co., Ltd.
December 2015-Present	Director	Srisawad Corporation Public Co., Ltd.
2014-Present	Director	Mali Group 1962 Co., Ltd.
2013-Present	Director	Veyla Cha Am Residences Co., Ltd.
2003-Present	Directors	Talon Holdings Co., Ltd.
2002-Present	Board of Directors	Thai Dairy Industry Co., Ltd.
March 2021-June 2023	Director	Fast Money Co., Ltd.
26 October 2021-26 December 2022	Director	Bay Computing Co., Ltd.
15 October 2019-20 September 2021	Director	State Railway of Thailand
31 August 2020-20 September 2021	Director	S.R.T. Electrified Train Co., Ltd.
15 February-20 May 2021	Director	Small and Medium Enterprise Development Bank of Thailand (SME)
20 December 2017-29 February 2020	Director	Thai Airways International Public Co., Ltd.
13 June 2017-10 November 2020	Director	Srisawad Finance Public Co., Ltd.

**MR.DITAWAT ISSARA**

Executive Vice president on Creative
and information Technology

Age : 41 years

shares	19,584,454	Shareholding	1.836
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Education/Training Program

- Bachelor Degree Product Design, Saint Martin
- Mechanical Engineering, Imperial College
- Arts Foundation, Wimbledon University
- Bryans ton School

Professional career for the past five years

Present	Executive Vice president on Creative and information Technology	Charn Issara Development Public Co., Ltd.
Present	Director	Issara Development Co., Ltd.
Present	Managing Director	Issara United Co., Ltd.
2002-Present	Director	Charn Issara Residence Co., Ltd.
2005-Present	Director	Sri panwa Management Co., Ltd.
2015-Present	Director	Issara United Development Co., Ltd.
2015-Present	Director	Issara Junfa Co., Ltd.
2007-2014	Creative Director	Charn Issara Development Public Co., Ltd.



MR.NIMIT HONGSEPHANICH

Executive Vice President -
Operations Support

Age : 49 years

shares

-none-

Shareholding

-none-

Education/Training Program

- Master of Business Administration in General Management, Rangsit University
- Labour Laws for HR.Management, Personal Management Association of Thailand
- Talent Management & Development, Personal Management Association of Thailand
- Compensation & Management, Thailand Management Association

Professional career

Present	Executive Vice President - Operations Support	Charn Issara Development Public Co., Ltd.
2014-2018	Vice President - Human Resources and Administration	Charn Issara Development Public Co., Ltd.
2007-2014	Assistant Vice President - Human Resources Business Partner Assistant Vice President - Recruitment	Kiatnakin Bank Public Co., Ltd.
2004-2007	Assistant Manager	Bualuang Securities Public Co., Ltd.
2003-2004	Recruitment Manager Employee Relations Manager	CRC Power Retail Co., Ltd.
2000-2001	Personnel Officer	Ek-Chai Distribution System Co., Ltd.
1996-1999	Recruitment Officer	Telecom Asia Corporation Public Co., Ltd.

**MR. KRIT HONGJANYA**

Assistant Managing Director
on Sales and Marketing

Age : 52 years

shares

-none-

Shareholding

-none-

Education/Training Program

- Doctor of Philosophy Program in Communication Arts and Innovation, National Institute of Development Administration
- Master of Business Administration in Finance and Banking, Ramkhamhaeng University
- Master of Business Administration in Industrial Management, Mahanakorn University of Technology
- Master of Business Administration in Marketing, Srinakharinwirot University
- Professional diploma in procurement and supply, Chartered Institute of Procurement & Supply, United Kingdom
- Professional Marketer, Asia Pacific Marketing Federation-APMF

Professional career

Present	Assistant Managing Director In Sales and Marketing	Charn Issara Development Public Co., Ltd.
2018-2020	Deputy Director of Condominium Marketing Division	Bright Development Bangkok Co., Ltd. (Property Perfect PCL)
2009-2017	Director of Sales and Marketing	Thanasiri Group Public Co., Ltd.
2001-2009	General Manager	Bara, Windsor & Co., Ltd.



MISS PRANEE WORRACHOKPEERAT

Assistant Managing Director
on Accounting and Finance

Age : 46 years

shares -none-

Shareholding -none-

Education/Training Program

- Master of Business Administration in Finance and Banking, Ramkhamhaeng University
- Strategic CFO in Capital Markets Program, The Stock Exchange of Thailand
- Strategic and Appreciative Business Development Program, The Institute of Strategic and Appreciative Business

Professional career

Present	Assistant Managing Director on Accounting and Finance	Charn Issara Development Public Co., Ltd.
2012-2019	Accounting and Finance Manager	Issara United Co., Ltd.
2009-2011	Senior Accounting Officer	Charn Issara Viphol Co., Ltd.
2005-2007	Accounting and Finance Manager	Great Morning Co., Ltd.
2008-2005	Senior Accounting Officer	Iphone Corporation Co., Ltd.
2001-2003	Accountant	TAS Office Co., Ltd.

MISS ORAWAN EURUMNUAYRAT

AVP – Accounting and Finance



Age : 41 years

shares

-none-

Shareholding

-none-

Education/Training Program

- Bachelor of Business Administration, Accounting, Kasetsart University

Professional career for the past five years

2019-Present	AVP-Accounting and Finance	Charn Issara Development Public Company Limited
2017-2018	Accounting Manager	Do Day Dream Public Company Limited
2014-2016	Sr. Accounting	CTH Public Company Limited
2010-2013	Sr. Financial Analyst	Serm Suk Public Company Limited
2006-2009	Sr. Auditor	KPMG Phoomchai Audit Limited

ACTING LT. NARAKORN BOONBUMRUNG

Company Secretary



Age : 40 years

shares

-none-

Shareholding

-none-

Education/Training Program

- Master Degree of Science, Technology Management, National Institute of Development Administration
- Bachelor of Arts, Information Science, Sukhothai Thammathirat Open University
- Bachelor of Laws, Laws, Sukhothai Thammathirat Open University
- Company Secretary Program (CSP) 101/2019, Thai Institute of Directors (IOD)
- Risk Management 20/2022, Chulalongkorn University
- Strategic and Appreciative Business Development Program 6/2022, The Institute of Strategic and Appreciative Business (ISAB)
- Corruption Risk & Control Workshop CRC19/2023 (Thai-IOD)

Professional career for the past five years

2019-Present	Company Secretary	Charn Issara Development Public Co., Ltd.
2018	Compliance Manager	Charn Issara REIT Management Co., Ltd.
2017	Manager: Trustee of REIT	One Asset Management Co., Ltd.
2011-2016	Property Fund Compliance Asst. Manager	Citibank N.A. Bangkok (Thailand)
2009-2010	Sr. Human Resources Officer	Evergreen Laurel Hotel (Bangkok)
2006-2008	Human Resources Officer	Grand Tower Inn Hotel (Thonglor)



Sri panwa Phuket



SASARA Hua Hin



Baba Beach Club Hua Hin

Business operations and results



1. Structure and operation of the group of company

1.1 Policy and business overview

History

Charn Issara Development Public Company Limited (“the Company”) was established on December 22, 1989 with an initial registered capital of 20 million baht with the objective of conducting real estate development business in the office building and shopping center project. On behalf of Charn Issara Tower 2 on New Petchburi Road, Bang Kapi Sub-district, Huay Kwang District, Bangkok, under the name of C.I.Development Company Limited, with C.I.Property Company Limited is a major shareholder. C.I.Property Group, a group of companies with over 20 years of experience in real estate development, is the pioneer in the development of office buildings and shopping centers for rent. Under the name of Charn Issara Tower Project on Rama IV Road, a residential condominium project type. Our apartments, condominiums, resorts, condominiums are including Cha-Am Beach Club, Jindarak Villa, Baan Suan Phet, and Charn Issara City Home Project.

In addition, we also develop single houses such as Charn Issara Park Home Project, Issara Garden House Project, and there is also the Lat Krabang Industrial Estate Project Phase 3, which is the first land estate managed by the private sector.

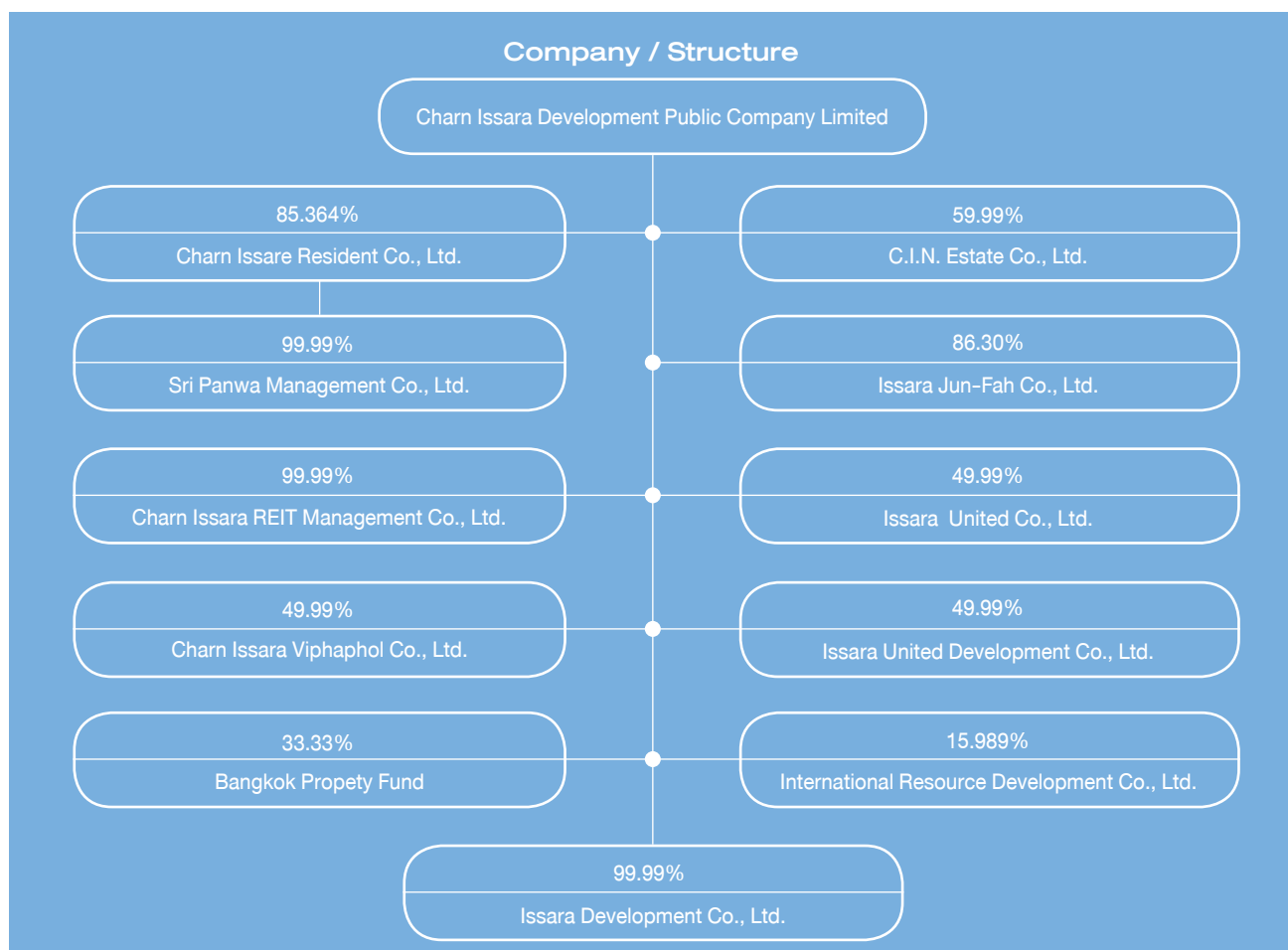
C.I.Development Co., Ltd. changed its name to C.I.M. Development Co., Ltd. and increased its registered capital to 50 million baht on March 30, 1990. The company has foreign venture which is Marubeni Corporation Co., Ltd. from Japan, a Conglomerate business operator, holding 40% stake before the company increased its registered capital to 500 million baht on September 28, 1994 and 800 million baht on April 24, 2000. In June 2002, the company converted from limited company to public company. It was listed on the Stock Exchange of Thailand on December 16, 2002 with a registered capital of 600 million baht. In 2013, the company changed the par value of 5 baht per share to 1 baht per share and increased the registered capital to 720 million baht. The company has a total registered capital 1,909,265,122 baht which is the total paid-up capital 1,066,595,865 baht.

Company business overview

The company operates in 4 types of business:

1. Develop home and land development business, residential condominiums for sale
2. Rent or sell office buildings and shopping centers
3. Hotel business
4. Manage office buildings, condominiums, housing estates and real estate project management.

The company has the group structure as follows



1.1.1 Visions and Missions

Visions

“Charn Issara proudly develops for sustainable happiness”

Mission

1. Develop a team of professionals with strength and readiness to create premium quality projects.
2. Deliver a quality project that impresses. To meet the expectations of consumers proudly.
3. Maintain the size of the organization for being flexibility in business operations.
4. Adhere to operating business under the concept of sustainable development and promote the quality of life of consumers and related persons in the economic, social and environmental aspects equilibrium.
5. Maintain the confidence and trust of consumers on the basis of transparency, sincerity and honesty.
6. Create satisfaction and provide returns that grow continuously, stable and suitable to stakeholders.
7. Promote the brand to be one of the consumers’ minds.

The company has made significant changes and developments in the past 5 years as follows:

Year	Important event
2019	<p>In 2019, the Company and its subsidiaries has disposed of 30,411,652 investment units in the REIT, accounting for 10.9% of the total trust units to related persons and third parties totaling 341,869,988 baht.</p> <p>On October 1, 2019, the Board of Directors' meeting passed a resolution approving the Company to purchase the newly issued ordinary shares in Issara Junfa Co., Ltd., a subsidiary company worth 500 million baht, resulting in the Company having a shareholding in Issara Junfa Company Limited from 70 percent to 86.30 percent.</p> <p>In addition, the company issued 1 set of 3-year debentures worth 800 million baht to finance the development of various projects and to pay some of the matured bonds.</p> <p>And at the end of 2019, Issara United Company Limited, a subsidiary, opened Shell gas station services and the commercial area for the first time in the area of Cha-Am District, Phetchaburi Province.</p>
2020	<p>In 2020, the Company sold investments in the Bangkok Property Fund amounting to 15,738,100 units, representing 15.74% of the total investment units of the fund to outsiders totaling 209,997,557 baht. The company has issued a set of debentures with maturity of 3 years worth for 289 million baht to pay off the debentures that mature.</p>
2021	<p>In January, the Company has issued 1 tranche of debentures with maturity of 2 years and 11 months, valued at 950 million baht as part of the repayment of debentures due in the 2nd year, totaling 1,200 million baht.</p> <p>In June, Issara United Company Limited, a subsidiary company, had a special resolution approving the increase of registered capital of 120 million baht by issuing 1,200,000 new ordinary shares at a par value of 100 baht and allocating new shares to shareholders in proportion to their holdings original stock. In July, the company paid for the newly issued shares in full of proportion to the amount of 60 million baht. In the same month, Issara United Development Company Limited, a subsidiary company, had a special resolution to approve the increase of registered capital of 200 million baht by issuing shares 2,000,000 new ordinary shares, at a par value of 100 baht per share, with the payment for the new share capital raised three times and allocating new shares to shareholders in proportion to their existing shareholding. In July and August, the Company made pro-rata payments for the first and second capital increase shares totaling 60 million baht. The third share capital increase will be paid in 2022.</p> <p>In August, Sri Panwa Management Company Limited, a subsidiary, approved the waiver of rent under the property lease agreement from Sri Panwa Hotel Real Estate Investment Trust (REIT) due to the impact of the crisis of coronavirus disease (COVID-19) pandemic in the second wave and the third wave. The REIT therefore considers helping by exempting the rental fee for the assets invested No. 1 and No. 3 in Sri Panwa Hotel Real Estate Investment Trust for the period from February 2020 to June 2021. The Company has profit from the waiver of such rent amounting to 266.7 million baht.</p> <p>In November, Issara United Development Company Limited, a subsidiary, opened the hotel Baba Beach Club Hua Hin (Habita Seaview), an extension of the Beach Front zone with 47 rooms, 4 rooms. type and has the Convention Hall size 400 sq m.</p>
2022	<p>In February, the Company has issued a series of debentures with maturity of 2 years and 6 months' worth 500 million baht as part of the repayment of a series of debentures due in the year totaling 800 million baht.</p>

Year	Important event
	<p>The Company has issued and offered warrants to purchase newly issued ordinary shares of the Company No. 2 (CI-W2) to existing ordinary shareholders of the Company at the ratio of 4 existing ordinary shares per 1 unit of warrants. With a term of 2 years from the date of issuance and initial public offering. The Company commenced trading of the warrants on July 12, 2022, with the exercise schedule of 1 baht per 1 ordinary share. The first and last exercise dates were November 30, 2022 and May 31, 2024, respectively.</p> <p>In July, Charn Issara Residence Co., Ltd. (Subsidiary, "CIR") opened for service. Sri Panwa Phuket, the extension of Sri Panwa Yaya (Convention Hall) has 24 Pool Suit rooms and a 400 square meters Convention Hall.</p> <p>In September, Sri Panwa Management Co., Ltd. (Subsidiary, "SPM") received approval for exemption of rental fee according to the property lease agreement from Sri Panwa Hotel Real Estate Investment Trust (Trust). Due to the impact of the crisis of Coronavirus pandemic (COVID-19), the REIT therefore considers providing assistance by waiving the rental for the assets invested No. 1 in the trust for the period from August 2021 to February 2022 and waiving the rental for the assets invested No. 3 in the trust for the period from January 2022 to February 2022. The total amount of 136.98 million baht, with a rental exemption in the amount of 94.65 million baht. When Charn Issara Residence Co., Ltd. (subsidiary, "CIR") has signed a financial support to SPM and on September 26, 2022 CIR has signed a financial support agreement with SPM, resulting in the Company's profit from such rental waiver during the year 2022 in the amount of 94.65 million baht.</p> <p>For the financial statements of 2022, the Company and its subsidiaries have considered changing the measurement of land used for business operations from the cost measurement to the fair price measurement to reflect the real value and close to the current value.</p>
2023	<p>In March, the company issued two sets of debentures, Set 1 of 2 years' worth 280 million baht and Set 1 of 3 years' worth 420 million baht as part of the repayment of bonds due within one year, totaling 290 million baht. and to use as revolving capital and to develop future projects.</p> <p>In May, Ruam Issara Development Co., Ltd. (subsidiary, "IUD") received payment for the second capital increase of 40 million baht from shareholders in proportion to their original shareholding. Total payment for shares has been received in full.</p> <p>In September, Sri Panwa Management Co., Ltd. (subsidiary, "SPM") received approval to waive rent according to the final remaining property lease agreement, amounting to 42 million baht, from the Hotel Real Estate Investment Trust. Sri Panwa (Trust) due to being affected by the crisis The outbreak of the coronavirus disease (COVID-19) has resulted in the Trust considering providing assistance. By waiving rent for assets invested for the 1st time in the trust and waiving rent for assets invested for the 3rd time in the trust.</p> <p>In September, the company registered to establish Issara Development Co., Ltd. (subsidiary company "ISD") with registered and paid capital of 100 million baht, with the company holding 99.99 percent of the shares, to be a real estate development company for housing under the project. Baan Issara Rama 9-ring</p> <p>In November, Ruam Issara Company Limited (a subsidiary company, "IU") launched the SASA Hua Hin project, a condominium project valued at 1,700 million baht with 254 condominium units.</p>

1.1.3 Purposeful use of funds from funding

(1) Spending the money from an offering for sale of equity or debt securities

Spending the money from each offering for sale of equity or debt securities

In 2023, the company offered debt instruments for sale. “Debentures of Charn Issara Development Public Company Limited No. 1/2021 due 2024” with a total value of 950 million baht, which has used the money from fundraising for the following purposes.

Spending money	Estimated amount of money spent	Estimated spending time	Details / Progress of the Use of Money / Reasons and Measures in the Case of Non-Objective Use of Money
To be part of the repayment of debenture that are due during the year	950 Mill. Baht.	In February 2021 and August 2021	The company has used the funds according to the intended purpose and according to the scheduled period.

In 2022, the company offered debt instruments for sale. “Debentures of Charn Issara Development Public Company Limited No. 1/2022 due 2024” with a total value of 500 million baht, which has used the money from fundraising for the following purposes.

Spending money	Estimated amount of money spent	Estimated spending time	Details / Progress of the Use of Money / Reasons and Measures in the Case of Non-Objective Use of Money
To be part of the repayment of the bonds that are maturity	500 Mill. Baht.	In April 2022.	The company has used the money according to its intended purpose. and according to the specified period

In March 2023, the company offered debt instruments for sale. “Debentures of Charn Issara Development Public Company Limited No. 1/2023, Set 1 due in 2025, amount 280 million baht, and Set 2 due in 2025. 2026, amount 420 million baht, total value 700 million baht and in December The company offered debt instruments for sale. “Secured bonds of Charn Issara Development Public Company Limited No. 2/2023, Set 1, due for redemption in 2025, amount 440.10 million baht, and Set 2, due for redemption in 2025. . 2026, amount of 509.90 million baht, total value of 950 million baht, including the value of the bond offering in 2023, both times, total value of 1,650 million baht, which used money from fundraising for the following purposes.

Spending money	Estimated amount of money spent	Estimated spending time	Details / Progress of the Use of Money / Reasons and Measures in the Case of Non-Objective Use of Money
1. For repayment of Debenture CI234A	290 Mill Baht.	In April 2023.	The company has used the money according to its intended purpose. and according to the specified period
2. For working capital and invest in purchasing land for future projects	410 Mill. Baht.	In December 2024.	
3. For repayment of Debenture CI234A	950 Mill. Baht.	In December 2567	

(2) Governing law

Interpretation or enforcement under Thai law

1.1.4 Obligations made by the company in the registration statement

-None-

1.1.5 Name, Head Office Location, Type of Business

Charn Issara Development Public Company Limited

Head Office Location	:	No 2922/200 New Phetchaburi Road, Bangkok, Huay Kwang, Bangkok 10320 Tel : 0-2308-2020 Fax : 0-2308-2990 Website : www.charnissara.com
Registered capital	:	1,909,265,122 baht
Shares sold	:	1,066,595,865 ordinary shares
Par value	:	1 baht
Type of business	:	Real estate development for sale/condominiums for rent
Rent Registration number	:	0107545000101

1.2 Type of business**1.2.1 Revenue Structure**

The Company's revenue structure can be classified as follows:

Unit : Million Baht

TYPE OF REVENUE	2023		2022		2021	
	Revenue	%	Revenue	%	Revenue	%
Sales of real estate income	794.19	35.29	1,150.40	52.88	1,451.59	63.14
Rental and service income	81.07	3.60	65.01	2.99	68.72	2.99
Hotel operation income	947.43	42.09	672.34	30.9	336.82	14.65
Sales of product income	65.47	2.91	67.85	3.12	60.4	2.63
Administrative fee income	38.20	1.70	31.28	1.44	23.28	1.01
Other's income	324.40	14.41	188.62	8.67	358.25	15.58
Total	2,250.76	100.0	2,175.50	100.0	2,299.09	100.00

1.2.2 Product information**(1) Characteristics of products or services and development of business innovation****Nature of business**

The company is principally engaged in the development and sale of real estate which consists of house and land development and apartments in condominiums. Typically, income is approximately 65% of total income and income from rental and service fees in office buildings and shopping centers, Charn Issara Tower Project And office buildings and shopping centers, Charn Issara Tower 2 Project, which has revenues of approximately 3-5%, revenues from hotel operations, approximately 25% and the rest is other income such as service and utilities income from real estate projects administrative fee income, interest income and other income.

Nature of business Product or service

The company operates in 4 types of business as follows:

1. Property development for sale

At present, the company has completed the development of the project, which is in the process of transferring the ownership to the customer and awaiting some sale and is in the process of real estate development for sale as follow.

- 1) **The Issara Sathorn**, a luxury condominium with 37 floors, 270 units near the center of business. Surrounded by nature and the view of the Chao Phraya River and Bang Krachao River, filled with the scent of culture harmonious with modernity. Help make it a suitable neighborhood to live in close to the gray line train in the future and plenty of common areas, including the Lounge, the luxurious lobby, the park, the family retreat, the Haven on the 30th floor with elements of a swimming pool. With hydrotherapy at the Therapy and a sky gym at the Sky Gym, organize a party with a banquet hall in The Space or enjoy a garden at The Garden. The Issara Sathorn is the perfect answer for you. "Live free life in every aspect" This project is operated on behalf of Charn Issara Development Public Company Limited,

- 2) **Issara Collection Sathorn**, a dream come true in the heart of this metropolis. "Issara Collection Sathorn" is a luxurious 7-storey residential condominium that is private and equipped with premium features. On the prime location of Sathorn Road Very comfortable and beyond your expectations. It is another project of Charn Issara Group Award-winning real estate developer in both Bangkok and resort cities. Thailand's leading Only 33 units, consisting of 2 bedrooms, 3 bedrooms, and duplexes.

Issara Collection Sathorn is designed with family living in mind, with a spacious living room, both Western and Thai kitchens. Ceiling height higher than standard Including a usable area of over 110-249.89 square meters in each unit, creating a home-like feel for residents. There is also a private elevator in some units. for more privacy Beautifully decorated with a unique identity.

In addition, in 2017, ISSARA COLLECTION SATHORN received the award for Best Low-Rise Condo Architectural Design (Bangkok) and Best Low-Rise High End Condo Development (Bangkok) at the Thailand

Property Awards from the property Guru website, which is a website. Asia's leading real estate This project is operated under the name of Charn Issara Vipaphol Company Limited, a subsidiary company. Currently, it is already sold out.

- 3) **Issara Residence Rama 9**, a super luxury detached house in the heart of the city on Rama 9 Road, area 9 rai 3 ngan, only 20 houses with a clubhouse with modern fitness equipment. 25 meter long swimming pool, separate male and female steam room and Private Linear Garden with premium social privacy and the highest safety in living. It is a reflection of the success of life given to the family. "The Infinity of Happiness in the Heart of the City" This project is operated under the name of Charn Issara Development Public Company Limited. Currently construction is completed. Only 1 unit remaining for sale.

- 4) **Baan Issara Bangna Project**, the house is the pride of being passed down from generation to generation, Baan Issara Bangna, a luxury detached house on an area of 24 rai that perfectly conveys comfort. Based on the design of the A49 with a large, spacious clubhouse with a modern fitness facility, the shared amphitheater is used to enhance the family atmosphere and a large communal garden for relaxation and exercise. Close to shopping center leading educational institutes, hospitals, expressways connected closer to all, only 44 families could have such happiness. This project is operated on behalf of CIN Estate Company Limited which is a subsidiary company partially completed construction gradually transferred the ownership to the customer. and the rest are under construction.

- 5) **Baan Sitawan Pakchong project**, inhaling ozone from nature on the plateau, 400 meters above sea level with houses that use the innovative construction of the "Modular System" that makes the house clean, healthy and environmentally friendly. Sitawan, Pak Chong - Khao Yai, has an area of 27 rai, with both ready-to-live houses and land. Come to experience the fresh air to recharge the life at Sita Wan. This project is operated on behalf of Charn Issara Development Public Company Limited.

- 6) **The Issara Chiang Mai Project**: Find superior living among nature. Enjoy a variety of vacation activities that can be tailored to suit the needs of everyone in the family. Because here is The Issara Chiang Mai, a

condominium on an area of over 3 rai, consisting of 2 7-story buildings, a total of 265 units, ready to move in. Each unit is intelligently designed to make the most of the space. Ready to enjoy the utmost relaxation. Enjoy an atmosphere of pleasure and comfort with complete decorations and amenities. You can choose your happiness in 1-2 bedrooms, size 35-70 sq m, and find inspiration every morning at the swimming pool and private pool. Or cool off in the Jacuzzi. Get fit and condition your body to the fullest in the spacious fitness room. With a well-designed green area. Allowing you to live your life close to nature to the fullest at “The Issara Chiang Mai” in a potential location that connects every aspect of life to the business and tourism center perfectly. With maximum privacy On the space of pride for those who own it. This project is carried out on behalf of Chan Issara Wipapon Company Limited, a subsidiary company.

- 7) **Baba Beach Club Natai Project**, “Baba Beach Club Natai” villa Project and a luxury beach club style hotel located on Natai Beach, Phang Nga Province, on an area of 42 rai, just 20 minutes from Phuket International airport, offering panoramic views of the Andaman Sea with a view of the sunset. Consisting of a villa 6 beach front residence 5 bedrooms villa for 18 units, 2 bedrooms pool villa, and beach club style hotels. These include 8 Gabana villas, 4 pool suites and 4 baba suites and complete activities, fitness, spa, restaurant, beachside swimming pool, beach club and many nearby attractions. It aims to blend the individuality as a hotel and beach club for music lovers. Was designed and decorated in the style of Chino Portuguese of Phuket with beautiful colors in the Shanghai Tang style, it creates an interesting Chino Portuguese Tang style.

“Baba Beach Club Natai” is managed and developed by the team behind the internationally acclaimed luxury pool villa “Sri Panwa”. This project is operated on behalf of Charn Issara Junfa Company Limited, a subsidiary.

- 8) **Sri panwa Residence**, “Sri Panwa” villa project and a luxury pool villa hotel located on a private beach. At the end of Cape Panwa, south-east of Phuket Island, on an area of 85 rai, the villa of Sri Panwa hidden among the trees and a private atmosphere. It also opens to see the beautiful sea of the Andaman Sea with the surrounding islands. All villas have their own private pool. Sri Panwa has been selected as one of the top

five resorts in Thailand and has also been selected to be one of the most charming hotels in the world. The villa is designed in a contemporary tropical style. Located above sea level 40-60 meters high and many recreational activities include spa, yoga, fitness, tennis courts, swimming pool on the beach.

Year 2020, there are new pool villas zone that have been completed, ready for sale and open for customers to book. It uses blue color and differs from the original which is four of orange. Sri Panwa offers another 24 Pool Suite rooms in the Yaya & Convention zone, which can accommodate up to 400 people.

- 9) **Baan Thew Talay Blue Sapphire Project**, with the splendid achievement of Baan Thew Talay Aquamarine (Phase 1), which received 2 international real estate awards: Best Condominium and Best Leisure. Development of Thailand Issara Ruam Co., Ltd. has launched “Baan Thew Talay Blue Sapphire” (Phase 2), one of the quality landmarks projects. Beachfront condominium in Aquatic Contemporary style, next to private beach. Combining design inspiration from the turquoise sea and soft white sandy beach, giving you a warm atmosphere to relax your body and mind. Ready to receive the most special in every unit with a private balcony, you can experience the beautiful atmosphere of the sky spreading across the sea and the interior of the room with concept from the blue sea and sand on the beach. As if to relax on the beach all the time to fulfill life completely and close to nature. Surrounded by landscaped gardens and lush vegetation. Interspersed with a beautiful lotus pond moreover, the project area is surrounded by a natural garden that provides shade and freshness. There are also amenities that are suitable for the whole family. It comes with a 100-meter free-form swimming pool and a seaside beach club, fitness center, steam room, BBQ area, kids’ zone and library. With the place of rest for the whole family on the area of 15 rai beach front with two 4-storey buildings and 15-storey buildings with 1-, 2- and 3-bedroom rooms, size 36-158 square meters. Ready to move in. This project is operated by Issara United Co., Ltd., a subsidiary company.

- 10) **Blue Diamond Project (BLU DIAMOND)**, a condominium part of Thew Talay World that has received the Highly Recommended for Best Condo Development (Cha Am - Hua Hin) award of Issara Associates Company Limited, a beautiful beachside property developer on Cha Am

beach. High-rise condominium between Cha Am - Hua Hin Sea view Stylish Beachfront / Resort Chic style meet all needs that will fulfill your vacation more perfect. With a design inspired by waves and corals combine with the decoration in blue-white tones. According to the sea, the free-form swimming pool is inspired by the Atoll Oasis mixed with the azure sea. The sea view of Cha-am from above with complete facilities such as Lobby reception, 24-hour security, fitness with modern equipment. For you to enjoy exercise private steam room that nourishes both physical and mental health. Along with a Sunken lounge swimming pool that makes you feel like you are swimming in the blue sea, etc. On an area of 7 rai with a 21-storey building, 1-2-bedroom rooms, size 30-60 square meters, the price is easy to own. Ready to move. This project is operated by Issara United Co., Ltd., a subsidiary company.

- 11) **BABA BEACH CLUB RESIDENCES HUAHIN Project**, a luxury pool villa project located in Thew Talay World Cha-Am - Hua Hin, on an area of 110 rai with a longer beach front. There are 11 units in total, with a usable area ranging from 279-525 square meters, land size 444-788 square meters, designed with a Neo Colonial style architecture that blends western and local styles perfectly. With an emphasis on privacy, each villa features a hallway and a tall balcony. With private swimming pool meet every degree of life with convenient equipment. Moreover, the rental program is managed by the Sri Panwa hotel team and Baba Beach Club Residences Phase 1 which is closed within 1 year of construction.
- 12) **Baba Beach Club Hua Hin**, an exclusive beach club style hotel and residences in the concept of Music Lovers Hotel on the edge Cha Am Sea - Hua Hin managed by Sri Panwa features a beachfront swimming pool and exclusive beach club. Emphasize the guests to relax by the sea with music. It is designed and decorated in an eclectic style. Neo-colonial of Hua Hin and modernity Thus, resulting in an interesting style located on an area of 12 rai in the world. It has a beach front stretching more than 160 meters away from Bangkok for 2 hours and close to major tourist attractions. It offers 18 panoramic ocean view rooms with private pools and 18 luxury pool villas. Baba Beach

Club Hua Hin is surrounded by panoramic views of the Gulf of Thailand coastline. Providing 5-star service and amenities such as a premium fitness center, Cool Spa, swimming pool, restaurant and bar by the sea, Baan Chok Restaurant & Cafe, White House by the sea and the venue for beach events, with Sri Panwa Management Company Limited as the hotel manager.

Habita Seaview, opened since the end of 2021 with a 12-storey height with 47 rooms and a banquet hall (Convention Hall) with a capacity of 200 people, meeting rooms / seminars / Kid Club / Cool Spa. This project is owned by Issara United Development Co., Ltd., a subsidiary and managed by Sri panwa

13. **The Hua Hin One project**, Thew Talay world, has transformed 6 rai of land into a stop for check-in, taking pictures and enjoying it before entering Hua Hin town. Distinctive with the Super Shell Station that is uniquely designed in the world. Featuring a stylish car wash and EV Charger, Lawson 108 Convenience Store, Taco Shell Mexican Restaurant, you can also stop by for coffee and homemade ice cream at I-Tim Station, an Art Deco-inspired train cafe. Comes with a photo shoot corner for you to share on social media, also for the children. You can run and play outdoors on the Giant Play Around area and enjoy the fun baby developmental toys all day long. As for those who love pets, you can bring your dog to relax in the green area, Doggy Dog Park allows your dog to run and play with ease.

You can also continue to enjoy marine activities and horse riding along the beach in front of Baan Chok. There are also various relaxing corners such as the Tropical Desert Garden on the large courtyard. Experience the scent of the desert from the tropical plants or be the Art Park, a wall of artists from P7 that spark creativity and learning for the whole family. With the distinctive identity that we create atmosphere into a variety of photo spots for you to pass happiness to everyone. Also, enjoy the night market that gathers restaurants and shopping EAT - FUN - CHILL every Friday and Saturday at the Hua Hin One Night Market @ Hua Hin One. This project is operated by Issara Associates Co., Ltd., a subsidiary company.

14. **(SASARA Hua Hin)** Luxury Beachfront Residence On a private beach In the heart of Hua Hin, Khao Takiab zone Under the concept of “The Art Of Escape” experience the aesthetics of relaxing both body and mind in a private and quiet location. Create a feeling of simplicity Filled with warm feelings of sandy beaches, wind and the sound of waves. Hidden in a location in the heart of Hua Hin that is exclusive to only 110 families. On the specialty of comfortable relaxation It is very secure and private. With a beach front that stretches for more than 8 kilometers, 5 swimming pools, 5 styles, along with many activities both inside and outside the project such as a beach club, fitness center, kayaks, surfboards, and activities with beachside facilities. many more The project will be completed at the end of 2023 and will begin to gradually transfer ownership to customers. This project is operated by Ruam Issara Company Limited, a subsidiary company.
15. **(SASA Hua Hin)** New Beach Condominium in the heart of Hua Hin, Khao Takiab zone. Latest project Condominium that reflects the uniqueness of the melody of the waves like a precious gem. That is both happiness and pride for the owner. Under the concept of The Gems of Escape, next to the sea only 250 meters, a 7-story building on an area of more than 3 rai, with a beach front that stretches for more than 8 kilometers, with many activities both inside and outside the project, is a new project of Chan Issara. Launched at the end of 2023, with plans to begin construction by 2024, the project is being operated by Ruam Issara Company Limited, a subsidiary.
16. **(The Sky Series)** The last 4 residences within the Sri Panwa project. Highlighting the unique design features of leading architects like Habita. Pioneers who have been developing the Sri Panwa project for more than 20 years have made this place a destination that many people dream of visiting. In addition, the potential of the location still maintains the concept of nature conservation. Because each residence will focus on giving residents a view of the sea. perfect big tree In addition, some areas will experience a sea view atmosphere, some areas will experience a sky view atmosphere. which was inspired by the design of Baba Nest within the Sri Panwa project. that is famous all over the world Reduced size so all 4 residences have their own mini Baba Nest with swimming pool. To be

able to come up and take in the beautiful view. Watch the sunset privately

In addition, the design of the living space is designed so that the outside and inside areas are connected into one area. Give the atmosphere of nature, sky, sea, green areas. Let us be with nature all the time.

“The Sky Series is a 3-story, 5-bedroom pool villa, the last 4 units of land in the project, with a starting usable area of 1,200 square meters, starting price of 250 million baht, with every house maintaining the concept. in nature conservation Important large trees that exist, such as olive trees and maca trees, are still kept. Therefore, the design of all 4 residences will not be the same. Because we will preserve the original tree. and make the house surrounded by nature Construction will begin in June 2024.”

2. Long-term rental sales business and rental of office buildings and shopping centers

Charn Issara Tower at Rama IV and Charn Issara Tower II at New Petchaburi, is an office building and a shopping center that is convenient for traveling. It is the center of business. There are suites ranging in size from 25 square meters - 1,700 square meters to accommodate leading shops and businesses.

3. Hotel Operation Business

Around the third quarter of 2006, Charn Issara Residences Co., Ltd., a subsidiary company, began operating a hotel business in the Sri Panwa project, Phuket Province. It is a Boutique Hotel under the name of Sri Panwa Hotel. The hotel has been licensed and operated by 11 Pool Villas comprising of 18 bedrooms and 23 additional construction in the third phase which was completed in 2009. To both Thai customers and foreigners, it is popular with foreigners in a satisfactory level. Later in 2013, the company has sold parts of the Sri Panwa Hotel. It comprises of land of approximately 21 rai 2 ngan 55 square wah, including buildings, which are Pool Villa, Family Suite and Luxury Pool Villa, total 38 units and Pool Suite rooms, 7 units with various facilities and the operation of Sri Panwa Hotel to Property Fund, Sri Panwa Hotel. The Company holds approximately 30% of the investment units in the mutual fund and rents the Sri Panwa Hotel to return to management for a

period of 15 years with fixed rental as agreed. Currently, Sri Panwa Hotel Property Fund converted to a trust under the name of Real Estate Investment Trust for Sri Panwa Hotel. In December 2016, the construction of HABITA Hotel, which has 30 additional Pool Suite and Penthouse rooms and X29 villas, is also sold to a real estate investment trust for Sri Panwa Hotel. In December 2016 as well, worth approximately 1,300 million baht and completed the construction of 4 pool villas worth 200 million baht, which was completed in 2019.

In the fourth quarter of 2017, the company has provided two additional hotels, BABA BEACH CLUB HUA HIN, a hotel project located in the same area as the luxury villas on the beach front of Hua Hin - Cha-am. It is part of Thew Talay Estate, a Pool Villa and Pool Suite style residential project worth 1,800 million baht. BABA BEACH CLUB NATAI is located in the same area as BABA BEACH CLUB NATAI, Natai Beach, Khok Kloi Sub-district, Takua Thung District, Phang Nga Province. 16 Pool Suit rooms with amenities such as BEACH CLUB, restaurant, and large swimming pool. Beach front nature park beautiful and secluded, with a 200-meter-wide beach and perfect sand and sea quality. At present, Sri panwa Phuket opens a new Pool Suite in the name of Yaya & Convention, which has 24 rooms and a large banquet room with a capacity of

400 people, overlooking the sea parallel to the banquet hall and the end. Of the year Soul caf and Tu Bar were opened to increase the outlet of the hotel. In addition, Baba Beach Club Hua Hin Phase 2, which we call the Habita Seaview zone, is a 12-storey building. There are 47 rooms with a large Convention room for organizing seminars, weddings and events, along with Kid Club, Cool spa, and Fitness rooms to provide complete service to customers and at Baba Beach Club Hua Hin, we have a home restaurant. Luck and Soul Food as well.

4. Managing office buildings, juristic condominiums / housing estates and real estate project management business

The company was appointed by the Bangkok Property Fund to be a real estate manager and property manager of the fund. These include condominiums in Charn Issara Tower and Charn Issara Tower II with a total area of 30,687.68 square meters since 2002 including project management of International Research Development Company Limited.

For the management of condominium or housing juristic person, the company and its affiliates manage the condominiums, various housing estates that the

The Company has investments in subsidiaries, related companies and property funds as follows.

Company Names	Total paid registered Capital (million)	Total shares	Par value (Baht)	Shareholding Percentage %
Charn Issara Residence Co., Ltd.	140.00	1,195,000	100	85.36
C.I.N. Estate Co., Ltd.	250.00	1,499,996	100	59.99
Charn Issara Vipaphol Co., Ltd.	100.00	2,099,996	100	49.99
Issara United Co., Ltd.	420.00	2,099,996	100	49.99
Sri panwa Management Co., Ltd.	100.0	3,000,000 (CIR A subsidiary holds shares 100%)	10	85.36
Issara Junfa Co., Ltd.	920.00	7,939,997	100	86.30
Issara United Development CO., Ltd.	560.00	2,799,996	100	49.99
Charn Issara REIT Management Co., Ltd.	20	1,999,996	10	99.99
Issara Development CO., Ltd.	100	999,998	100	99.99
International Resources Development	1,757.95	2,810,695	100	15.99
Bangkok Commercial Property Fund	1,000.00	17,561,900	10	17.56
Sri panwa Hospitality Real Estate Investment Trust	3,097.72	425,000	11.10	0.15

Company and affiliates have developed projects such as Issara @ Forty Two Sukhumvit, The Issara Ladprao, Baan Sitawan, Pak Chong-Khao Yai, Issara Collection Sathorn and resort condominiums in project Thew Talay Estate, etc.

Subsidiaries and related companies are as follows:

1. **Charn Issara Residences Company Limited** engages in property development for sale and a hotel on an area of 80 rai under the name of “Sri Panwa Project” Phase 1 and 2 worth 1,600 million baht, Phase 2 and 3 worth more than 1,500 and 1,400 million baht, respectively. Located on Cape Panwa, Phuket Province, surrounded by sea views and surrounding islands. The main customers of Sri Panwa Project are foreigners and Thai people who enjoy life in Phuket which is the most famous resort in the world. Currently, 2 units of ownership have been sold and transferred to customers and the construction in Phase 3 is a Pool Villa of 4 units (X25) which was completed at the end of 2019. It comprises of land approximately 21 rai 2 ngan 55 square meters with buildings and rooms, Pool Villa, Family Suite and Luxury Villa, total 38 units and a Pool Suite room 7 units and various facilities related to operations of Sri Panwa Hotel to Sri Panwa Hotel Property Fund (SPWPF) where the Company holds approximately 30% of the investment units in the mutual fund and leases the Sri Panwa Hotel to return to management for a period of 15 years with fixed rental fees as agreed. In 2014, the company has operated the construction of a new hotel phase. It will be developed into approximately 30 additional POOL SUITE rooms to support the expansion of tourists who come to Phuket with an increasing trend every year. The construction is now completed and has been in operation since the end of 2015. Converted to a trust under the name of Real Estate Investment Trust for Sri Panwa Hotel in December 2016 and the company has sold the hotel in the second part which offers 30 POOL SUITE rooms with X29 villas for real estate investment trusts. Sri Panwa Hotel in December 2016 as well, the total value is approximately 1,300 million baht.

The Phase 4 hotel is currently under construction, consisting of a Convention Hall and 24 pool suites.

2. **C.I.N.Estate Company Limited** engages in property development for sale. Currently, one project is being developed and has been completed 2 projects which is The Issara Ladprao is a large condominium project. On an area of almost 5 rai on Lad Phrao Road, between Soi Ladprao 12 and Ladprao 14, 47-storey condominium, 1 building, a total of 561 units, only 300 meters away from the Lad Phrao MRT Station, the project value of approximately 2,800 million years, sold and transferred 100% of the condominium units. At the beginning of 2013, Izzy Condo Suksawat was launched, another brand in the middle target level of Charn Issara Group on Suksawat road close to the Purple Line train that will build in the future. The building has a height of 24 floors on an area of 4 rai. The usable area of the apartments ranges from 21 square meters to 55 square meters at the price of a million baht. But with the quality of common areas such as a large lobby luxury swimming pool with a sky garden that allows you to experience the fresh air on the top floor of the building. With superior security system and a key card system that controls access perfectly. It has a positive respond. At present, 100% of ownership has been sold and transferred. In 2018, the company launched Baan Issara Bangna project on the main road near Mega Bangna on an area of 24 rai, detached houses 2 and 3 floors, usable area 380 to 697 sq m, surrounded by green nature. Passed from generation to generation by leading designers with complete functional functions. With a grand clubhouse large swimming pool a state-of-the-art fitness center with an amphitheater zone that helps each family bond and running tracks around the village. The shady garden helps the rest of the time to be filled with happiness, starting price 79 million baht, at present, the model houses have been constructed and gradually built houses for customers.
3. **Charn Issara Vipapool Company Limited** engages in real estate development for sale and has completed 5 projects as follows.
 - (1) **Baan Ploen Talay Project**
 - (2) **Baan Chan Talay Project, both projects are 100% sold and transferred.**
 - (3) **Issara Village project** is a new concept townhome allowing you to live close to nature, surrounded by beautiful gardens and swimming pool. The atmosphere is quiet, private, with only 35 units, now 100% sold and transferred.

(4) **Issara Collection Sathorn**, a luxury 7-storey condominium with premium features. On the prime location of Sathorn Road which is convenient and beyond your expectation. Another masterpiece project of Charn Issara Group Award holder for real estate developers in Bangkok and leading resort cities. With just 33 units comprising two to three bedrooms and a three-bedroom duplex, the Issara Collection Sathorn is a true family residence with a generous amount of kitchen space. Both western and Thai kitchen in some units. The distance from the ceiling is higher than the standard, as well as the usable area that is more than 100 square meters of each unit. Create a feeling of home for the residents. For privacy fulfill the urban lifestyle, some units have a private elevator and beautifully decorated with a unique identity Now completed and available for sale only 1 unit.

(5) **The Issara Chiang Mai**, a resort-style condominium project on an area of over 3 rai consisting of two 7-storey buildings, total of 265 units, ready to move in. Each unit has been cleverly designed to maximize the use of space. Ready to enjoy the most relaxation enjoy the atmosphere of pleasure and comfort with complete decoration and amenities. You can choose happiness in 1-2 bedrooms, size 35-70 sq m, and find inspiration for every new morning at our private lab pool. Or to cool off in a jacuzzi, get fit and firm in the spacious gym. With a well-designed green space, allowing you to live fully close to nature on a potential location that connects all life to the business and tourism hubs perfectly.

4. **Issara United Co., Ltd.** is a merger between Charn Issara Development Public Company Limited and Saha Pathanapibul Public Company Limited and I.C.C. International Public Company Limited, which is widely known for a long time as the business real estate development for sale company. Currently, the development is completed, 3 projects located at Km 209, Cha-am district, including Baan Thew Talay Aquamarine Project (Aqua Marine) is a beach front villa style condominium worth over 2,000 million baht, complete with full facilities. In order to meet the customer group, squeeze to A, on an area of 13 rai, adjacent to the sea, width of 57 meters, just 10 minutes' drive from Hua Hin town.

Fully consists of 4 low rise buildings, 4 buildings and 15 floors, 1 building with 1-3 bedrooms, size 44-193 square meters, totaling 270 units, starting price from 3.1-35 million baht. It is surrounded by greenery of the surrounding landscape and open to the view of the sea with a perfect living area, complete according to the Natural Contemporary concept, designed by the famous Habita Company. The Baan Thew Talay project was completed in 2014 and has also been awarded two international real estate awards from the International Property Awards, Best Condominium and Best Leisure Development of Thailand. The second project is Baan Thew Talay Blue Sapphire project on an area of 15 rai by the beach, consisting of three buildings, two 4-story buildings and a 15-storey building with 1 room. Stay 1-3 bedrooms, size 36-159 square meters, totaling 421 units, starting price from 2.9-21 million baht, beautifully designed in Aqua Contemporary style by Habita Architect, the renowned architect company. With inspiration from the river Baan Thew Talay is surrounded by a shady landscape of lush gardens and plants. Interspersed with beautiful lotus ponds and freeform swimming pools. Ready to open up views for residents to immerse themselves in the scenery of the waves Creating a feeling of unity with the serene natural surroundings. Completed in 2015, it currently has over 90% of sales and transfers, and the third project, BLU is a residential condominium project, following two quality projects, Baan Thew Talay, Aqua Marin and Blue Sapphire, Thailand's best condominium, which received two awards, year after year from the International Property Awards of Issara United Company Limited, a beautiful and private property developer on the beach front of Cha-am. Characterized by landscape design under the concept of beach life amidst the Atoll, like the Maldives, to create a tropical atmosphere full of enchanting charm. Just the first step into BLU, you can experience the simple, elegant and stylish architecture of the front entrance with big and small plants. Extending from the entrance to the lobby overlooking the pool in a beautiful wide swimming corner. Surrounded by a building that emphasizes the shady for a truly relaxing holiday on an area of 7 rai on the beach with a 21-storey building, 1-2 bedrooms, size 30 - 60 square meters, prices are easy to own. Starting at only 1.89 million baht, the construction has been completed and the ownership has been transferred to customers since the

end of 2016 for the fourth project, namely Baba Beach Villa Hua Hin, a luxury villa project on the beach front of Hua Hin - Cha-am. It is part of the Thew Talay Estate project, a Pool Villa style residence. Baba Beach Villas Hua Hin features both its location and design that is different from the general villas. Privacy focus and the real comfort of relaxation for residents. Neo Colonial style house style, outstanding in appearance and design of the living space combined with a full common area. There is also a Rental Program that can provide compensation in Investable Managed and maintained by Sri Panwa Phuket Hotel, which has more than 10 years of experience in hotel management and is recognized. Guaranteed by many world-class awards. Baba Beach Villa Hua Hin is a two-storey detached house with swimming pool. Usable area size from 279-525 sq m, land size 111-197 sq m, 11 units at a starting price of 42.9-80 million baht, the project completed in 2018, sell and transfer 100% of ownership. Baba Beach Club Residence Hua Hin Phase 1 therefore

launched Phase 2 of 7 units with usable area of 167.5 square meters, land size 252-264 square meters, which remains the Baba Beach Club Residence Hua Hin. Designed to focus on the privacy of the residents in harmony with the relaxation atmosphere. Construction is completed 2021.

5. **Sri Panwa Management Co., Ltd.** owned by Charn Issara Residence Co., Ltd. has operated hotel management business since 2013 by renting Sri panwa Phuket Hotel Phase 1 and Phase 2 and Baba Beach Club Hua Hin Hotel from Sri Panwa Hotel hospitality Real Estate Investment Trust. come to manage as a luxury hotel and later managed the Baba Beach Club Natai Phang Nga hotel, as well as the Baba Beach Club Hua Hin hotel extension called Habita Seaview and Sri panwa Phuket hotel extension called Yaya Convention. which is a Convention Hall and a meeting room to support organizing events, seminars and events Room details and hotel values are as follows:

Hotel	Value	No. of room
Sri panwa phase 1	2,000 mil. Baht.	45 rooms
Sri panwa phase 2	1,300 mil. Baht.	31 rooms
Baba Beach club Hua Hin	550 mil. Baht.	18 rooms
Baba Beach Club NaTai	500 mil. Baht.	16 rooms
Baba Beach Club Hua Hin zone Habita Seaview	1,200 mil. Baht.	47 rooms
Sri panwa Phuket zone Yaya and Convention	1,000 mil. Baht.	24 rooms

6. **Issara United Development Company Limited**, which is a joint venture between Charn Issara Development Public Company Limited and Saha Pathanapibul Public Company Limited and I.C. C. International Public Company Limited, which has been widely known for a long time. The objective is to jointly operate the business of real estate and hotel development. By bringing the land on the beach to develop a hotel and villa in Namba Beach Club Hotel Hua Hin, which was completed and started operation in the fourth quarter of 2017 at the end of 2018, the company sold a hotel in the Beach Front section. Pool Suit 18 keys entered into a real estate investment trust for Sri Panwa Hotel, where Sri Panwa Management Company Limited is the operator of the lease back to manage the hotel for the new zone hotel building, which will have more than

47 rooms with Convention rooms, meeting rooms, Kid Club, Cool Spa, Fitness has been completed. Since the end of 2021, in the name of Habita Seaview, Sri Panwa has managed the hotel.

7. **Issara Junfa Company Limited** is a joint investment between Charn Issara Development Public Company Limited and Junfa Real Estate Company Limited, a leading real estate company from the People's Republic of China. The project will jointly develop a real estate project for sale and a hotel under the name BABA BEACH CLUB NATAI, located at Natai Beach, Khok Kloy Sub-district, Takua Thung District, Phang Nga Province, on an area of 42 rai, right on the beach with quality sand and sea water. Up to 200 meters, surrounded by coconut plantations and shady local

trees. BABA BEACH CLUB NATAI project will consist of BEACH FRONT VILLA, 6 5-bedroom beachside villas with a section that will open as a hotel, consisting of a BEACH CLUB, a beach front room and POOL VILLA, POOL SUITE rooms surrounded by natural garden and large swimming pool. Currently, the construction of the hotel is completed. Service started to customers in late 2017 and completed 6 Beach Front Villas and 16 Pool Villas completed in 2019. The project has already hosted two world-class Circoloco events.

8. **Charn Issara REIT Management Co., Ltd.** is a REIT manager. Currently is a real estate investment trust manager for Sri Panwa hotel which worth over 4,100 million baht. The invested assets consist of Sri Panwa Phuket Hotel and Baba Beach Club Hua Hin Hotel.

9. **International Research Development Company Limited** engages in real estate development for sale. Currently, there are 923 rai of land for development, located near the Suvarnabhumi Airport. Some 400 rai of land was sold to King Power Group, which is now developed into a polo field. The largest in Thailand. Currently, it also Developed as a residence and a golf course etc.

10. **Development company limited.**

In 2023, Chan Issara purchased land in the area. Krungthep Kreetha - Rama 9 - Ring Road, area size approximately 40 rai, to develop a residential project. Therefore, Issara Development Company Limited was established to undertake this project. The project is expected to launch in mid-2024.

(2) Marketing and Competition

• Marketing

Company's marketing strategy

- Create the "Charn Issara" brand, emphasizing the quality, value and quality at all levels of products of the Charn Issara. To enable consumers and target customers to acknowledge and recognize the brand identity in order to achieve "Brand Loyalty" leading to referrals and repeat purchases.
- Continues focus on Online Marketing. From having been successful in building the brand "Sripanwa" through Online media until it made it world famous

in the real estate for sale. The company will develop online sales to facilitate customers in this era. To receive information for fully decision-making and convenience in online booking.

- Do promotions regularly. To stimulate awareness of news and stimulate consumer purchasing decisions.
- Focus on flexible customer service. To maintain customer base and help customers solve problems according to the situation that arises.

Residential development for sale business

The company has a policy to procure vacant land with potential for the project. Either the residential land in the tourist attraction or the land in the center of the city with a suitable size and continue to develop housing on those lands. Taking into account the location that is convenient for transportation, such as near the train or near the expressway. Along with shopping centers, schools and hospitals, every project will be meticulously designed. Both beautiful and perfect, modern and functional. Selecting various materials and equipment to get the quality at a good standard. As well as taking care of the after-sales service continuously. This helps the project get the attention of the customers. In addition, the company will continuously promote sales. Focus on online marketing which is a channel to reach consumers today. This encourages customers to purchase decisions and is more flexible in the sale.

Sale, long-term rental and rental of office buildings and shopping centers business

The Company's office buildings consist of 2 buildings: Charn Issara Tower, Rama IV Road and Charn Issara Tower 2, New Petchburi Road. In which the company has clients who are leading companies, being a customer and a renter. Make it a strength and able to retain customers to renew leases with an emphasis on quality of service and continually improve the building. In order to meet good standards and have a team of experienced and help customers when the epidemic crisis occurs and try to keep customers when renewing contracts. There is a Baba Beach Club Phang Nga project that has a section of Beach Front Villa and Pool Villa for long term rental (Lease 30 years) and can be brought together with the hotel, let the hotel manage and find tenants.

Office building management, Condominium Juristic Person, Housing, Condominium and Real Estate Project business

The company emphasizes the quality of services and the efficiency of building management services. In the past, the Company has managed to manage juristic persons only for projects developed by the Company and its affiliates. However, the Company can manage condominium or housing juristic persons other than those of the group and affiliates as well. When the market grows in demand, the company focusing on the strength of the company to the expertise and experience of the executives, reputation in real estate business, and relationship with customers. The company is assigned as a property manager of a mutual fund, Bangkok Real Estate, and help manage sales and marketing of rental space for the Bangkok Property Fund.

Hotel and vacation home business

“Sri Panwa” has been selected as one of the top five resorts in Thailand. It has also been selected as one of the most charming hotels in the world. The location is located on the tip of Laem Panwa. The villas here have sea views in all directions. In addition, the design and decoration includes the use of new technology in every villa. It makes guests impressed from the first step of their arrival. Including different services Complete with complete facilities and there are 2 more “Baba Beach Club” hotels that are open for service: Hua Hin-Cha-am and Natai Phang Nga, where “Sri Panwa” is the hotel manager.

In order to create a good image and create brand awareness among target customers, the hotel has advertisements in print media, TV media, online media, etc. and has prepared a promotional plan and is continuously implementing.

- **Distribution**

Residential development for sale and building for rent business

There are two types of distribution channels: sales by company sales team and sales through sales representatives. There are both Exclusive Agent and Non-Exclusive Agent to cover more customer groups.

Hotel and vacation home business

There are 3 main types of sales channels used by hotels:

1. Direct sales channels. It is divided into sales by the company team and direct sales through the hotel website.
2. Distribution channels through retail intermediaries
3. Distribution channels through wholesale intermediaries. Including participating in sales activities and promotions with leading partners both in Thailand and abroad. Including booths, road shows, trade shows, etc.

To distribute hotel rooms to current customers; The Internet sales channel is another important and efficient channel. It able to distribute products all over the world reach a large customer group. There are more and more internet users to book hotel rooms throughout Thailand and around the world every day. It is convenient and fast.

- **Customer characteristics and the relationship between customers and the company.**

The Company’s customers are large and small customers which differ according to the nature of business as follows

Residential development for sale business

Target customers in residential development project in Bangkok and the Company’s perimeter are A - A + customers for housing estates (House price from 20 million baht or more) Customers level B - A and above for condominium customers, the company is confident in building a good relationship with customers. Whether it is selling products with good quality standards and providing continuous after-sales service. It will result in the customers of the company to recommend the company’s products to relatives or friends.

Long-term rental sales and rental of office buildings and shopping centers business

The company focuses on 2 types of target groups, which are stores that want to trade in buildings with an area for customers to choose from 30 square meters onwards, and various companies that have production in various industrial estates in the area of

metropolitan and would like to have an office building with a location near the business district. There are utilities facilities and complete telecommunication. Currently, the major customer of the company is Siemens Co., Ltd. (Siemens AG), which has been a customer of the company for more than 20 years and has many other leading companies.

Managing office buildings, juristic person, condominium or housing estate, including real estate project management business

Currently, the Company will undertake project management of the Company's affiliates. However, if the demand in the market is sufficient, with the expertise and experience of executives and staff. The company also aims to serve other medium and large companies as well.

Hotel and vacation home business

Sri Panwa Phuket Hotel, the target customers in the project are A to A+ customers, with room rates per night starting at 15,000-100,000 baht, divided into Chinese customers. Thai people and foreigners On average, Chinese people approx. 22.97%, THAI 19.45%, USA 14.73% Saudi Arabia 12.91% KOREA 7.3% UK 5.15%

Baba Beach Club Hua Hin Hotel and Baba Beach Club Phang Nga have target groups of B+ - A+ room rates. Room rates of Baba Beach Club Hua Hin start at 6,150 baht and the price of Baba Beach Club Natai starts at 14,089 baht. Hua Hin is a Thai customer, Phang Nga-Natai focuses on foreign customers and the hotel has a Returning Guest for up to 5%, which can be seen that customers who have come will like it and will like to come again including telling them to relatives including telling them through online media.

• **Price policy**

The pricing policy for each type of business of the company can be divided as follows:

Residential development for sale business

Policy on pricing products for sale in the residential business considering the project cost, market price, and value-added difference that customers will receive from

the Company's projects in order to provide the price that suitable for project quality. In addition, the Company regularly conducts research and study trends in price and supply demand in the real estate market. The company team collects information and issues reports to the management. Including business overview report and report according to the area that the company has projects. So, the company will know the market needs and be able to set the price level that is suitable and able to respond to the needs of the customer.

Sale, long-term rental and rental of office buildings and shopping centers business

The Company has a pricing policy for each type of business to be able to compete with others. By the price specified in the sales business for long term rental and the rent of office buildings and shopping centers was determined according to the market price level. The company has study from the rental rate and the selling price of the same quality office buildings and nearby. For existing customers, there will be an extension of the lease with an adjustment of the rental rate according to the increasing cost and suitability from the market price of the office building at the same level.

Office building management Condominium / housing juristic person and real estate project management business

Although the company has managed office buildings and real estate projects only for the company concerned. But the price policy that the company has set in this business is a price level that is set according to the market level so that the company can compete with its competitors.

Hotel and vacation home business

The project has a predetermined pricing policy for at least 1-2 years which allows the project to plan the sale of rooms in each market and each target customer group accurately according to the season. After that, they will be able to choose a marketing channel that will reach each customer segment during the right time. The price can be adjusted to suit the situation later in order to stimulate sales.

Industry conditions and competition

The Thai economy in 2023 expanded at 1.9 percent, with an important factor from the value of agricultural production industrial sector and construction decreased. The volume of merchandise exports decreased by 2.9 percent, especially computer and electronic products, which Thailand used to be an important production base in the world. The economic slowdown is a result of slowing global demand due to higher inflation and interest rates including geopolitical conflicts between Russia-Ukraine Israel-Palestine and United States-China. As a result, foreign investors continued to sell Thai securities throughout the year from the Stock Exchange and Thai Bond Market at -1.9 and -140 billion baht, respectively. In addition, Thai household debt increased at a faster rate than the growth of economy, which in 2023 will account for 90.9% of the gross domestic product (GDP), resulting in Thai people not being able to afford to buy houses and commercial banks having a loan rejection rate at the level of 65 percent of the total applying for housing loan approval.

When considering the overall picture of the Thai real estate market, it was found that the policy interest rate that had been raised to 2.50 percent had an impact on both the demand and supply sides. As a result, home loan borrowers are burdened with higher living expenses. Because interest rates increase by 1 percent. It means home payments are 7 percent more expensive, causing an increase in bad debt worth 130 billion baht. Borrowers abandon their homes, resulting in an overflowing supply of second-hand homes competing with newly built homes. At the same time, entrepreneurs have higher project development costs from bank loan interest. Including the rising costs of construction materials, transportation costs, and labor costs, they affect each other in a domino effect in the supply chain. In addition, the price of vacant land has increased by a minimum of 10 percent, coming from the Treasury Department's appraisal price and the market price of land in almost every location. Entrepreneurs face higher project development costs and must also bear the burden of land and building taxes from inventories in projects that are slowly selling. As a result, the real estate sector in 2023 has reached the saturation point of slow growth. It is expected that the real estate market in 2024 will face another severe storm year. Both from the perspective of entrepreneurs who must conduct their business carefully and consumers who must plan their housing purchases more carefully.

Residential Condominium and Housing Estate

Market Conditions

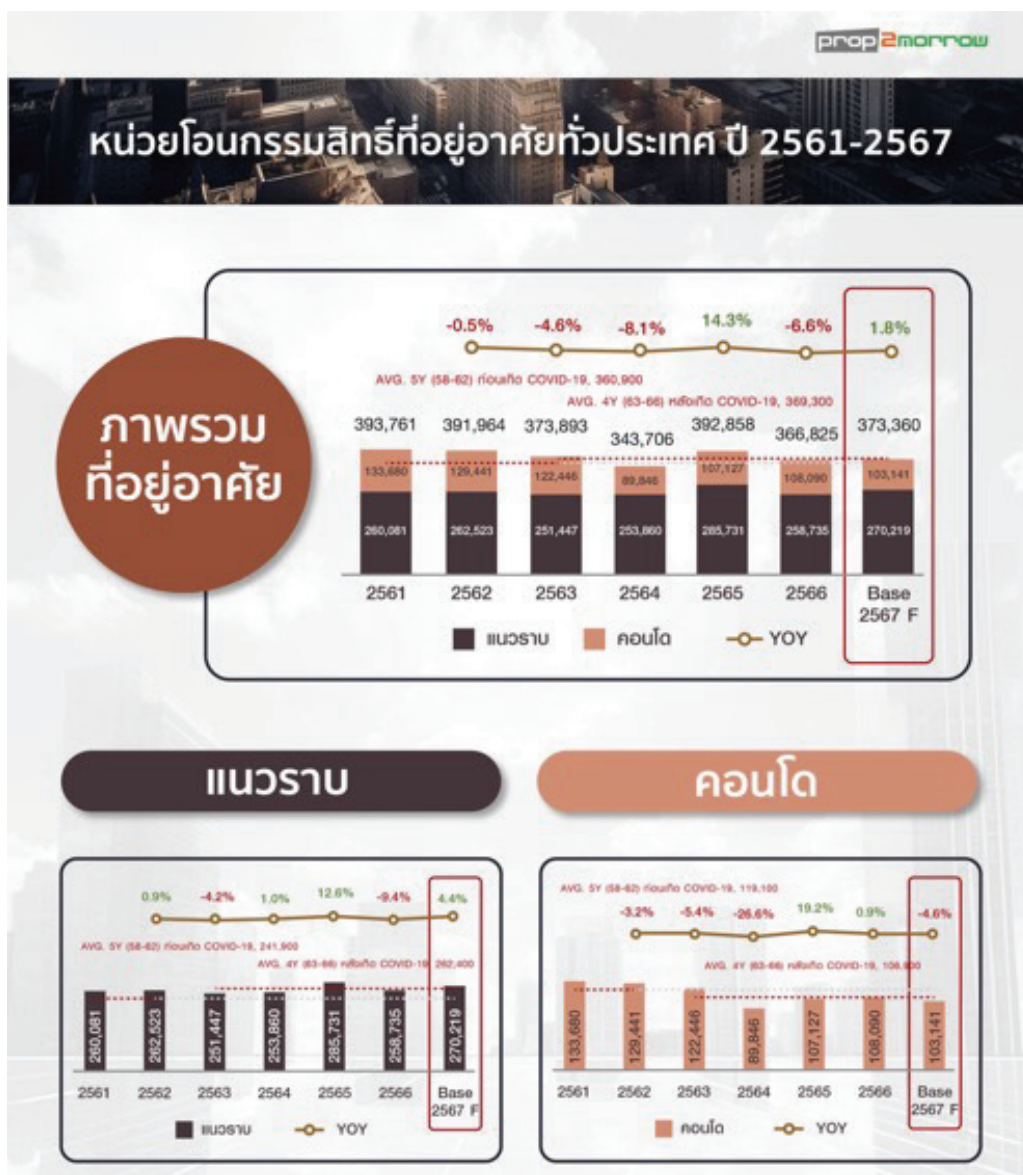
The housing market in 2023 still faces the problem of a severe decline in consumer purchasing power due to rising living costs and loan rejections by financial institutions. Data from the Real Estate Information Center (REIC) shows an overall picture of the housing market in the 4th quarter of 2023. There was a decrease in the number of housing ownership transfers nationwide, both in the number of units and in value. There were 96,163 residential ownership units transferred, a decrease of -12.7 percent compared to 110,210 units in the 4th quarter of 2022, with low-rise houses decreasing -13.5 percent and condominiums decreasing -11.0 percent, while the value of housing ownership transfers nationwide amounted to 279,875 million baht, decreased -9.7 percent, with low-rise houses decreasing -8.0 percent and condominiums decreasing -13.5 percent. Resulting in the value of new home loans has decreased as well, with a value of 177,473 million baht, a decrease of -14.8 percent compared to the 4th quarter of 2022 with an amount of 208,339 million baht. Therefore, REIC predicts that the number of ownership transfer units nationwide in 2023 will be accumulated approximately 366,825 units worth 1.05 trillion baht, a decrease of -6.6 percent and -1.7 percent, respectively, compared to the previous year. As a result, the value of newly released personal home loans amounted to 678,347 million baht, a decrease of -2.8%, while the price level at which ownership of both new and second-hand homes was transferred decreased. But there is an observation that the average price of a residential home has adjusted to the price range of 5 million baht instead of the price level of 3 million baht, which means that future home prices will definitely be higher than before.

While on the supply side, the number of units that have been approved for development nationwide is 23,413 units, an increase of 7.6% compared to 21,759 units in the fourth quarter of 2022, while the supply of new housing project launches in Bangkok and surrounding areas is 31,774 units, increasing. An increase of 14.5 percent compared to the same period last year with 27,751 units. As for the overall picture of new housing projects launched in 2023, there are 96,813 units, a decrease of -11.4 percent, but a value of 597,272 million baht, an increase of 8.7 percent compared to the previous year. This is because the demand for buyers in the low to middle income level has affected the adjustment of the supply of housing in the system. This has caused entrepreneurs to

adjust their strategies to capture the more expensive housing market. This will be clearly seen in the Bangkok-metropolitan area. There were 18,520 units of detached houses launched, valued at 269,533 million baht, expanding 5.7 percent and 10.6 percent, respectively, and 9,609 units of twin houses, valued at 56,747 million baht, expanding 7.7 percent and 11.3 percent, respectively, compared to the same period of the previous year. While there were 47,800 new condominium units launched, a decrease of -14.5 percent, the value reached 196,595 million baht, an increase of 25.90 percent, which shows that new condominiums launched in 2023 will have higher prices than in 2022.

As for the direction of the housing market in 2024, REIC predicts that it is likely to recover. But still have to face many risks. If the overall economic situation is to expand between

2.8-3.2 percent, general inflation is at 1.0-2.0 percent, and the annual average MRR interest rate of the 6 major banks is between 6.8-7.0 percent, it will create the expansion of units and ownership transfer value in 2024 is approximately 373,360 units, an increase of 1.8 percent. In terms of housing ownership transfer value, the amount is approximately 1,087,499 million baht, an increase of 3.9 percent. As for the launch of new projects only in the Bangkok-metropolitan area. It is expected that there will be 103,019 new residential units for sale, an increase of 6.4 percent. The project value is 609,992 million baht, an increase of 2.1 percent. This may result in unsold units continuing to accumulate and there may be more supply than the demand absorption rate. Focusing on the housing market in the price range less than 3 million baht and the price range over 20 million baht.

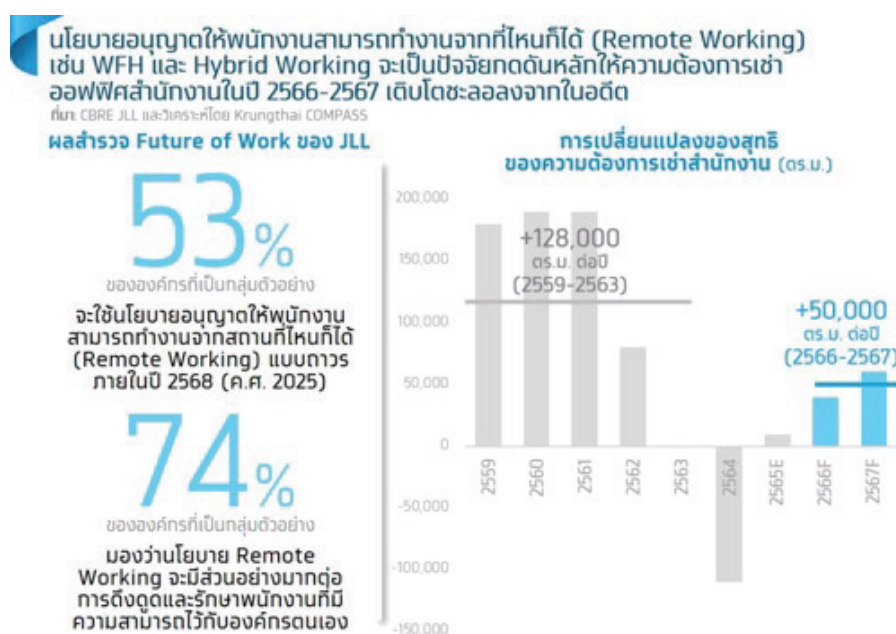


Source: Website <https://prop2morrow.com/> analyzed from REIC data.

Office Building Market Conditions

Demand for the office rental market in 2023 will expand only slightly. This is because the demand for office space around the world has decreased due to remote working policies, both in the form of working from home (WFH) and hybrid working, or outsourcing policies to reduce operation costs. Including the career change trends of the new generation who want to work independently and without time limits, made the office space design focus on the Co-flexible space format, supporting flexible working and no longer needing space to store individual documents and equipment. As a result, the current calculation rate for office space per person has decreased to only 7 sq m per person, which

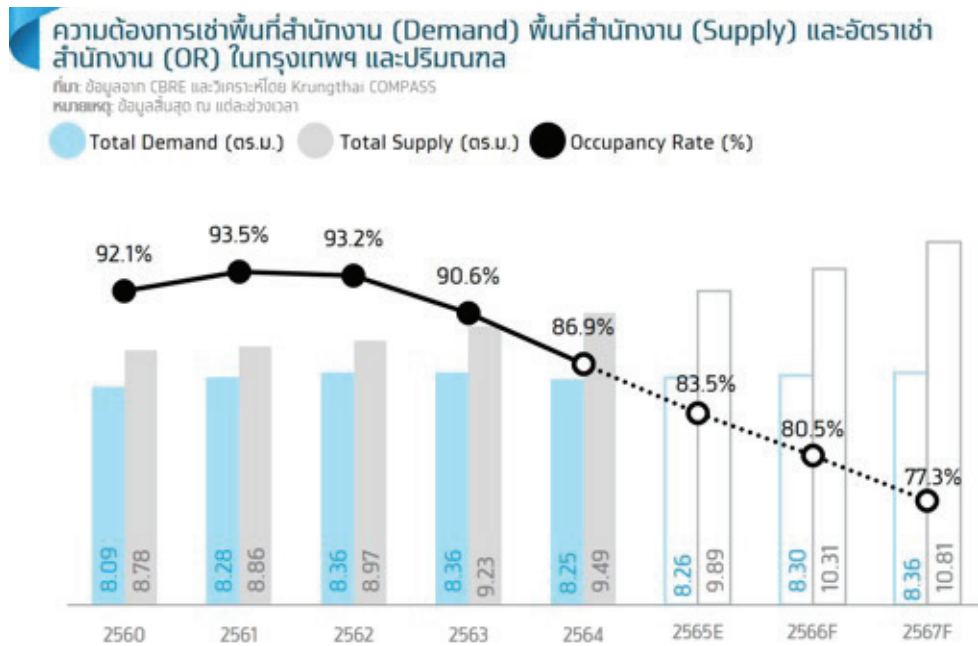
is the office rental market in Thailand. It has been affected by this trend, although in 2022 there will be more foreign companies investing in renting space in the CBD area or electric car business groups from China in the Ratchadaphisek Road area. But office rental space in Thailand grew only 0.48 percent, or an occupancy rate of only 80.50 percent from a total supply space of approximately 10.31 million square meters. This leaves a total of 19.50 percent of vacant office space, or approximately 2.0 million square meters. As a result, the competition for attracting tenants is very high. This is because the demand for office rentals has slowed down from the past average of 128,000 sq m per year to only 50,000 sq m per year from 2023 onwards.



Source: Analysis by Krungthai Compass from CBRE data.

Competition in the office space market is becoming more intense. As a result, the total average rental rate decreased from the average. 820 baht/sq m/month, only 700 baht/sq m/month. But if separated by building type and location, it will be found that grade A+ buildings in the central business district (CBD) designed according to LEED standards or green buildings (Green Office) can still maintain rental rates in the price range of 1,100 - 1,200 baht. /sq m/month. This is because tenants value the corporate image and reduce energy use to preserve the environment. But if we analyze

rental rates for locations outside economic zones, Non CBD Grade A and Non CBD Grade B buildings will have rental rates decreased by 1.2 percent, falling to the range of 750-800 baht/sq m. /month and 550-650 baht/sq m, respectively. It is expected that in 2024 rental rates may decrease further to attract old and new tenants. This is because new office building space will increase by 460,000 sq m per year between 2023 and 2024, contrary to the rapidly decreasing demand for office space.



Source: Analysis by Krunghai Compass from CBRE data.

Providing a product or service

Characteristics of product acquisition

There are 4 types of real estate development in which the Company operates, which are long-term rental, sales and rental of office buildings and shopping centers, Managing office buildings and real estate projects, hotel business and residential development for sale for housing development business. The steps of the project can be divided as follows.

1. Conception Stage

Initially, the company executives will define the principles or the nature of the project by focusing on the model that came out to meet the customer groups that the company wants to sell, such as lower, middle or upper-level customers, etc.

2. Formulation Stage

It is a step after the conception. The company will determine what type of project the project is, for example, in case the company wants the house model to be detached, the company must find a land area of 20 rai or more. For a condominium project, the land should be as large as 1 rai or more.

3. Analysis and Evaluation Stage

After the company can determine the project, the management will analyze and assess the feasibility of the project, investment capital, and return prior to approval.

4. Approval Stage

After studying the feasibility of the project, it must be imported for approval from the Project Review Committee for approval to purchase land for the next project.

5. Implementation Stage

After the approval of the project, the next step is a process of negotiating land purchase which would take about 1-2 months and contact a financial institution to request a loan for the purchase of land for the project. In addition, the company will prepare personnel for each project. Plan a project, hire designer, request permission from various government agencies related project design and construction auction to find contractors. It also prepares marketing and sales work to launch the project.

6. Reporting and Feedback Stage

During the construction, the company will follow up in order for the contractors who construct houses or buildings to proceed according to the design of the project and to meet the standards good quality to continue delivering to customers. In the meantime, customer payments must be managed in accordance with the contract stipulated in the building will deliver the apartment/house to the customer and transfer the ownership.

7. Transition to Normal Administration Stage

After completion of sales and construction work, the company will enter the process of building management or village administration.

8. Evaluation of Results Stage

After the completion of the project, the company will evaluate the performance. which will evaluate from the success of sales construction supervision, project cost control, as well as customer satisfaction with the project.

Procurement of raw materials

Raw materials for real estate include land and construction materials.

How to purchase land, the company has four purchasing methods which are:

1. Post an advertisement showing the desire to buy land in the newspaper.
2. Bid or negotiate to buy from the bank.
3. Contact through a broker.
4. Contact the landowners who offer direct sales

Currently, the Company does not purchase land from persons that might have potential conflicts. However, if in the future, the Company will purchase land from persons who may have conflicts. The company will proceed according to the measures or procedures for approving the connected transactions and the policy or trend of related party transactions as described in Section 11.3 and 11.4 regarding related party transactions.

How to purchase building materials

For building materials Most of them are included in the contractor employment. In which the contractor will buy the building materials by himself according to the drawings and specifications of the company. But in some works, the company will purchase separately, such as elevator work, garden work, built-in furniture, shower cabinet work, kitchen work and air conditioning, etc. or investigate prices from at least 3 vendors for comparison and negotiation for the best prices and conditions.

Raw material problem

So far, the company has no problem with raw material procurement. This is because the company has taken into account the causes of the fluctuation of raw material prices and realizes the impact. The company has prepared to prevent this risk by entering into a contract to hire an operator to perform the construction at a fixed price. The operator that the company has hired will be the operator of the procurement of raw materials.

(4) Assets used in Business

Assets used in Business

Characteristics of assets of the Company and its subsidiaries as of December 31, 2023

Assets	Asset Location	Cost Appraisal (Million Baht)	Account Price As of December 31, 2023 (Million Baht)	Source of Rights	Obligation
Commercial Suite, Charn Issara Tower 1 4 units (area 1,040.01 square meters)	Chan Issara Tower Rama 4 Road, Suriyawong Subdistrict Bangrak, Bangkok	109.90	109.90	Ownership	Mortgage free
Commercial suites and office suites Charn Issara Tower 2 41 units (area 2,538.48 square meters)	Chan Issara Tower 2 New Petchburi Road Bangkapi Subdistrict, Huai Khwang District, Bangkok	159.40	159.40	Ownership	Mortgage free
Residential unit Kensington Place Khao Yai Project 1 unit (Area 151.41 square meters)	Wang Kra Tha Subdistrict, Pak Chong District Nakhon Ratchasima Province	10.34	10.34	Ownership	Mortgage free
Land and Buildings Baan Sitawan project, area 27 rai	Pak Chong District Nakhon Ratchasima Province	-	101.33	Ownership	The Company has mortgaged as collateral for a bank loan in the amount of 103 million baht.
Land and Buildings Issara Residence Rama 9 Project Area 9 rai 2 ngan 34 fractions 8 parts 10 sq wa	Huai Kapi Subdistrict, Huai Khwang District, Bangkok	-	68.38	Ownership	The Company has mortgaged as collateral for a bank loan in the amount of 200 million baht.
Land and Buildings, condominiums The Issara Sathorn project Area 1 rai 2 ngan 60 sq wa	Thungmahamek, Sathorn Bangkok	-	1,480.48	Ownership	The Company has mortgaged a loan as collateral for a bank in the amount of 900 million baht.

Assets	Asset Location	Cost Appraisal (Million Baht)	Account Price As of December 31, 2023 (Million Baht)	Source of Rights	Obligation
Land and Buildings, Bann Issara Rama9-Wongwaen Area 1 rai 2 ngan 60 sq wa	Pravet, Phra Khanong Bangkok	-	810.33	Ownership	The Company has mortgaged a loan as collateral for a bank in the amount of 2,178 million baht.
Land and Buildings Project "BaBa Beach" Area 28 rai 1 ngan 12.8 sq wa	Takua Thung District, Phang Nga Province	-	842.91	Owned by Issara Junfa Co., Ltd.	The Company has mortgaged as collateral for the issuance of its debentures amounting to 950 million baht.
Commercial suites and residential suites The Issara Ladprao project, 2 units, area 563.07 sq.m.	Lat Phrao Road, Ladyao Subdistrict Bang Khen, Bangkok	52.80	52.00	Owned by C.I.N. Co., Ltd. Estate	Mortgage free
Commercial suite ISSI Suksawadi Project Condominium 1 unit, area 280.29 sq m.	Suksawat Road Bangkok Rat Burana District, Bangkok	25.79	25.49	Owned by C.I.N. Co., Ltd. Estate	The Company has mortgaged as collateral for a bank loan in the amount of 20 million baht.
Commercial suite Condominium project ISSI Suksawadi, 2 units, area 65.83 sq m.	Suksawat Road Bangkok Rat Burana District, Bangkok	-	2.78	Owned by C.I.N. Co., Ltd. Estate	Mortgage free
Building land Baan Issara Bangna Project Bangna Road, Km.8, Land 24 rai 3 ngan 74 sq.	Bang Kaeo Subdistrict Bang Phli District, Samut Prakan Province	-	868.23	Owned by C.I.N. Co., Ltd. Estate	The Company has mortgaged as collateral for a bank in the amount of 1,042 million baht.
Commercial suites and office suites Charn Issara Tower 2 4 unit suites (Area 432.45 square meters)	Charn Issara Tower 2 New Petchburi Road Bangkapi Subdistrict, Huai Khwang District, Bangkok	28.20	28.20	Owned by Charn Issara Viphapol Co., Ltd.	Mortgage free

Assets	Asset Location	Cost Appraisal (Million Baht)	Account Price As of December 31, 2023 (Million Baht)	Source of Rights	Obligation
Land and Buildings The Issara Chiang Mai Project Area 6 rai 2 ngan 69 sq.wa	Sansai Noi Subdistrict, San Sai District Chiang Mai Province	-	349.66	Owned by Charn Issara Vipapool Co., Ltd.	The Company has mortgaged as collateral for a bank loan in the amount of 694 million baht.
Commercial suite Baan Thew Talay Blue Sapphire 12 units, area 439.32 sq.m.	Cha-am Subdistrict, Cha-am District, Phetchaburi	-	24.89	Owned by Issara United Co., Ltd.	Mortgage free
Commercial suite Blue Project, Cha-am 141 units, area 6,937.67 sq.m.	Cha-am Subdistrict, Cha-am District, Phetchaburi	-	348.84	Owned by Issara United Co., Ltd.	The Company has mortgaged as collateral for a loan with a bank in the amount of Baht 651 million.
Land and Buildings Villa Project, Cha-am 2 units, area 126 sq.m.	Cha-am Subdistrict, Cha-am District, Phetchaburi	-	47.40	Owned by Issara United Co., Ltd.	Mortgage free
Land and Buildings Villa Project, Cha-am area 1 rai 3 ngan 94 sq.w.	Cha-am Subdistrict, Cha-am District, Phetchaburi	-	25.17	Owned by Issara United Co., Ltd.	Mortgage free
The land is under development of the Sasara Project, Hua Hin District. 104 units, area 7,365.79 sq.m.	Nong Kae Subdistrict, Hua Hin District Prachuap Khiri Khan	-	905.49	Owned by Issara United Co., Ltd.	The Company has mortgaged as collateral for a loan with a bank in the amount of Baht 619 million.
The land is under development of the SASA Project, Hua Hin District. area 3 rai 3 ngan 88 sq.w.	Nong Kae Subdistrict, Hua Hin District Prachuap Khiri Khan	-	260.51	Owned by Issara United Co., Ltd.	The Company has mortgaged as collateral for a loan with a bank in the amount of Baht 619 million.

Assets	Asset Location	Cost Appraisal (Million Baht)	Account Price As of December 31, 2023 (Million Baht)	Source of Rights	Obligation
Title deed no. 19619 and no. 12715 (PPE) area 20 rai 2 ngan 77 sq.w.	Cha-am Subdistrict, Cha-am District, Phetchaburi	-	138.86	Owned by Issara United Co., Ltd.	The company has mortgaged land no. Ch. No. 12715 guarantees financial support from a company in the amount of 13.25 million baht.
Land and buildings Shell gas station, Cha-am district Area 20 rai 3 ngan 4 sq m.	Cha-am Subdistrict, Cha-am District, Phetchaburi	-	418.57	Owned by Issara United Co., Ltd.	The Company has mortgaged as collateral for a loan with a bank in the amount of Baht 450 million.
Land and buildings Habita Sea View Hotel Hua Hin Area 5 rai 3 ngan 69 sq m.	Cha-am Subdistrict, Cha-am District, Phetchaburi	-	955.75	Owned by Issara United Co., Ltd.	The Company has mortgaged as collateral for a loan with a bank in the amount of Baht 590 million.
Land and Buildings Sri Panwa Convention Project Area 5 rai 3 ngan 15.4 sq wa	Wichit Sub-district, Mueang Phuket District Phuket Province	-	625.27	Owned by Cham Issara Residence Co., Ltd.	The Company has mortgaged as collateral for a loan with a bank in the amount of Baht 450 million.
Land X25,X26,X27,X28 (PPE) Area 7 rai 73 sq wa	Wichit Sub-district, Mueang Phuket District Phuket Province	-	437.52	Owned by Cham Issara Residence Co., Ltd.	The Company has mortgaged as collateral for a loan with a bank in the amount of Baht 110 million.
Land Sri Panwa Project (PPE) Area 3 rai 2 ngan 8 sq wa	Wichit Sub-district, Mueang Phuket District Phuket Province	-	43.10	Owned by Cham Issara Residence Co., Ltd.	Mortgage free

(5) The projects which has not yet been delivered

The company and its affiliates have some projects under development as of December 31, 2023 as follows:

At present, the Company has real estate projects for sale under construction and the construction has been completed, the total value is approximately 8,721 million baht and the projects is expected to be launched in 2024, which is expected to begin recognizing income from 2026 onwards, approximately 3 projects, totaling over 6,321 million baht of existing companies can start selling in the next 3-5 years. The company believes that if the economic conditions recover from Covid-19 pandemic have some signs of improvement, the Company will be able to release these inventories as expected. In addition, the company has experience in property development for sale to real estate funds and real estate trust or “REIT” from selling assets into “The Real Estate Investment Trust” Sripinwa Hotel and “Bangkok property fund” provided the company to understand the rules and regulations, conditions in the sale of assets to REIT, as well as the investment needs of those who invest in REIT, and with the company’s hotel project such as the completed Baba Beach Phuket Project. Including projects under construction such as Baba Beach Club Hua Hin (Phase 2) and Sripinwa Convention hall with total hotel value of 3,050 million baht, they are designed and planned for sale to REIT. The company has confident that if the tourism economy come back to recover, the hotel business can return to profit as usual. The company will be able to sell the assets to the REIT within the expected timeframe.

Present Real Estate Project	Value (Million Baht)
12 Projects	18,024
Sold	9,313
Available for sales	8,721
Backlog	1,404

Backlog	Value (Million Baht)
Available	542
Under construction	862

1.3 Group shareholding structure

1.3.1 Shareholding and Management Structure

Charn Issara Development Public company has registered capital as of December 31, 2021, amounting to 1,386,574,624 baht (the number of ordinary shares 1,909,265,122 shares with a par value of 1 baht per share) and has a total paid-up capital. 1,066,595,865 baht (the number of ordinary shares 1,066,595,865 shares with a par value of 1 baht per share)

(1) Company Group Structure

Company Group Structure as of December 31, 2023

Charn Issara Development Public Company Limited



1.3.2 Persons who may have conflicts of interest hold shares in subsidiaries or associated companies more than 10%

-None-

1.3.3 Relationship with the business group of major shareholders

-None-

1.3.4 Share Holder

(1) Major shareholder

(A) Top 10 shareholders

List of top 10 major shareholders including number of shares held and shareholding percentage as of December 30, 2023

	Name of Shareholder	Number of Shares	Percentage of paid-up capital
1.	Mr. Songkran Issara	313,634,494	29.405
2.	Mr. Taweechat Jurangkool	244,444,200	22.918
3.	C.I. Property Co., Ltd.	97,714,905	9.161
4.	Ms. Kratpetch Issara	41,601,006	3.900
5.	Saha Pathanapibul Public Company Limited	21,126,760	1.981
6.	I.C.C. International Public Company Limited	21,126,760	1.981
7.	Mr. Ditwat Issara	19,584,454	1.836
8.	Thai NVDR	17,092,256	1.603
9.	Mr. Satit Sangkiet	14,180,231	1.329
10.	Mr. Wanlop Sangkiet	10,291,050	0.965
11.	Others	265,799,749	24.920
	Total	1,066,595,865	100.00

(B) A group of major shareholders who influence policy-making

	Name of Shareholder	Number of Shares	Percentage of paid-up capital
1.	Mr. Songkran Issara	313,634,494	29.405
2.	C.I. Property Co., Ltd.	97,714,905	9.161
3.	Ms. Kratpetch Issara	41,601,006	3.900
4.	Mr. Ditwat Issara	19,584,454	1.836
5.	Mr. Worasit Issara	5,107,909	0.479
	Total	477,642,768	44.781

(2) Agreement between major shareholders (if any)

-None-

1.4 Amount of registered capital and paid-up capital**1.4.1 Amount of registered capital and paid-up capital**

The company has a registered capital 1,909,265,122 baht divided into ordinary shares 1,909,265,122 shares with a par value of 1 baht per share and paid-up capital 1,066,595,865 baht. The Company does not have other types of shares that have rights or conditions different from ordinary shares. Such as preferred shares or the issuance and offering of shares or convertible securities to mutual funds for foreign investors (Thai Trust Fund) or issuing instruments representing returns from underlying securities (NVDR) containing shares of that company as an underlying asset.

1.4.2 Other types of shares with rights and conditions different from ordinary shares

-None-

1.4.3 Convertible securities

-None-

1.5 Issuance of other securities**1.5.1 Convertible securities such as convertible debentures.**

-None-

1.5.2 Debt securities such as debentures, bills

The company is issuing and offering debenture with the name of the holder. There is no bond holder representative, non-subordinated type and no collateral for institutional investors and/or high net worth investors as follows:

No. 1/2022	Maturity	25 August 2024	Amount 500 Mill. Baht.
No. 1/2023	Maturity	30 March 2025	Amount 280 Mill. Baht.
	Maturity	30 March 2026	Amount 420 Mill. Baht.
No. 2/2023	Maturity	28 June 2025	Amount 440.10 Mill. Baht.
	Maturity	30 September 2026	Amount 509.90 Mill. Baht.

2 Risk Management

2.1 Risk Management Policy and Plan

To comply with the corporate governance policy of the company and in accordance with the good corporate governance principles of the Stock Exchange of Thailand on risk management that may occur to the organization. For good efficiency build confidence among stakeholders, Board of Directors therefore appointed a risk committee to perform the said duty. According to the resolution of the Board of Directors' Meeting No. 2/2558 held on February 25, 2015, with the composition of the Risk Committee of 5 persons and having a term of office for not more than 3 years.

And to ensure the operation of the management in accordance with the goals, policies and to ensure that the operations are in accordance with effectively according to the company's plan supervise the overall risk management process at an appropriate level. This includes determining, assessing, mitigating, monitoring risks and reporting the results to the Audit Committee together with the Board of Directors.

To comply with the risk management policy, The Risk Committee has established a policy and a risk management system in order to work efficiently according to the Company's plans and report such results to the Audit Committee together with the Board of Directors for acknowledgment. It has tools to identify, mitigate, monitor and report the risks associated with the business operations of the Company and its affiliates.

1. Strategic Risk
2. Operational Risk
3. Financial Risk
4. Compliance Risk
5. Reputation Risk

2.2 Risk Factors for the Company's Business Operation

2.2.1 Risk from land acquisition for project development

Potential land acquisition is a key factor in the development of real estate projects to meet consumer demand and is a key factor in the success of that project over the years. Thailand has invested in public utilities and infrastructure development in Bangkok and in nearby provinces. Including the construction of the electric train, expanding roads, causing the expansion of the city and more real estate development projects. This causes the demand for land to support the growth of businesses and homes. Including land sales speculation that resulted in land prices rising high, especially in the areas where the construction of the sky train, including the expansion of business districts, tourist cities and provinces where the special economic zone was established

Rising land prices have become an important cost of developing projects for real estate developers. It is an important risk factor. The company places great importance on acquiring land for project development. There is a plan to explore and build a good alliance with a network of quality that has the potential to procure land in a good location at a reasonable price and fair. The company has a committee to consider projects. They act as a key mechanism to help determine project feasibility and provide opinions before making a decision before investing in the purchase of land. So that the company can develop new projects efficiently and suitable for the situation.

In addition, the Company does not have a policy to accumulate excessive amounts of land in order to hedge liquidity and financial risks. The company has a team and working mechanism that can take care of the appropriateness of the land acquisition at the level that is appropriate for the Company's business.

2.2.2. Project construction risks

Construction management is a very important task in any project development because of the uncertainty that can arise during both controllable and uncontrollable operations. There are many issues of risks that may arise from construction such as issue of the increase in the price of building materials that changes in accordance with the prices of various raw materials involved in the supply chain of changes in the economy both at domestic and abroad. Issues of skilled labor shortages and rising labor costs, issue of procurement and selection of qualified and qualified contractors with expertise in construction management in accordance with the budget and plan.

The Company has tried to manage and control the risk factors that may have such an impact. By bidding for construction work and selecting a large and reputable contractor company which has a skill that is accepted in the market and has the reliable construction works to be the contractor of the project. Using a contracted hiring method for the entire project, this reduces the risk of material price fluctuations increased labor costs. In addition, the company will contact many distributors in order to compete with each other to bid on materials. Make the project get a good material price and make it possible to control project costs before building and before setting the selling price to customers.

The company has an expertise and experience in project management to help supervise construction contractors, coordinate control, and report the progress of the construction plan on a weekly basis. Allowing the management to know the construction results, problem and obstruct. To be

able to assist together in solving and planning the construction according to the plan and success goals, finished in time, and deliver products to customers.

2.2.3 The risk of having inventories

With economic slowdown which has been affected by the Thai economy and the world economy, Thai politics slump in agricultural product prices, drought and higher household debt, strict measures on credit of financial institutions are increasing. They are factors that affect consumer confidence and purchasing power, resulting in postponement of decisions to invest and/or buy homes. Together with the intense competition in the real estate business, make entrepreneurs cautious and delay the launch of new projects. To see the situation and accelerate the drainage of existing inventories.

The company has over 30 years of expertise in real estate business and develops residential projects including detached houses and condos, 5-star hotels and office buildings. It has high-end target customers and the company has a policy of selling projects. By allowing customers to make a down payment of at least 20-30%, thus allowing most of the company's customers have not impacted by the strict credit measures of financial institutions that have begun to be promulgated for this group of customers.

The company employs a reputable agency and sales team to sell and studying consumer behavior and needs. To plan strategies for sales and marketing continuously. In order to meet the needs of consumers as much as possible and make a difference and a clear selling point. Including checking the quality of after-sales service and taking care of customers to achieve maximum satisfaction. The company plans to expand sales to foreign customers who are interested in buying or investing in real estate. To help the company to be able to sell according to the goals of the company.

2.2.4 The risk of raising interest rates on borrowers and accessing capital.

The company has business alliances with many commercial banks. To increase financial management efficiency and compare good deals optimal. The company has always received good funding from the bank. The project loan was approved with good financial conditions, suitable loan interest rates. The Bank classifies companies as quality entrepreneurs, reliable and has the ability to develop projects that can manage projects to meet the goals that all projects of the company. At present, the company have received full financial support from the bank.

Over the years, the company has increased access to funding sources. By raising funds from the bond market with the method of issuing debentures with the holder's name, non-subordinate type and no collateral which has a long-term fixed interest rate. Every time the company issues debentures, it will be well received by investors and there are investors who have previously invested in bonds with the company waiting to contact and inquire to continue to invest in the debentures of the company. This gives the company more options for funding to improve liquidity management efficiency in future project expansion and to reduce the risk of future interest increases.

2.2.5 Company Risks for the next 3-5 years, Risk from natural disasters, disasters and epidemics

Natural disasters, disasters, and epidemics such as the spread of COVID-19 and other force majeure events, although there is a rare opportunity but if it occurs in the area of the property that the Company or its affiliates is in the process of developing a project, in addition to loss of damage to the property of the company or its affiliates. It may cause loss to life and property of the customer or even employees of the company. However, the company has provided insurance to cover the damage caused by natural disasters, disasters, epidemics and other force majeure for the assets that the company will invest in.

Political risk

If there is an event of political unrest or conflict that may affect the economy of Thailand, including the Stock Exchange of Thailand. This may cause a serious impact on the financial status of the Company. Therefore, it cannot be guaranteed that the current or future political conditions of Thailand or changes in government political policies will not have a material impact on the operations of the affairs financial condition business performance and the growth of the company

Risk of tourist decrease

The Company's operations may be adversely affected by any event that detracts from the interest of Thailand or the world situation, whether it is a disaster from an epidemic. Currency appreciation Sabotage, war, riots, protests or blockade, epidemic of any diseases. If such events occur, the economic and tourism conditions in Thailand may be adversely affected. This will cause an impact on the performance of the company as well.

2.2.6 Investment risk of securities holders

Risk of the Company's ability to pay dividends

The Company's dividend payment will be determined by The Company's dividend payment policy and the performance of the company. This depends on many factors, including the domestic economy, real estate management costs, operating expenses, competition of entrepreneurs, changes to laws and regulations relating to property, natural disasters, epidemics, political conditions. Therefore, there is a risk that investors will not receive dividends as estimated or the company will not be able to maintain the level of the dividend payment or increase the dividend payment.

Risk from lack of liquidity in trading shares in the secondary market

Due to the Company's shares Has a status of listed securities on the Stock Exchange of Thailand. Stock trading liquidity is estimated from the frequency and volume of their trading in the Stock Exchange of Thailand which is based on the demand of the bid-offer. The demand of bid-offer depends on a number of factors that the Company cannot control, such as the demand for investing in the CI securities of the market during that period. So, risk of CI securities lacking liquidity for trading in the secondary market.

3

Business drive for sustainability

The company has prepared a sustainability report for the year 2023 and has prepared a sustainability report annually. It has reporting guidelines that align with the guidelines of the Global Reporting Initiatives (GRI) Version G4 and presents progress each year. ours clearly You can follow information about community, social and environmental activities of Charn Issara. From the 2023 Sustainability Report, disclosed to interested parties on the website. <http://investor-th.charnissara.com/sdr.html> and www.charnissara.com

3.1 Sustainability Management Policy and Goals

Based on the vision of the company that "Chan Issara is proud to develop and create sustainable happiness", the company has therefore set a framework for

sustainable development under the concept of conducting business with responsibility. dedicated with intention to create sustainable happiness for all stakeholders

Charn Issara Sustainability Strategy

Sustainable Development Operations According to the 3 strategic goals: ME / WE / World is what we strive to make. Our sustainability component is strong. and choose a goal that we have expertise in

- Apply technology and innovation in the design, construction process. to reduce costs Quality control and impact reduction to the environment Including marketing development to meet the needs of customers

- Continuously building and developing relationships with internal and external partners
- Creating and promoting a happy working environment (Happy Workplace, Work from Heart) as well as developing employees to have Competency in work and encourage employees to work together as a team.
- We will conduct business with morality and ethics to be evident, to create benefits and sustainable happiness for all stakeholders

3.2 Managing the impact on stakeholders in the business value chain

Stakeholders is a very important role in the Company's business operations, according to the company's supply chain This will lead to the management and determination of the process of connecting stakeholders in each group as desired and expected from the Company, fully in the future

3.3 Environmental Sustainability Management

The company realizes that management has an impact on our world, more or less, so it can be seen that the company cares, and strive to take care of the environment as much as possible By starting to design a project that brings environmental issues into the thinking and design system. The company is committed to developing management and taking care of the environment in every project of the company.

The Company places importance on management to reduce greenhouse gas problems. In the past, the company Has operated and operated in accordance with laws, regulations environmental regulations related to business operations of the company This reflects that the Company is committed to reducing negative impacts on the environment. Employees are encouraged and encouraged to recognize the importance of environmental management.

environmental performance

Performance indicators	Year 2023	Year 2022	Change	%
Electrical energy used				
Electricity consumption (kilowatt-hour)	146,427.86	135,261.67	11,166.19	7.63
Electricity consumption per number of employees (kilowatt-hours per person)	1,853.52	1,629.66	223.86	12.08
Cost of electricity usage (Baht)	1,030,753.25	810,228.37	220,524.88	21.39
Water used				
Water consumption (cubic meter)	122.00	-	122.00	100.00
Water consumption per number of employees (cubic meter per person)	1.47	-	1.47	100.00
Expenses of water use (Baht)	1,732.00	-	1,732.00	100.00
Paper used				
Amount of paper used	449.00	364.00	85.00	18.93
Expenses of paper	53,981.50	31,304.00	22,677.50	42.01
Oil usage				
Oil consumption (liter)	2,154.00	1,691.17	462.83	21.49
Expenses for using oil (baht)	69,700.06	63,570.26	6,129.80	8.79
Greenhouse gas emissions (Scope2)				
The amount of greenhouse gas emissions (ton Co ₂ e)	91.75	81.15	10.60	11.55
Greenhouse gas emissions per number of employees (ton Co ₂ e /person)	1.16	0.95	0.21	17.89

- (1) The company is in the process of collecting data for long-term performance measurement (3-5 years). Start collecting data (base year)
- (2) Greenhouse gas emissions in Scope 2 (Scope2) are indirect greenhouse gas emissions from electricity consumption. by referring to the method for calculating greenhouse gas emissions (Carbon Footprint) from the Administration Organization
- (3) In 2022, the Company organized the POWER OF UNIFORM activity, able to reduce the rate of greenhouse gas emissions by 0.11 ton CO₂e.

3.4 Sustainability Management in Social Dimension

The company has realized and regarded as the main mission in occupational health and safety management. as well as a guideline for safety control in the workplace To prevent health problems and accidents by giving importance to the care of personnel in the company. To have a working environment Be safe and healthy

4

Management Discussion and Analysis (MD&A)

Management Discussion and Analysis (MD&A)

4.1 Analyze operations and financial status

The company's main business is in developing and selling real estate which consists of house and allocated land suite in a condominium and hotel business. According to the operating results in 2023, the company has income from real estate sales and income from hotel operations in the amount of 794.19 million baht and 947.43 million baht, respectively, or 35.29 percent and 42.09 percent of total income, respectively. In the year 2023, the company continues to invest in developing real estate projects during ongoing construction to create sales and increase revenue recognition in the future. The company views that if the economic situation recovers and the situation of the spread of the coronavirus disease (COVID-19) has shown signs of improvement. The company will be able to sell completed real estate projects as targeted. In addition, the hotel business will begin to return to operations as intended following the recovery of the tourism industry supported by the government and the opening of the country to welcome foreign tourists.

For details of assets, liabilities, and capital, as well as detailed operating results, they have been separated by type. Including important financial ratio numbers as follows.

Asset

As of 31 December 2022, the company had total assets of 12,820.07 million baht, an increase of 1,666.65 million baht or an increase of 14.94 percent from 31 December 2022, mainly due to an increase in the cost of real estate development projects for sale 1,667.6 million baht. Due to during the year, the company has main projects under development such as The Issara Sathorn Condominium Project, Sasara Hua Hin Condominium Project, both projects completed in late 2023, Baan Issara Bangna Project and new projects that are currently under development, etc. The company's bank deposits with restrictions on use increased by 994.5 million baht from the company's scheduled payment of 950.0 million baht of bonds on January 2, 2024, which is the first Monday after New Year's Eve. The said amount was then deducted from the company's account to wait for payment of the debentures. Although the company's other non-current financial assets decreased by 167.68 million baht from the reduction in the value of investment units in the market of Investment units in Sri Panwa Hotel Real Estate Investment Trust Due to the economic situation within the country that has not yet recovered, including investor confidence in the capital market. Assets under rights of use decreased by 474.5 million baht due to amortization of assets under rights of use and reversing assets under the right of use of the SPM2 real estate lease contract that expired during the year, and land, plant, and equipment decreased by 101.7 million baht from depreciation of buildings and equipment, net of building improvements, and the purchase of additional materials and equipment during the year.

Debt

As of December 31, 2023, the company had total liabilities of 10,204.38 million baht, an increase of 2,071.55 million baht or an increase of 25.47 percent from December 31, 2022. Mainly due to an increase in bonds of 1,360.99 million baht, gym loans from institutions. Finance increased by 449.35 million baht and loans from other companies increased by 153.32 million baht from the development of real estate for sale during the year, such as The Issara Sathorn Condominium Project, Sasara Hua Hin Condominium Project, including new projects that are still in the process. In addition, trade payables and other current payables of the company increased by 951.27 million baht from overdue payments for new land projects of the company that are due for payment in April and October 2024.

Shareholder's equity

As of December 31, 2023, the company had total shareholders' equity of 2,615.69 million baht, a decrease of 404.90 million baht. Mainly due to the recognition of losses during 2023 and recognize the reduction in the value of the company's non-current financial assets.

Operation Result

Income

Charn Issara Development Public Company Limited and its subsidiaries have total income from operations in 2023 in the amount of 2,250.76 million baht, an increase from 2022 in the amount of 75.25 million baht, or equivalent to an increase of 3.46 percent, which is a change in the said income. Consisting of income from 4 main businesses and other income as follows

1. Income from real estate sales in 2023 was 794.19 million baht, a decrease of 356.21 million baht from 2022, or equivalent to a decrease of 30.96 percent from the previous year. Due to the trend of higher interest rates causing a delay in deciding to purchase real estate.
2. Rental and service income in 2023 is equal to 81.07 million baht, an increase from 2022 of 16.06 million baht or equivalent to an increase of 24.70 percent due to the adjustment of electricity billing rates in 2023, an increase from Adjust the FT value that increases from electricity.
3. Income from hotel operations in 2023 is equal to 947.43 million baht, an increase from 2022 of 275.09 million baht or equivalent to an increase of 40.92 percent because at the end of 2022 continuing until 2023, Thailand has opened the country, causing foreign tourists are especially interested in traveling to the southern of Thailand.
4. Other income in 2023 is equal to 324.40 million baht, an increase from 2022 of 135.79 million baht or equivalent to an increase of 71.99 percent. Other income that increased. This is a result of profit from cancellation of lease agreement and profit from exemption from rent according to the asset lease agreement between Sri Panwa Management Company Limited (subsidiary) and Sri Panwa Hotel Real Estate Investment Trust (Trust) in 2023. The lease contract for the second investment asset has expired, allowing the company to recognize a profit from contract cancellation in the amount of 116.04 million baht. In addition, the company has also received an extension of the payment period for the lease contract of the second investment asset. The past outstanding period resulted in being able to recognize a profit from the change in the past outstanding rental period in the amount of 32.38 million baht. In addition, during the year the company had a profit from measuring the value of real estate for use. The company's investment such as office buildings for rent and condominiums for rent amounted to 31.89 million baht. Although during the year, the Trust has considered providing assistance from the impact of the pandemic of the coronavirus disease (COVID-19), resulting in a decrease in the number of tourists for the rental of the first and third investment assets. The total amount is 42.33 million, a decrease from 2022. The trust provides assistance by waiving rent for the first and third investment assets in the amount of 94.65 million baht.

Income

(Unit : Million Baht)

Income Item	2023	2022	Increase /(Decrease)	% Increase /(Decrease)
Income from real estate sales	794	1,150	(356)	(31%)
Income from rental and service	81	65	16	25%
Income from hotel business	947	672	275	41%
Income from the sale of goods	66	68	(2)	(4%)
Income from administrative fees and other fees	38	31	7	22%
Other income	324	189	135	72%
Total Income	2,250	2,175	75	3%

Gross Profit

- The company has a gross profit ratio from real estate sales in 2023 of 29.75 percent, which is a slightly decreased ratio from the previous year because overall real estate income during the past 2 years is income that has been generated. From projects that have been launched for a long time and the company will do promotions to give large price discounts and maintain gross margins.
- The company has a gross profit margin from office rental and service businesses in Charn Issara Tower 1 and 2 and condominium units in Issara Lad Phrao condominium in 2023 equal to 35.70 percent, an increase from 2022 of 1.71 percent because in 2023 the company has increased the electricity rate charged from customers from the increase in the FT fee that the Electricity Authority charges from the company.
- The company has a gross profit ratio from hotel business operations in 2023 of 22.49 percent, which is an increase from 2022 of 14.49 percent due to the situation of the spread of the coronavirus disease (COVID-19) starting to subside. Foreign tourists give preference and more interest in traveling in Thailand, resulting in 2023 hotels having better occupancy rates and resulting in improved gross profit margins from hotel business operations.
- The company has a gross profit ratio from product sales in 2023 of 4.84 percent, which the profit margin decreased slightly from 2022 by 0.45 percent, mainly due to the fluctuation of oil prices.
- The Company's gross profit margin from sales of goods in 2022 was 5.29%, with a 1.29% decrease in profit margin from 2021. Mainly due to the high volatility of oil costs due to the Russia-Ukraine war which affects the demand for oil.

The details of gross profit for each business are shown in the table below.

(Unit : Million Baht)

Gross Profit	2023	2022	% Increase / (Decrease)
Gross profit from the sale of real estate	29.75%	30.50%	(0.75%)
Gross profit from rental and service fees	35.70%	33.99%	1.71%
Gross profit from hotel operation	22.49%	8.00%	14.49%
Gross profit from the sale of goods	4.84%	5.29%	(0.45%)
Total Gross Profit	25.50%	22.01%	3.49%

Expenses

- Distribution and administrative expenses in 2023 are equal to 648.81 million baht, which is an increase of 3.06 percent compared to 2022. The main reason for the increase in expenses is related to sales promotion, stimulate sales during the year.
- Financial expenses in 2023 are equal to 397.50 million baht, which is an increase of 27.78 percent compared to the year 2022 due to increased debt burden from financial institutions and other companies together with the increase in interest rates during the year.

Net Profit / (Loss)

The company had an operating loss in 2023 equal to 306.21 million baht, with a net loss attributable to the company's shareholders equal to 221.60 million baht and an increased loss of 21.82 million baht compared to 2022, representing a net loss. Shareholders' equity of the company per share is equal to 0.2078 baht.

Key Financial Ratios

1. Earnings before interest, taxes, and depreciation (EBITDA) ratio in 2023 is equal to 23.71 percent, increased compared to 2022 equal to 15.51 percent because the company has increased operating results, especially hotel operating results.
2. Ability to pay interest (EBIT / Interest Expenses) in 2023 is equal to 1.34 times, increased compared to 2022, which has the ability to pay interest approximately 1.14 times, especially from the increased operating results of the company especially hotel performance.
3. The current ratio in 2023 is equal to 1.42 times, an increase compared to the year 2022 when the company had a liquidity ratio equal to 1.12 times. This is due to the proportion of current assets in 2023 increasing by 2,463.77, accounting for 50.15 percent, mostly as a result from an increase in the cost of real estate development projects for sale. Because during the year, the company has main projects under development such as The Issara Sathorn Condominium Project, Sasara Hua Hin Condominium Project, both projects completed in late 2023, Baan Issara Bangna Project and new projects that are currently under development, etc.
4. Debt to equity ratio in 2023 is equal to 3.90 times, decreased from 2022 at the level of 2.69 because in 2023 the company issued new bonds in the amount of 950 million baht in order to repay the bonds that were due for payment of 950 million baht. On December 28, 2023 and because it is a holiday, the money will be repaid to bondholders on January 2, 2024, which will be found to cause the debt burden as of December 31, 2023 to increase significantly.
5. The book value per share in 2023 is equal to 1.50 baht per share, decreased from 2022 which has a book value per share equal to 1.82 baht per share due to not recognizing a loss for the year and recognized losses for measuring the value of non-current financial assets that decreased due to the economic slowdown affecting the capital market.

4.2 Factors or events that may affect the financial position

-None-

4.3 Financial statement summary table

4.3.1 Income Statement

STATEMENT OF PROFIT OR LOSS	AS OF 31 DECEMBER		
	2021	2022	2023
REVENUES			
Revenue from real estate sales	1,451,590	1,150,404	794,193
Rental and services income	68,721	65,010	81,069
Revenue from hotel operations	336,819	672,338	947,427
Revenue from sale of goods	60,429	67,851	65,465
Management fee income and other fee income	23,288	31,284	38,202
Other income	357,144	187,406	323,064
Total Revenues	2,297,991	2,174,293	2,249,420
EXPENSES			
Cost of real estate sales	1,018,412	799,513	557,917
Cost of rental and services	40,072	42,914	52,131
Cost of hotel operations	430,211	618,556	734,310
Costs of sales of goods	56,454	64,259	62,294
Distribution costs	143,641	127,718	136,950
Administrative expenses	400,775	501,935	512,115
Total Expenses	2,089,565	2,154,895	2,055,717
(Loss) profit from operation	208,426	19,398	193,703
Finance income	1,103	1,209	1,337
Finance costs	(323,487)	(311,087)	(397,496)
Impairment loss determined in accordance with TFRS 9	(7,859)	84	253
Share of profit of associates accounted for using equity method	-	-	-
(LOSS) PROFIT BEFORE INCOME TAX EXPENSES	(121,817)	(290,396)	(202,203)
(INCOME) TAX EXPENSE	(22,471)	(34,041)	104,005
(LOSS) PROFIT FOR THE YEAR	(99,346)	(256,355)	(306,208)
(Loss) profit attributable to:			
Owners of the parent	(44,608)	(199,775)	(221,598)
Non-controlling interests	(54,737)	(56,580)	(84,610)
Basic (loss) earnings per share (Baht)	(0.04)	(0.19)	(0.21)

4.3.2 STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION	AS OF 31 DECEMBER		
	2021	2022	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	335,709	397,050	297,503
Current investments	-	-	944,549
Trade and other current receivables	110,272	192,395	141,175
Current portion of long-term loan to a related company	4,931,854	4,226,315	5,893,881
Costs of property development projects for sales	28,486	36,315	36,795
Inventories	18,024	14,093	13,634
Current corporate income tax receivable	78,174	3,197	3,231
Other current financial assets	-	24,800	22,400
Other current assets	16,744	18,928	23,699
Total Current Assets	5,519,263	4,913,093	7,376,867
NON-CURRENT ASSETS			
Deposit at financial institutions used as collaterals	793,613	834,747	667,065
Other non-current financial assets	355,130	353,440	385,329
Investments in subsidiaries	187,875	-	-
Other long-term investments in related companies	1,633,859	3,519,357	3,417,626
Long-term loan to a related company, net of current portion	1,364,897	1,175,090	700,545
Investment properties	234,923	255,198	157,781
Land held for development	-	-	26,216
Property, plant and equipment	109,896	102,490	88,639
Total Non-current Assets	4,680,193	6,240,322	5,443,201
TOTAL ASSETS	10,199,456	11,153,415	12,820,068
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES	24,265	18,202	32,851
Bank overdrafts from financial institutions	190,000	426,831	100,000
Short-term borrowings from financial institutions	359,848	382,494	1,333,764
Trade and other current payables	239,095	405,250	465,171
Advances received from customers according to agreements to buy and to sell real estates	-	55,000	55,000
Current portion of long-term borrowings from financial institutions	274,152	799,984	1,060,673
Current portion of long-term borrowings from other company	75,097	174,097	171,097
Current portion of long-term borrowings from related companies	794,748	1,233,662	1,448,401
Current portion of bonds	409,438	620,443	220,574
Current portion of liabilities under hire-purchase agreements	157,500	157,500	167,500
Current portion of lease liabilities	69,844	75,607	103,679
Short-term borrowings from related parties	4,518	7,391	2,079
Retention payables	18,501	23,436	19,965
Income tax payable	2,617,006	4,379,897	5,180,753
Other current liabilities	24,265	18,202	32,851
LIABILITIES AND SHAREHOLDERS' EQUITY	190,000	426,831	100,000
Total Current Liabilities	359,848	382,494	1,333,764

STATEMENT OF FINANCIAL POSITION	AS OF 31 DECEMBER		
	2021	2022	2023
<u>NON-CURRENT LIABILITIES</u>			
Long-term borrowings from financial institutions, net of current portion	1,194,048	695,938	1,196,786
Long-term borrowings from other companies, net of current portion	738,417	671,108	827,433
Long-term borrowings from related companies, net of current portion	1,529,232	1,365,040	842,895
Liabilities under hire-purchase agreements, net of current portion	-	-	144,366
Lease liabilities, net of current portion	1,236,044	498,477	1,644,731
Other non-current payables	245,417	108,529	3,107
Bonds, net of current portion	100,380	291,803	257,740
Deferred tax liabilities	64,275	68,934	79,163
Non-current provisions for employee benefits	19,231	15,789	-
Deferred revenue	53,270	37,309	27,403
Other non-current liabilities	5,180,314	3,752,927	5,023,624
NON-CURRENT LIABILITIES	7,797,320	8,132,824	10,204,377
Total Non-current Liabilities	1,194,048	695,938	1,196,786
TOTAL LIABILITIES	738,417	671,108	827,433
<u>SHAREHOLDERS' EQUITY</u>			
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
1,589,288,363 ordinary shares of Baht 1 each	-	-	1,909,265
1,386,574,624 ordinary shares of Baht 1 each	-	1,589,286	
1,485,342,842 ordinary shares of Baht 1 each	1,386,575	-	
Issued and paid-up share capital			
1,066,595,865 ordinary shares of Baht 1 each	1,066,596	1,066,596	1,066,596
Share premium	98,130	98,130	98,130
Retained earnings			
Legal reserve	55,444	55,444	55,444
Unappropriated	356,330	155,808	(69,661)
Other components of shareholders' equity	(108,371)	562,150	445,845
ATTRIBUTABLE TO OWNERS OF THE PARENT	1,468,129	1,938,128	1,596,354
NON-CONTROLLING INTERESTS	934,007	1,082,463	1,019,337
TOTAL SHAREHOLDERS' EQUITY	2,402,136	3,020,591	2,615,691
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	10,199,456	11,153,415	12,820,068

2.3 STATEMENTS OF CASH FLOWS

STATEMENTS OF CASH FLOWS	AS OF 31 DECEMBER		
	2021	2022	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit for the years	(99,346)	(256,355)	(306,208)
Adjustments to reconcile profit (loss) before income tax expenses to cash received (paid) from operating activities.			
Adjust with income tax (income) expense	(22,471)	(34,042)	104,005
Financial cost	323,487	297,354	385,914
Depreciation	271,567	331,408	337,362
Amortization	1,609	882	1,017
Adjust with income tax (income) expense			
Finance income	(1,103)	(1,209)	(1,337)
Amortization of borrowing expenses from financial institutions and other companies	2,082	5,293	1,826
Amortization of debentures	8,296	8,440	9,756
Loss (gain) from fair value measurement of investment property	7,860	(84)	(253)
Share of profit from investments in associated companies	4,240	3,832	4,546
Gain on disposal of other current financial assets	(11,591)	(10,713)	(21,248)
Dividend received from other non-current financial assets	21	(2,865)	146
Unrealized loss on valuation of financial assets Other working capital	(18,725)	-	-
Loss (gain) from sales of equipment and vehicles	(670)	-	(116,055)
Unrealized loss from foreign exchange rates	(138)	(68)	-
Employee benefit expenses	-	-	(32,378)
Gain from change in type of investment in an associated company	-	1,132	100
Profit from Lease change	4,980	1,690	(31,890)
(Reversal of) impairment losses in accordance with TFRS 9	(266,696)	(94,650)	(42,334)
Profit from disposal of investment in associated company	203,402	250,047	292,969
Profits from the sale of investment properties			
Profit from lease termination			
Loss on inventories valuation	-	-	(944,549)
Profit from exemption from rent payment	(25,817)	(82,271)	51,542
Profit (loss) from operations before changes in operating assets and liabilities	542,882	132,036	(1,541,070)
Inventory	1,235	(8,961)	(580)
Decrease (increase) in operating assets	-	(24,800)	(23,816)
Trade and other current receivables	(4,950)	(2,183)	(4,771)
Costs of property development projects for sales	4,150	(1,045)	(1,926)
Other current assets			
Other non-current assets	10,845	55,916	808,240
land held for development	207,329	29,267	(45,500)
Increase (decrease) in operating liabilities	(13,124)	5,762	28,072
Trade and other current payables	1,288	4,935	(3,470)
Contract liabilities	5,457	(15,961)	(9,907)
Cash paid for non-current provisions for employee benefits	(4,078)	-	-
Retention payables	928,619	342,741	(1,394,766)
Other current liabilities	-	-	
Other non-current liabilities	-	-	
Cash used in operating activities	(19,613)	2,073	4,445
Interest received	909,006	344,814	(1,390,321)

STATEMENTS OF CASH FLOWS	AS OF 31 DECEMBER		
	2021	2022	2023
Interest paid			
Cash paid for income tax			
Net cash used in operating activities	61,145	417,179	80,227
เงินสดจ่ายสำหรับซื้อสินทรัพย์ทางการเงินหมุนเวียนอื่น	(136,184)	(342,202)	(80,261)
CASH FLOWS FROM FINANCING ACTIVITIES	240	-	-
Cash received from other current financial assets	-	(3,279)	-
Cash paid for other current financial assets	11,591	10,713	21,248
Decreased (increased) deposits at financial institutions used as collateral	72,000	-	-
Cash payments for non-current financial assets	20	2,994	319
Dividend received from other non-current financial assets	(292,219)	(54,773)	(45,946)
Proceeds from sale of investments in associates	(1,848)	(1,225)	(514)
Proceeds from the sale of investment properties	3,290	-	-
Proceeds from sale of land building and equipment	889	1,441	1,333
Cash payment for land purchase building and equipment	(281,076)	30,848	(23,594)
Cash paid for the purchase of intangible assets			
Proceeds from termination of lease agreements			
Cash payment for land deposit	(104)	(6,064)	14,649
Interest received	-	-	20,000
Net cash (used in) provided by investing activities	(10,000)	-	(10,000)
เงินสดจ่ายสำหรับชำระคืนหนี้สินภายใต้สัญญาเช่าซื้อ	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	660,000	1,481,040	1,200,040
Increase in overdrafts from financial institutions	(785,680)	(1,244,620)	(1,527,460)
Cash paid for repayment of short-term borrowings from related companies	-	55,000	
Cash paid for repayment of short-term borrowings from related companies	973,617	360,238	975,308
Cash paid for repayment of liabilities under hire-purchase agreements	(1,391,627)	(337,011)	(235,906)
Cash received from short-term borrowings from financial institutions	253,453	31,505	209,470
Cash paid for repayment of short-term borrowings from financial institutions		(200)	(56,479)
Proceeds from short-term loans from other companies	-	-	
Cash received from long-term borrowings from financial institutions	(67,000)	-	
Cash paid for repayment of long-term borrowings from financial institutions	(75,497)	(60,606)	(335,505)
Cash received from long-term borrowings from other companies	939,311	492,907	1,641,037
Cash paid for repayment of long-term borrowings from related companies	(1,200,000)	(800,000)	(289,800)
Cash paid for repayment of long-term borrowings from related companies	120,000	-	40,000
Cash paid for long-term loans from related companies	(277,435)	(286,511)	(330,985)
Cash payments for lease liabilities	(860,962)	(314,322)	1,314,369
Proceeds from bond issuance - net of bond issuance expenses			
Cash paid for the redemption of matured debentures	(233,032)	61,341	(99,546)
Cash received from the issuance of newly issued ordinary shares	568,741	335,709	397,049
Pay dividends	335,709	397,050	297,503
Proceeds from capital increase shares from non-controlling interests of subsidiaries	(99,346)	(256,355)	(306,208)
Interest paid			
Net cash provided by (used in) financing activities	(22,471)	(34,042)	104,005
Net (decrease) increase in cash and cash equivalents	323,487	297,354	385,914
Cash and cash equivalents as at January 1,	271,567	331,408	337,362
Cash and cash equivalents as at December 31,	1,609	882	1,017

(1) Key Financial Ratio

Financial Ratio	As of 31 December		
	2021	2022	2023
Liquidity Ratio			
Liquidity ratio (times)	2.11	1.12	1.42
Quick turnover ratio (times)	0.21	0.15	0.28
Profitability Ratio			
Gross margin (%)	19.42%	22.01%	25.50%
Net profit margin (%)	(4.32%)	(11.79%)	(13.60%)
Efficiency Ratio			
Return on assets (%)	(0.95%)	(2.40%)	(2.55%)
Return on equity (%)	(2.94%)	(11.73%)	(12.54%)
Financial policy ratios			
Debt to Equity Ratio (D/E) (times)	3.25	2.69	3.90
Net debt to equity ratio according to the terms of debentures (times)	1.95	1.57	2.56
Net debt to equity ratio (Less liability from the lease) (times)	1.95	1.57	2.56
Interest Bearing Debt to Equity) (times)	2.76	2.22	2.97
Interest Coverage Ratio : ICR) (Case basis) (times)	1.47	1.14	1.34
Interest bearing debt ratio due within 1 year to interest bearing debt (times) (percent)	29.07%	51.90%	41.92%
Ratio of loans from financial institutions to total liabilities (%)	21.58%	23.87%	23.42%
Ratio of loans from financial institutions to interest bearing debt (percent)	25.40%	28.90%	30.77%

Important Financial Information

(1) Financial Statements

The annual audited financial statements as of December 31, 2021, 2022 and 2023, which have been audited and reviewed by any of the following persons:

- Mr. Wanlop Wilaiworawit, Certified Public Accountant No. 6797 or
- Mr. Chavala Tienprasertkij Certified Public Accountant No. 4301 or
- Ms. Nisakorn Songmanee, Certified Public Accountant No. 5035 or
- Mr. Nantawat Samruamhant, Certified Public Accountant No. 7731 or

Deloitte Touche Tohmatsu Jaiyos Audit Company Limited

(2) Audit report

The Independent Auditor's Report that audited the financial statements of Charn Issara Development Public Company Limited and its subsidiaries as of December 31, 2021, 2022 and 2023 with details as follows:

Year Financial Statements	Opinion of the Auditor
2023	Without conditions
2022	Without conditions and with other observations / matters
2021	Without conditions

5.
General information and other important information
5.1 General information
Chan Issara Development Public Company Limited

Registered Capital : 1,909,265,122 Baht
Issued and Sold Shares : 1,066,595,865 Ordinary shares
Par Value Per Share : 1 Baht
Nature of Business : Develop real estate and condominiums
for sale or rent
Registration Number : 0107545000101
Head Office Location : No 2922/200 New Petchburi Road, Bangkok,
Huai Khwang District, Bangkok 10320
Telephone : 0-2308-2020 **Fax** : 0-2308-2990
Website : www.charnissara.com

Chan Issara Residence Company Limited

Registered Capital : 140,000,000 Baht
Issued and Sold Shares : 1,400,000 Ordinary shares
Par Value Per Share : 100 Baht
Nature of Business : Real estate development for sale
Chan Issara : Holding 85.36
Development PCL.
Head Office Location : เลขที่ 88 หมู่ 8 ตำบลวิชิต
อำเภอเมืองภูเก็ต Phuket 83000
Telephone : 0-2308-2929 **Fax** : 0-2308-2204
Website : www.charnissara.com, www.sripanwa.com

C.I.N. Estate Company Limited

Registered Capital : 250,000,000 Baht
Issued and Sold Shares : 2,500,000 Ordinary shares
Par Value Per Share : 100 Baht
Nature of Business : Real estate development for sale
Chan Issara : Holding 59.99% shares
Development PCL.
Head Office Location : No 2922/199 New Petchburi Road, Bangkok,
Huai Khwang District, Bangkok 10320
Telephone : 0-2308-2599 **Fax** : 0-2308-2588
Website : www.charnissara.com

Chan Issara Vipaphol Company Limited

Registered Capital : 100,000,000 Baht
Issued and Sold Shares : 1,000,000 Ordinary shares
Par Value Per Share : 100 Baht
Nature of Business : Real estate development for sale
Chan Issara : 49.99% shareholding
Development PCL.
Head Office Location : No 2922/199 New Petchburi Road, Bangkok,
Huai Khwang District, Bangkok 10320
Telephone : 0-2308-2016-7 **Fax** : 0-2308-2018
Website : www.charnissara.com

Issara United Co., Ltd.

Registered Capital : 420,000,000 Baht
Issued and Sold Shares : 4,200,000 Ordinary shares
Par Value Per Share : 100 Baht
Nature of Business : Real estate development for sale
Chan Issara : 49.99% shareholding
Development PCL.
Head Office Location : No 2922/196 New Petchburi Road, Bangkok,
Huai Khwang District, Bangkok 10310
Telephone : 0-2308-2888 **Fax** : 0-2308-2577
Website : www.charnissara.com

Issara United Development CO., Ltd.

Registered Capital : 560,000,000 Baht
Issued and Sold Shares : 5,600,000 Ordinary shares
Par Value Per Share : 100 Baht
Nature of Business : Develop real estate for sale
and operate a hotel business.
Chan Issara : 49.99% shareholding
Development PCL.
Head Office Location : No 2922/196 New Petchburi Road, Bangkok,
Huai Khwang District, Bangkok 10310
Telephone : 0-2308-2888 **Fax** : 0-2308-2577
Website : www.charnissara.com

Sri Panwa Management Co., Ltd.

Registered Capital : 100,000,000 Baht
Issued and Sold Shares : 10,000,000 Ordinary shares
Par Value Per Share : 10 Baht
Nature of Business : Hotel management
Chan Issara Development PCL. : 99.99% shareholding
Head Office Location : No 2922/199 New Petchburi Road, Bangkok,
Huai Khwang District, Bangkok 10320
Telephone : 0-2308-2929 **Fax** : 0-2308-2204
Website : www.charnissara.com, www.sripanwa.com

Issara Junfa Co., Ltd.

Registered Capital : 920,000,000 Baht
Issued and Sold Shares : 9,200,000 Ordinary shares
Par Value Per Share : 100 Baht
Nature of Business : Develop real estate for sale
and operate a hotel business.
Chan Issara : 86.30% shareholding
Development PCL.
Head Office Location : No 2922/198 New Petchburi Road, Bangkok,
Huai Khwang District, Bangkok 10320
Telephone : 0-2308-2929 **Fax** : 0-2308-2204
Website : www.charnissara.com, www.sripanwa.com

Charn Issara REIT Management Co., Ltd.

Registered Capital	: 20,000,000 Baht
Issued and Sold Shares	: 2,000,000 Ordinary shares
Par Value Per Share	: 10 Baht
Nature of Business	: REIT management company
Chan Issara	: 99.99% shareholding
Development PCL.	
Head Office Location	: No 2922/198 New Petchburi Road, Bangkok, Huai Khwang District, Bangkok 10320
Telephone	: 0-2308-2022 Fax : 0-2308-2033

Sri panwa Hospitality Real Estate Investment Trust

Registered Capital	: 3,097,722,025.60 Baht
Issued and Sold Shares	: 279,064,000 Ordinary shares
Par Value Per Share	: 11.1004 Baht
Nature of Business	: Real Estate Investment Trust
Chan Issara	: Holding trust units 19.49%
Residence Co., Ltd.	
Head Office Location	: No 2922/198 New Petchburi Road, Bangkok, Huai Khwang District, Bangkok 10320
Telephone	: 0-2308-2022 Fax : 0-2308-2033
Website	: www.cireit.com

International Resources Development Co., Ltd.

Registered Capital	: 1,757,950,000 Baht
Issued and Sold Shares	: 17,579,500 Ordinary shares
Par Value Per Share	: 100 Baht
Nature of Business	: Real estate development for sale
Chan Issara	: 15.989% shareholding
Development PCL.	
Head Office Location	: No 2922/200 New Petchburi Road, Bangkok, Huai Khwang District, Bangkok 10320
Telephone	: 0-2308-2020 Fax : 0-2308-2990

Issara Development company limited.

Registered Capital	: 100,000,000 Baht
Issued and Sold Shares	: 1,000,000 Units
Par Value Per Share	: 100 Baht
Nature of Business	: Property development
Chan Issara	: 99.99% shareholding
Development PCL.	
Head Office Location	: No 2922/200 New Petchburi Road, Bangkok, Huai Khwang District, Bangkok 10320
Telephone	: 0-2308-2022 Fax : 0-2308-2033

Bangkok Commercial Property Fund

Registered Capital	: 1,000,000,000 Baht
Issued and Sold Shares	: 100,000,000 Investment Units
Par Value Per Share	: 10 Baht
Nature of Business	: Property Fund
Chan Issara	: 17.56 shareholding
Development PCL.	
Head Office Location	: No. 989 Siam Tower, 24 th Floor, Rama 1 Road, Pathumwan District, Bangkok 10330
Telephone	: 0-2659-8888 Fax : 0-2659-8869

Securities Registrar

Thailand Securities Depository Company Limited
No. 93, The Stock Exchange of Thailand Building, Ratchadaphisek Rd. Din Daeng Subdistrict, Din Daeng District, Bangkok 10400
Telephone : 0-2099-9999 Fax : 0-2099-9991

Auditor**Deloitte Touch Tohmatsu Jaiyos Audit Co., Ltd.**

By Mr. Wanlop Wilaiworawit Registration No. 6797 or Mr. Chavala Tienprasert Registration No. 4301 or Ms. Nisakorn Songmanee Registration No. 5035 or Mr. Nantawat Samranhant Registration No. 7731
No. 11/1 AIA Sathorn Tower Floor 22-274 South Sathorn Road Yannawa, Sathorn, Bangkok 10120
Telephone : 0-2034-000 **Fax** : 0-2034-0100

5.2 Other important information

- 5.2.1 Other information that affects investors' decision-making
- None -

5.2.2 Restrictions on foreign shareholders

The company does not offer shares for capital increase, or issuance of transferable share subscription rights (Transferable Subscription Right or TSR) to shareholders in proportion to their shareholding that will make the company have duties under foreign law.

5.3 Legal Disputes

-None-

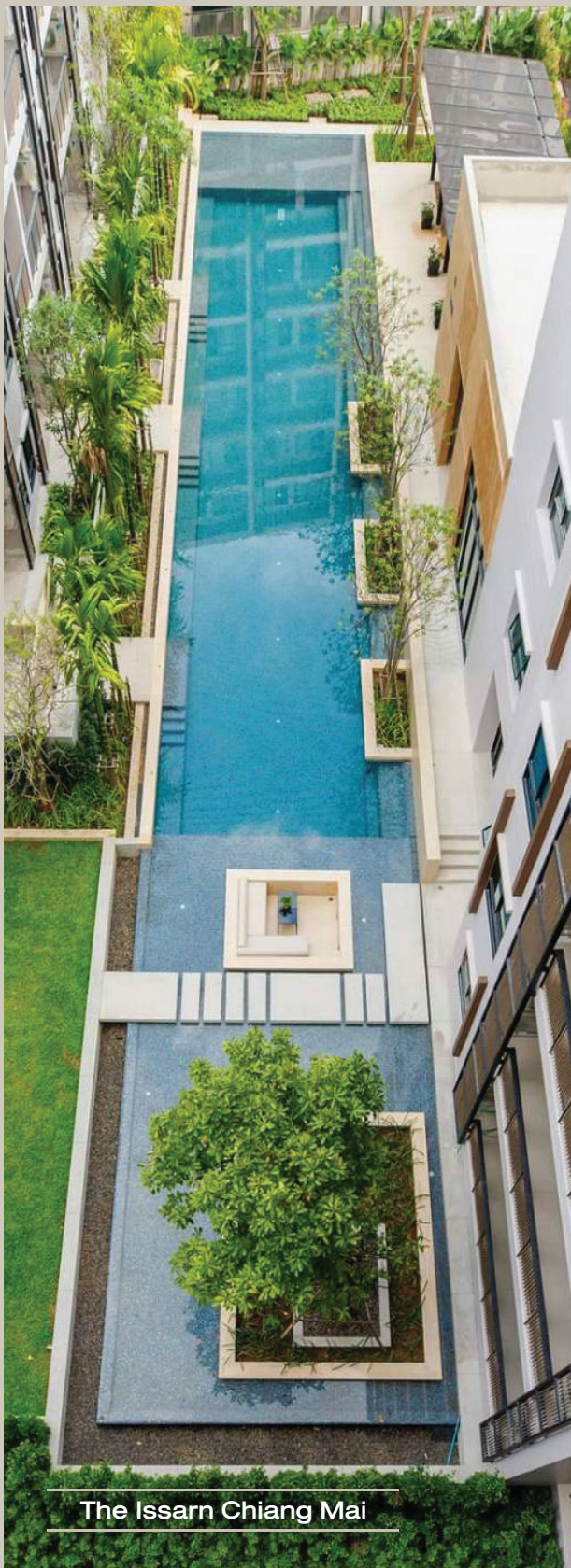
5.4 Secondary market

-None-

5.5 Financial institutions that are in constant contact

TMB Thanachart Public Company Limited
Kasikorn Bank Public Company Limited
Siam Commercial Bank Public Company Limited

Management and Corporate Governance



The Issarn Chiang Mai

6. Corporate Governance Policy

6.1 Corporate Governance Policy and Practice

Board of Directors has given importance to good corporate governance to increase competitiveness and confidence to shareholders, investors and all related parties. This is important in the operation of the company, to be efficient, transparent and reliable. It also supports management with honesty, emphasizing on enhancing competitiveness, add value to the business, create stable and sustainable growth as well as giving importance to the internal control system and internal audit. Treatment of shareholders and equal stakeholders, have business ethics to prevent conflicts of interest and disclose information sufficiently including taking into account the risks and appropriate risk management methods. Good Corporate Governance is therefore a matter that the Company attaches great importance to and essential to the operation of the company.

The Company has assessed the corporate governance in the group of “Very good” from the results of the survey on corporate governance of Thai listed companies in 2023 conducted by the Thai Institute of Directors Association with the Stock Exchange of Thailand and the Securities and Exchange Commission.

The Corporate Governance Policy is divided into 5 sections with details as follows:

Category 1 Shareholder Rights

Board of Directors be aware of the ownership rights of shareholders, especially the basic rights, which are trading or transfer of shares. To have a share of the profit of the enterprise, obtaining adequate information and information of the enterprise, attending the meeting for exercising the right to vote in the shareholders’ meeting. To appoint or remove directors appoint an auditor and other matters that have an impact such as dividend allocation, determination or amendment of regulations and the memorandum of association, capital reduction or capital increase, and approval of various special items.

Board of Directors will proceed for shareholders to acknowledge the rules and methods of attending the meeting and provide sufficient information for consideration on each agenda before the meeting at sufficient time. Opportunity to propose meeting agendas and give the right to grant proxies to others to attend the meeting. The shareholders were given opportunities to ask questions at both meetings and the Board of Directors and or send questions in advance.

Board of Directors therefore, the company has set guidelines for the rights of shareholders in the following matters.

1. Shareholder Meeting

- 1.1 The company has a policy to support and promote and facilitate all groups of shareholders especially institutional shareholders attend the shareholders' meeting.
- 1.2 The company provides information on the date, time, place and agenda of the meeting with explanations and reasons for each agenda or accompanying the resolution requested as specified in the invitation letter and extraordinary shareholders or in the attachment of the meeting agenda which delivered to shareholders via registered mail at least 14 days prior to the meeting date and also disclosed on the Company's website.
- 1.3 The company has facilitated the shareholders to exercise their rights to attend the meeting and fully pronounced by organizing a meeting place where shareholders can travel to the meeting easily. The company currently holds a meeting place at the company which can travel to attend the meeting both by car, sky train, BTS, train and passenger boat.
- 1.4 The Company provides opportunities for shareholders to propose meeting agendas and send questions about the company in advance of the meeting date and inform shareholders through the Stock Exchange of Thailand and the Company's website as well.
- 1.5 The Company has provided proxy forms A, B and C for the shareholders to choose to use according to the convenience of the shareholders. In addition, the company has nominated 3 independent directors as an alternative to the shareholders' proxies as well.

2. Actions on the date of the shareholders' meeting

- 2.1 The Company has applied technology in the shareholders' meeting such as bar code registration, vote aggregation processing in each agenda. So that the meeting can be done quickly, accurately and precisely.
- 2.2 All directors will attend every shareholder meeting, if they didn't have any necessary missions. So, the shareholders will have the opportunity to ask any questions.
- 2.3 The company determines that a resolution is made for each item. In the event that there are many items on that agenda, such as the appointment of directors and determine the remuneration of the board of directors.
- 2.4 The company has arranged to have independent persons. To count or examine the votes in the general meeting and extraordinary shareholders and disclose to the meeting and recorded in the minutes of the shareholders' meeting.
- 2.5 The Company has arranged for the use of voting cards in every agenda. Whether that agenda is more or less important, this is for transparency and verifiable in case of doubt or later dispute.
- 2.6 The chairman of the meeting allocated time to all shareholders. To have an opportunity to express opinions and to ask questions to the meeting in all matters relating to the company both directly and indirectly.

3. Preparation of meeting minutes and disclosure of the shareholders' meeting resolutions

- 3.1 The company has prepared a detailed of meeting report, recording the voting procedure and the display of scores to the meeting before proceeding to the meeting as well as providing opportunities for the shareholders to asked questions and recorded questions, answers, as well as the names of the questioners in the meeting minutes. The voting results are announced for each agenda on how many shareholders agree, disagree and abstain? What percentage of shareholders attend the meeting? Including the record of names of directors attending the meeting, absent director, staff of various departments whom attending the meeting and observations as well, such as auditors and financial or legal advisors, etc.

- 3.2 The company disclosed the voting on various agenda items of the general meeting and extraordinary shareholders within the meeting date or the next business day every time on the Company's website.

The company received 98 percent of the scores from the quality assessment of the 2023 shareholders' meeting.

Category 2 Equitable Treatment of Shareholders

Board of Directors have a policy to treat all shareholders equally. Whether it is an executive shareholder, non-executive shareholder and foreign shareholders.

The committee has measures to prevent to not allow executives to use inside information for their own gain or others in a wrong way and requiring directors and executives to disclose information about their interests and stakeholders. In order for the Board of Directors to consider the transactions of the company that may have conflicts of interest and make decisions for the benefit of the company. By directors and executives who having an interest in transactions with the Company will not have the right to participate in the decision to make such transactions.

Board of Directors therefore, has established guidelines for treating equitable shareholders in the following matters.

1. Providing information before the shareholders' meeting

- 1.1 The company has a policy to inform the schedule of the shareholders' meeting with agenda and the opinion of the Board of Directors on the Stock Exchange of Thailand and through the Company's website at least 28 days before the shareholders' meeting date.
- 1.2 Before the meeting, the company will inform the shareholders about the rules used in the meeting. Voting procedure including the right to vote in each agenda.
- 1.3 The Company has prepared an invitation letter for the shareholders' meeting in both Thai and English languages. To be published on the Company's website.

2. Protection of Minority Shareholders' Rights

- 2.1 The Company has set rules for minority shareholders. Propose an agenda Meeting at least 3 months prior to the shareholders' meeting date for fairness and transparency in considering whether to increase the agenda proposed by the minority shareholders or not.
- 2.2 The Company has established procedures for minority shareholders. Propose a person to be a director. The names are submitted through the board of directors at least 3 months in advance of the shareholders' meeting date with information for considering the qualifications and the informed consent of the nominees.
- 2.3 The Company has a policy not to allow shareholders who are executives, add an agenda that is not informed in advance. Especially important agenda that shareholders need time to study information before making a decision.
- 2.4 The Company has assigned the shareholders to exercise their rights to appoint each director individually.

3. Prevention of Inside Information Usage

The company has a policy to take care of the management and employees in using the Company's inside information for their own benefit by the executives and employees who have received inside information on the purchase or sale of the Company's securities must be suspended in the 1-month period before the Company announces its operating results (financial statements) or material news which affects the changes in the price of the securities, in the matter of financial statements. The deadline for posting the results is 45 days from the end of the quarter and 60 days from the end of the accounting period. In addition, the Company has required management to prepare and submit reports on the securities holding of spouses and underage children in the listed companies for which they are management. To the Office of the Securities and Exchange Commission as follows:

- (1) The first shareholding report (Form 59-1) within 30 days from the closing date of the offer securities for sale to the public or the date of appointment as a director or executive.
- (2) Report on changes in securities holding (Form 59-2) due to transfer purchase or accept transfer of securities within 3 business days from the date of trading, transfer or acceptance of transfer of such securities.

Report on securities holding of Directors and Executives as of 31 December 2023

First name and Last name	Number of shares			
	As of Dec 31, 2022	Acquired during the year (From capital increase shares)	Sold during the year	As of Dec 31, 2023
Mrs. Srivara Issara	-	-	-	-
Mr. Songkran Issara	313,634,494	-	-	313,634,494
Mr. Prawet Wut Raiva	-	-	-	-
Mrs. Teerapon Sritharoenwong	44,550	-	-	44,550
Mr. Phisut Dejakaisaya	8,167	-	-	8,167
Mr. Vitit Rachjatanan	1,930,500	-	-	1,930,500
Mr. Pinit Puapan	1,336,500	-	-	1,336,500
Mr. Worasit Issara	5,107,909	-	-	5,107,909
Mr. Ditwat Issara	19,584,454	-	-	19,584,454
Mr. Nimit Hongpanit	-	-	-	-
Ms. Pranee Worachokpirat	-	-	-	-
Mr. Krit Hongchanya	-	-	-	-
Ms. Orawan Euaamnuayrat	-	-	-	-
Mr. Narakorn Boonbumrung	-	-	-	-

In addition, the management must send a copy of the securities holding report to the company. For the company to keep as evidence within the date the securities holding report must be submitted to the Securities and Exchange Commission. The company do not have any punishment measurement, if management is found to violate the Company's policy, however, in the event that directors and/executives violate such laws, the Company will coordinate with the governing body to take further legal action.

4. Interests of Directors

- 4.1 The company has a requirement for directors to report their interests before considering such agenda and recorded in the board meeting minutes
- 4.2 The Company assigns directors who have significant interests in a manner that may prevent such directors from expressing independent opinions, refrain from participating in the consideration of that agenda.

Category 3 Roles of Stakeholders

The Company has a policy to treat each group of stakeholders taking into account the rights of such stakeholders in accordance with the law or according to an agreement with the company should not take any action that violates the rights of those stakeholders and should set compensation measures in the event that stakeholders are damaged by rights violations.

The Company realizes the importance of participation of stakeholders in enhancing the Company's operating results. To create stability for the business and sufficiently disclose important information relevant to those stakeholders. In order to be able to act in such participation effectively, the company also has measures to report illegal act, accuracy of financial reports, defective internal control system and unethical practices to the Board of Directors through various channels, whereby the company will conceal the confidentiality of the said informant.

The company has a policy of social responsibility. Especially those that directly affect the business operation in full. To assure related parties that the Company's business operation takes into account environmental and social factors. For sustainable development with guidelines for doing the following:

1. The policy of treatment of stakeholders.

- 1.1 The company has a treatment policy for each group of stakeholders as follows:
 - (1) Determine the scope of customer care in terms of health, safety and compensation from the use of goods or services during the warranty period.
 - (2) Procedures and protocols for partner selection or contractor.
 - (3) Operate systematically to ensure that the Company's supply chain (Value Chain) is environmentally friendly and promote sustainable and consistent development.
 - (4) good interaction with the community at the place of business and the company's project is located.
 - (5) The Company has a program and approach to combat corruption. Including supporting activities that promote and instill in all employees obey the law and related regulations.
 - (6) There is a guideline for non-infringement of creditors' rights.
 - (7) Treat employees fairly. Including providing knowledge development and the potential of employees continuously.
- 1.2 The company has provided a channel for receiving and deal with stakeholders' requests by disclosing the process and channels for complaints or whistle-blowing from illegal acts or guilty of fraud, unethical or behavior that may imply corruption of people in the organization or violation of rights. Both from employees and stakeholders of all groups by assigning the Audit Committee to be the recipient of complaints in which all groups of stakeholders can submit clues or make a complaint through the company's website or by email directly at email: cg@charnissara.com or by mail at

Audit Committee

Charn Issara Development Public Company Limited
2922/200 New Petchburi Road, Bangkokpi,
Huaykwang, Bangkok 10320
Business hours Monday – Friday 8:30 AM – 5:00 PM.

2. Disclosure of Policy Compliance and preparing the social responsibility report

- 2.1 The company has disclosed various activities to make society aware of the responsibility of the company and encourage employees to take part in doing so for the sustainable development of the company.
- 2.2 The company has prepared a sustainability report on social responsibility. This is a separate Sustainability Report in accordance with the Global Reporting Initiative (GRI) framework.

Category 4 Disclosure of Information and Transparency

The company has a policy to disclose important information related to the company. Both financial information and the non-financial information that is correct, complete, timely and transparent through the channels of the Stock Exchange of Thailand and the Company's website.

The company has assigned the managing director to act as an informant and public relations by clearly setting the disclosure policy of information to the public. In addition, the Company has "Investor Relations (IR)" to communicate with third parties such as shareholders, institutional investors, general investors, analysts and related government sectors. By allowing them to meet with the management of the company as appropriate under the criteria that information that has been disclosed to the public with the following guidelines.

1. Disclosure of information

- 1.1 The company has a mechanism to ensure that the information disclosed to investors is correct and sufficient to make decisions.
- 1.2 The company has a report on corporate governance policy, code of business ethics, risk management policy, and policies on environmental and social stewardship which has given their consent in summary and the results of the implementation of the said policy. Including cases that cannot comply

with the aforementioned policies. The reports are available through the annual registration statement /annual report (Form 56-1 One report) and the Company's website.

- 1.3 The company reports the responsibilities of the Board of Directors for financial reports along with the auditor's report in the annual registration statement/annual report (Form 56-1 One report).
- 1.4 The company makes a description and the analysis of the management (Management Discussion and Analysis or MD&A) in order to disclose the annual financial statements in the annual registration statement /annual report (Form 56-1 One report) in order for investors to be informed information and have better understanding of the changes that occur to the financial position and operating results of the company each year, in addition to the numbers in the financial statements alone.
- 1.5 The company discloses the annual audit fee and other service fees provided by the auditor. In addition, roles and duties of the committees and sub-committees were disclosed. Number of meetings and the number of times each director attended the meeting in the past year and opinion from acting. Including continuing professional training and development of the committee in the Annual registration statement/ annual report (Form 56-1 One report)
- 1.6 The company discloses the policy of remunerations to directors, senior management who reflects the obligation and the responsibility of each. In addition, the amount of remuneration disclosed includes the remuneration received by each director as a director of the subsidiary. A clear and transparent policy for directors' remuneration for the year 2020 has been disclosed in the section on executive compensation.

2. Minimum information that should be disclosed on the Company's website

The company has published information according to the specified criteria and through the channels of the SET Annual Registration Statement/Annual Report (Form 56-1 One Report). In addition, the company has disclosed information in both Thai and English language through the company's website as well which consists of

- (1) Vision and mission of the company
- (2) Nature of business operation of the company
- (3) List of Board of Directors and Executives
- (4) Financial statements and reports on financial positions and operating results both current and previous years
- (5) Annual registration statement/Annual report (Form 56-1 One Report) which can be downloaded.
- (6) Information presented by the company to various media
- (7) Direct and indirect shareholding structure
- (8) Company group structure includes subsidiaries, associates, joint ventures, and special purpose vehicles or SPVs.
- (9) Major shareholders both direct and indirectly holding shares of 5% of the total issued shares and have the right to vote
- (10) Direct and indirect shareholding of directors, Major shareholders, Senior management
- (11) Invitation to the general meeting and extraordinary shareholders
- (12) Articles of Association memorandum and agreements of other group of shareholders (if any)
- (13) Policy on good corporate governance of the company
- (14) Risk management policy including ways to manage risks in various fields
- (15) Charter or duties, responsibilities, qualifications, term of office of the committee including matters that need to be approved by the Board of Directors
- (16) Charter or duties, responsibilities, qualifications, tenure of the Audit Committee and Remuneration Committee
- (17) Code of conduct for employees and directors of the company including the ethics of investor relations
- (18) Agency contact information or the person in charge of the investor relations

Category 5 Responsibilities of the Board of Directors

The Company has a policy for the Board of Directors to be independent in making decisions for the best interest of the Company and shareholders. With separation of roles and duties responsibility clearly between the board and the management and take care of the company There is a system

of work to ensure that the Company's activities are carried out in a lawful manner and ethical.

Therefore, in order to perform the duties of the committee efficiently and effectiveness, the Board of Directors has established various sub-committees to help study and scrutinize the work as needed. Especially in cases where diagnostic neutrality is required and there is a clear policy, roles and responsibilities.

Determination of Directors' Remuneration is directly related to the interests of the directors, so the board has a transparent compensation process. By screening from the Remuneration Committee and seek approval from the general meeting of shareholders. The company has the following guidelines.

1. Committee Structure

- 1.1 The Board of Directors has established the board structure to consist of directors with various qualifications. Both in terms of skills, experience and talents that are beneficial to the company. There must be at least 3 non-executive directors including the number of years in the board of directors in the company of each director.
- 1.2 The committees consist of persons with knowledge, experience and competence in various fields of not less than 5 and not more than 12 people.
- 1.3 The company has an independent board of directors who can provide independent opinions on the work of the management. In the amount specified by the Office of the SEC and non-independent directors in accordance with the fair proportion of the investments of each group of shareholders.
- 1.4 The Board of Directors has clearly defined the term of office of the directors as specified in the corporate governance policy.
- 1.5 The board has considered the qualifications of the person to be "Independent Directors" in order to give the independent directors of the Company true independence, suitable for the characteristics of the company. The independence must at least be in accordance with the rules prescribed by the SEC and SET.
- 1.6 Chairman of the Board and the managing director must not be the same person and have different duties and responsibilities. The Board of Directors determines the powers and duties of the chairman

of the board and the Managing Director clearly So that no one has unlimited power.

- 1.7 The board may elect an independent director to be the chairman of the board.
- 1.8 The Board of Directors has established rules for holding positions in other companies. By considering the performance of the directors who hold positions in many companies and to ensure that Directors can devote sufficient time to perform their duties in the company. By stipulating the number of companies that each director can hold a position of not more than 5 listed companies for the efficiency of their performance as an efficient director.
- 1.9 The board has established a policy and procedures for taking the position of director in other companies of the Managing Director and senior management of the company
- 1.10 The company has a company secretary which serves to coordinate the law and the rules that the committee must know and perform duties in overseeing the activities of the committee including to coordinate the implementation of the board resolutions.
- 1.11 Company Secretary Trained And continually develop their knowledge in law, accounting and/or performance of company secretary duties

2. Sub-Committees

- 2.1 Besides the Audit Committee, the Company has set up sub-committees for good corporate governance as follows:

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of independent directors. By the Nomination and Remuneration Committee responsible for considering criteria and procedures for recruiting qualified persons. To be a director Chief Executive Officer and Managing Director and consider the payment criteria and forms of remuneration for directors and the chief executive of the organization. To propose opinions to the Board of Directors, the Board of Directors approves the remuneration of the top management. As for the remuneration of directors, the Board of Directors must present to the shareholders' meeting for approval.

Risk Management Committee

Risk Management Committee was established on February 25, 2015 with the aim of the management's operations in line with the goals, policies and to ensure efficient operation according to the Company's plans.

- 2.2 In the event that the Board of Directors has appointed any person to be an advisor to the Nomination and Remuneration Committee. The company will disclose the information of that advisor in the annual report. Including independence or no conflict of interest
- 2.3 The chairman of the committee will not be a chair or a member of any subcommittee. In order for the performance of duties of the sub-committees to be independent.
- 2.4 Sub-committees Have held meetings at least twice a year to consider and discuss and take any action. To accomplish their duties and responsibilities. This is for efficiency and achieve the objectives and duties and responsibilities assigned by the board of directors.

3. Roles, duties and responsibilities of the committee

- 3.1 Roles and duties of the committee as follows
 - (1) Consider and approve important matters related to the Company's operations such as vision and mission, strategies, financial goals, risks, plans and budgets.
 - (2) Follow up and supervise the management, implement the policy and the plan is effectively defined and effectiveness.
 - (3) Internal control and risk management including the mechanism for receiving complaints and actions in the event that there are clues on various matters.
 - (4) Ensure long-term business continuity including employee development plans continuity of management.
- 3.2 Provide a written corporate governance policy and approve the said policy. The committee reviews the policy and compliance with the said policy on a regular basis at least once a year.
- 3.3 Encourage the preparation of a written business code of conduct. To enable all directors, executives and employees to understand the ethical standards used by the company in business operations and followed up to seriously adhere to the aforementioned code of conduct.
- 3.4 Carefully consider conflicts of interest. Consider making transactions that may have conflicts of interest. There is a clear guideline and it is for the benefit of the company and shareholders as a whole is important. The stakeholders cannot take part in decision-making and supervise compliance with regards to the operating procedures and the correct and complete disclosure of transactions that may lead to conflicts of interest.
- 3.5 Provide operational control system. Financial reporting and for compliance with rules and policies, a person or agency with independence in performing their duties is responsible for monitoring such control system and review important systems at least once a year and disclose them in the annual report.
- 3.6 Establish a risk management policy to cover the entire organization by allowing the management to comply with the policy and report to the board regularly. The system is reviewed or evaluated the effectiveness of risk management at least once a year and disclosed in the annual report and every time the risk level has changed. This includes giving priority to early warning signs and various unusual items.
- 3.7 The Board of Directors or the Audit Committee gives opinions on the sufficiency of the internal control system and risk management in the Annual registration statement/Annual report (Form 56-1 One report) provides clear operational guidelines for those wishing to report clues or stakeholders via the website or report directly to the company. The channel for notification is through an independent director or Audit Committee. In order to have the information reviewed in accordance with the established process and reported to the committee.

3.8 There is a mechanism to regulate subsidiaries to maintain the interests of the Company's investments. The Board of Directors is responsible for considering the suitability of the person to be a director of the subsidiary to control the management in accordance with the Company's policy and making various transactions legally and regulations of the securities law and stock exchange and the announcement of the Stock Exchange of Thailand.

4. Committee meeting

- 4.1 Arrange a meeting and the agenda of the board meeting in advance and inform each director to aware of such requirements. So that directors can arrange time and attend meetings
- 4.2 The number of committee meetings is arranged to suit the duties and responsibilities. And the responsibilities of the board and the nature of business operations of the company at least 6 times per year.
- 4.3 Chairman of the Board, the Managing Director and Managing Director jointly consider agenda items selected for the Board meeting. By making sure that the important matters have been included and give each director an opportunity to be free to propose matters that are beneficial to the Company on the agenda of the meeting.
- 4.4 Meeting documents sent to each director at least 5 business days before the meeting date.
- 4.5 All directors must attend a meeting of not less than 75% of the total number of board meetings held in the year.
- 4.6 The chairman of the board has allocated sufficient time for the management to make suggestions and enough for the judges to discuss important issues thoroughly. The chairman of the board encourages prudent judgments and every director pays attention to every issue leading to the meeting including corporate governance.
- 4.7 The board supports the managing director, invite senior management to attend the board meeting to provide more detailed information on the matter directly related to the problem and to have the opportunity to get to know the top executives for use in consideration of the succession plan.

4.8 The board can access necessary information from the managing director, company secretary or other executives who have been assigned within the scope of the policy set. And if necessary, the board can arrange for independent opinions from advisors or outside professionals. It is considered an expense of the company.

4.9 The board of directors has a policy that the non-executive directors have an opportunity to hold meetings between themselves as necessary. To discuss issues with regard to management of interest without the management and inform the Managing Director of the meeting result.

5. Compensation

- 5.1 Remuneration of Directors is compared with the level of practice in the same industry, experience, duties, scope of roles and responsibilities. (Accountability and Responsibility) Including the benefits expected to receive from each director. Directors who have been assigned additional duties and responsibilities by members of the sub-committees will receive additional compensation as specified.
- 5.2 Remuneration of the Managing Director Conform to the principles and policies set by the Board within the framework approved by the shareholders' meeting and for the best interest of the company. The compensation level corresponds to the performance and taking into account the benefits that the shareholders receive as well as the sustainability of the company.
- 5.3 Remuneration Committee as a managing director assessor annually. To be used in determining the Managing Director's remuneration. The criteria were agreed in advance with the Managing Director on a concrete basis. This includes financial performance. contribution to the implementation of long-term strategic objectives. The above evaluation results were presented to the Board for consideration and approval and the chairman of the board will be the communicator. The result of consideration to the Managing Director for acknowledgment.

6. Development of Directors and Executives

6.1 Committee promotes and facilitates training and educating to relevant persons in the corporate governance system of the Company, namely directors, audit committees; Remuneration Committee, Executive and Company Secretary

in order to continuously improve the performance. In the year 2020 Directors, Subcommittee members and/or Company Secretary have attended the following training

No.	date	Course	place	No. of attendance (person)s
1	29/8/2023	Ethical Leadership Program	Thai-IOD	2

6.2 Every time a new director is appointed, the management will arrange the documents and useful information for the performance of duties of new directors. Including introducing business characteristics and business practices of the company for new directors

which the Managing Director and senior management must prepare to be a succession plan in case of unable to perform their duties.

6.3 The board of directors requires the managing director to report for acknowledgment on a regular basis. About the development and succession plan

6.4 The board of directors provides a project for management development. By allowing the managing director Annual report about what has been done during the year and consider it in parallel with considering the work succession plan.

Level of trainees - number of trainees (people)

Date/Month/Year Of the seminar	Seminar topic	Lecturer	Institutions that organize training seminars	Training/Seminar location	Officer - Asst. Manager	Manager-Director	Assistant Managing Director- Managing Director
-10/3/2023	Horizontal-high-rise construction management	Many Lecture	Thailand Real Estate Business School Co., Ltd.	Thailand Real Estate Business School	1	2	
8/3/2023	How to lead your business through the COVID-19 crisis	Ms. Piya Thanakitmuay	HR	21 Floor	10	18	8
27/3/2023	3 Prongs to increase sales, reduce costs, and reduce expenses	Dr. Boonkiat Chokwatana	HR	21 Floor	21	16	9
1/4/2023	Communication process to build relationships and develop personnel	Chomphon Suphap	Chomphon Speaking School Human Potential Development Center	21 Floor	33	9	5
28-29/4/2023	PROPERTY MANAGEMENT Establishment and management of housing/condominium juristic persons (RE142) Class 37	Charan Kasorn and Many Lecture	Thailand Real Estate Business School	Thailand Real Estate Business School		1	
2/5/2023	Service Excellence&Personality Development	Mr. Kittithat Yatimitnun		21 Floor	4	1	
12/5/2023	Analyzing customer credit for residential purposes	Bangkok Bank executive		21 Floor	4	10	3
30-31/5/2023	Insigh In SET	Many Lecture	Stock Exchange of Thailand	Centara Grand & Bangkok Hotel			1
5-6/9/2023	Sales, Advertising and Consumer Protection Laws, 3 rd Edition	Associate Professor Kanathip Thongraweeewong	Kasetsart University Political Science Association	Princess Hotel	1		1
5/9/2023	People management and organization management	Atsada Harinsut	HR	21 Floor 21		14	9
5-6/10/2023	Foreigners buying real estate VS Thai economy		Real Estate Trade Association	The Berkeley Pratunam Hotel		3	1
28/9/2023	BDO CFO Simmit 2023 :Navigating a changing regulatory enviroment"		BDO International Limited	Bangkok Marriott Hotel			1
30/11/2023	CFO Refresher Course 2023 (online) Topic: Prepare to deal with Financial, investment and accounting issues that affect listed companies	Many Lecture	Stock Exchange of Thailand	Online			1

Supervision of Operations of Subsidiaries and Associated Companies

Nomination and Voting Rights to appoint a Director of Subsidiaries and Associated Companies operated by the person who is appointed as a director of a subsidiary or an associated company. The Company has a duty to act in the best interests of that subsidiary or associated company, and the Company requires that the appointed person must be approved by the Board of Directors before voting. Or to exercise the right to vote on important matters at the same level as requiring the approval of the Board of Directors. If it is operated by the Company by itself, the sending of directors to represent the subsidiary or associated company is in accordance with the Company's shareholding proportion.

In addition, in the case of a subsidiary, the company requires the person appointed by the company to oversee the subsidiary company to have the regulations on connected transactions. The acquisition or disposition of assets or any other important transactions of the said company are complete and correct. And use the rules relating to the disclosure of information and the above transactions in the same manner as the Company's guidelines. Including the need to supervise the storage of information and accounting records of subsidiaries for the Company to be able to audit; compiled to prepare the consolidated financial statements on time.

In this regard, the Board of Directors will consider reviewing matters that the Company still unable to comply with the principles of good corporate governance.

Social responsibility

The company provides a sustainability report for the year 2023 to disclose. The policy and performance on the economy, society and environment. It has been disclosed consecutive in the 2023 sustainability report in the form of information disclosure on the website for shareholders to and those who are interested can visit it on the website. <http://investor-th.charnissara.com/sdr.html>

Anti-Corruption Guidelines

As the company has announced its intention Collective Action Coalition of the Thai private sector in combating corruption with a policy to define duties and responsibilities. Practice guidelines Proper operational requirements channels for receiving clues or make a complaint section on protection and confidentiality, investigations and penalties, dissemination of anti-corruption policy, etc.

The Company therefore has established the "Anti-Corruption Policy" in writing. To be a clear practice guideline in business operations and develop into a sustainable organization. It also announced its intention to become one of the Private Sector Collective Action Coalition Against Corruption (CAC)

In 2023, the company was certified as a Private Sector Collective Action Coalition Against Corruption (CAC). The company will operate in accordance with the policies and guidelines set forth. strictly

6.2 Business ethics

Code of Conduct and Business Ethics of the Company

The Company is committed to operating under the corporate tenet of integrity, transparency, morality and responsibility, and all directors, executives and employees will abide by the following principles:

1.1 Customers

The company aims to benefit customers. and the utmost satisfaction by taking care of protecting the interests of customers, offering quality products and services. Provide service with fairness and keep all customer information confidential.

1.2 Shareholders

The company aims to operate the business with efficiency, transparency, and create appropriate returns to shareholders. By continuing to have good operating results with efficient internal audit system and to take any action with fairness to all shareholders equally.

1.3 Employees

The company considers all employees of the company valuable. The company is committed to continuous employee development and to promote.

Employees have opportunities for advancement and stability and receive appropriate compensation based on their knowledge ability.

1.4 Alliances and competitors

The company treats its partners and competitors with fairness and maintain confidentiality under the guidelines and related laws Including not seeking partner information and competitors in bad faith and unfair.

1.5 Creditors and Business Partners

The company is committed to honesty in adhering to the conditions provided to creditors and partners of all types by address under the conditions, including the rules and the law.

1.6 Society and Environment

The company is committed to conducting business with social and environmental responsibility. Consider taking action on matters affecting the public's feelings. And encourage employees to have consciousness and responsibility and continually improve operations to suit the environment and regularly

1.7 Conflicts of Interest

The Company is committed to conducting business with regard to the best interests of its customers and that of the Company. Supervise and give importance to transactions that may lead to conflicts of interest or related items Inappropriate connection or inter-transaction. The connected transaction has the same price and terms as making transactions with third parties.

1.8 Disclosure of information

The company aims to disclose information of the company to shareholders, investors and the general public accurately. completely, comprehensively and timely, including in accordance with the law and various related regulations.

1.9 Corporate governance

The company is committed to adhering to the principles of good corporate governance which has improved the principles of supervision good business for new companies in line with the ASEAN Corporate Governance guidelines, Score card, which is an instrument used to measure

levels. "Corporate Governance of Listed Companies" for ASEAN countries make it up to date. And corresponds to the changes that occur in capital market society and to raise standards and practices in good corporate governance of the company registered to have higher corporate governance standards as well as the company will provide cooperation with organizations that supervise the company.

Director's ethics

Due to the Board of Directors are being a key player as a leader that will lead the organization to success by setting policy guidelines and guide the behavior of the personnel in the company in the right direction and the following practices in performing their duties.

1 Business Management Duties

- Supervise the operation of the company to be carried out without undue risk to the stability of the company.
- Perform duties with honesty, transparency, morality and fairness. To ensure that in making decisions and take action with regard to the best interests of the company. And will not discriminate or refrain from treating any particular person by adhering to the principle of equality.
- Perform their duties professionally with know-how determination and care including the use of knowledge and management skills to the fullest extent.
- Not looking for personal gain and those involved by bringing internal information that has not yet been disclosed or that is confidentiality to be used or disclosed to third parties or acts that cause a conflict of interests, both intentionally and not intended to third parties and will not use the information obtained from job position for personal financial gain and will not use that information for the financial benefits of others.
- Supervise the operations of the company in accordance with the relevant laws, regulations and the Company policy as well as supervise the fact that there is no concealment of factual information and reporting accurate, complete, timely and consistent information.

- Proceed according to the law and various regulations related to business operations.
- Establish a risk management policy, internal control including the mechanism for receiving complaints and take action in cases where there are various clues to be covered whole organization.

2 Relationships with shareholders, customers, creditors and business partners and employees

- Directors are responsible for shareholders such as information disclosure. Accounting practice use of internal information and conflicts of interest Provide accurate information to investors completely equal, timely, standardized and transparent.
- Protect the interests of customers at all times. Take the utmost care and responsibility to the customer in relation to provide quality products presentation service and maintain that standard.
- Behave within the framework of good competition Not destroying the reputation of its competitors. Including not seeking information from competitors in bad faith and unfair.
- Ensuring equality in employment opportunities and other principles relevant to employees and ensuring that employees have the knowledge and expertise necessary to operate in the business.

3 Social and environmental responsibility

- Conduct business with social and environmental responsibility
- Be careful and attentive in any actions that will affect the public.
- Encourage employees to be conscious and environmental responsibility and encourage employees to have involved in doing so for the sustainable development of the company.

Employee ethics is divided into the following four categories:

1. Integrity

Honesty is a fundamental aspect of an officer and executives at all levels. Officers and executives at all levels have the opportunity to punish your customers. There is a chance to damage the customer, colleagues, shareholders, as well as society as a whole. Therefore, in order for customers, shareholders and regulators to

trust and trust Competent and all executives There must be honesty, stable and virtuous mind. Perform duties fairly, unselfish, hold on to the interests of customers as well as the benefits of the public.

2. Confidentiality

In the business of the company confidentiality is to maintain company information as well as customer information, which is

- Information about company assets
- Financial information, corporate accounts
- Customer's name and address information
- Employee information of the company, past and present
- Information about the company's partners
- Information about business dealings with other people

3. Professionalism

Board of Directors has given importance to building management's common sense and competent officials at all levels of the company to behave in the framework of appropriate practice with consideration of morality, ethics and justice. This will result in a good image for the overall company business.

4. Service to Community

The company realizes and gives importance to and responsible for the community and society by providing operations on mass relations to take care of safety, occupational health and environment. Including cooperating with government agencies and promote activities within the community.

6.3 Major Changes and Developments of Policy, Practice and Corporate Governance System in the Past Year

6.3.1 Significant changes and developments in guideline policy review and corporate governance system Or the Board of Directors Charter

In 2023, the sub-committee The charter of sub-committees such as the Nomination and Remuneration Committee has been reviewed. in order to be current Keep up with events The company has developed guidelines for anti-corruption. To cover the business operations of the

group of companies, and this year the company has been certified as a private sector collective action coalition of Thailand against corruption (Private Sector Collective Action Coalition Against Corruption or CAC). The company will carry out the policy and established guidelines strictly.

6.3.2 Compliance with good corporate governance principles for listed companies in 2023, the Company has implemented the principles of good corporate governance for listed companies in 2017 (CG Code) in appropriate practice and in line with the business model of the company.

6.3.3 Performing other matters in accordance with good corporate governance principles in 2023 Annual General Meeting, the company was assessed by the Thai Investors Association. In the project to assess the quality of the shareholders' meeting. The Company received a score of 98 points.

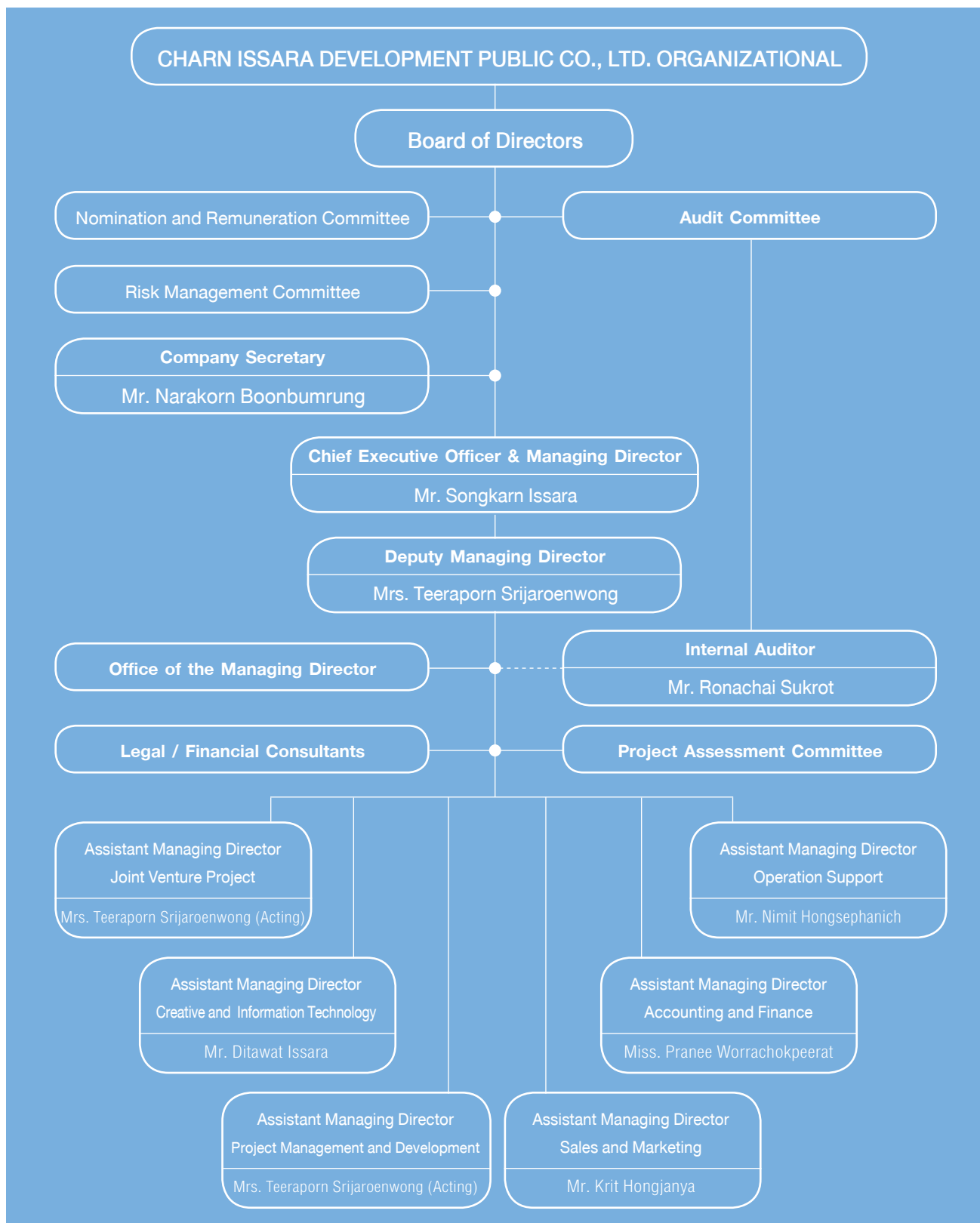


Baba Beach Club Hotel, Hua Hin

7. Corporate Governance Structure and important information about the board, sub-committees, management and other employees

7.1 Corporate Governance Structure

Board information





7.2 Board information

Board of Directors

- | | | |
|---------------------------------|----|---------------------------------------------------------------------------------|
| 1. Mrs. Srivara Issara | —● | Chairperson |
| 2. Mr. Songkran Issara | —● | Chief Executive Officer |
| | ● | Chairman of Risk Management Committee |
| 3. Mr. Dittawat Issara | —● | Director and Assistant Managing Director of Creative and Information Technology |
| 4. Mrs. Teeraporn Srijaroenwong | —● | Director |
| | ● | Managing Director |
| | ● | Joint Venture Project |
| 5. Mr. Vorasit Issara | —● | Director |
| 6. Mr. Witit Ratchatatanun | —● | Independent Director |
| | ● | Audit Committee |
| | ● | Nomination and Remuneration Committee |
| 7. Mr. Pinit Puapan | —● | Independent Director |
| | ● | Audit Committee |
| | ● | Risk Management Committee |
| 8. Mr. Phisud Dejakaisaya | —● | Independent Director |
| | ● | Chairman of Audit Committee |
| | ● | Nomination and Remuneration Committee |
| 9. Mr. Pravesvudhi Raiva | —● | Independent Director |
| | ● | Chairman of Nomination and Remuneration Committee |

7.2.1 Composition of the Board of Directors

Board of Directors and Sub-Committees

Structure of the Board of Directors as of December 31, 2023 consists of 4 sets of committees: Board of Directors, Audit Committee, Nomination and Remuneration Committee and the Risk Committee with names and scope of duties as follows.

Board of Directors

The Board of Directors has a board structure and management with adequate checks and balances, with details as follows:

- The Board of Directors has established the board structure to consist of directors with various qualifications. Both in terms of skills, experience and talents that are beneficial to the company and there must be at least 3 non-executive directors including the number of years in the board of directors of each director.
- The board consists of persons with knowledge, experience and competence in various fields of not less than 5 and not more than 12 people.
- The Company has an independent board of directors who can provide independent opinions on the work of the management. In the amount specified by the Office of the SEC and non-independent directors in accordance with the fair proportion of the investments of each group of shareholders.
- The committee stipulates the term of office of the directors clearly as specified in the corporate governance policy.
- The committee has considered the qualifications of the person to be “Independent Directors” in order to give the independent directors of the Company true independence. Suitable for the characteristics of the company, the independence must at least be in accordance with the rules prescribed by the SEC and SET.
- Chairman of the Board of Directors and the managing director must not be the same person and have different duties and responsibilities. The board of directors determines the powers and duties of the chairman of the board and the Managing Director clearly so that no one has unlimited power.
- The board may elect an independent director to be the chairman of the board.
- The Board of Directors has established rules for holding positions in other companies. By considering the performance of the directors who hold positions in many companies. And to ensure that Directors can devote sufficient time to perform their duties in the company by stipulating the number of companies that each director can hold a position of not more than 5 listed companies for the efficiency of their performance as an efficient director.
- There is a clear delegation between the directors and the management by the Chief Executive Officer and Managing Director.
 1. Mrs. Srivara Issara
Chairman of the Board
 2. Mr. Songkran Issara
Chief Executive Officer and Managing Director
And Chairman of the Risk Committee
 3. Mr. Dittawat Issara
Director
 4. Mrs. Thiraporn Sricharoenwong
Director and Member of the Risk Committee
 5. Mr. Prawetwut Raiva
Independent Director and Chairman of the Nomination and Remuneration Committee
 6. Mr. Phisut Dejakaisaya
Independent Director, Chairman of the Audit Committee
And Member of the Nomination and Remuneration Committee
 7. Mr. Vitit Rachjatanan
Independent Director and Audit Committee
And Member of the Nomination and Remuneration Committee
 8. Mr. Pinit Puapan
Independent Director and Audit Committee
And Risk Committee
 9. Mr. Worasit Issara
Director

There are 9 directors in the Company, 4 of which are independent directors, for 44.44 percent of all Company Directors and 6 non-executive directors of all directors for 55.55 percent.

Scope of Duties of the Board of Directors

1. Manage the company in accordance with the law, objectives and regulations of the company. As well as resolutions of the shareholders' meeting which are lawful with honesty and carefully protect the interests of the company.
2. Determine the direction of the Company's business operation and to control and monitor the Company's operations in accordance with the rules and regulations of relevant government agencies. Sufficient information is disclosed to shareholders and all related parties and to have transparent administration as well as for the maximum benefit to the shareholders.
3. Set goals, guidelines, policies, work plans and budgets of the company. Control, supervise, management to comply with the assigned policies except for the following matters The directors must be approved by the shareholders 'meeting prior to the operation, such as the matters that the law requires to get the shareholders' resolution such as capital increase, capital reduction or the issuance of debentures. Trading or transfer of business of the company or the purchase or acceptance of transfer of business of other companies to the company or merging businesses with other persons or entities with the objective of sharing profit and loss together. Amendment or termination of the lease of all or significant parts of the Company's business. Assigning someone else to manage the business of the company, amendments to the memorandum of association or regulations merger or dissolution Directors' remuneration and gratuity payments, etc.
4. The Board of Directors may appoint a number of directors as it deems appropriate to be the Executive Committee. To perform duties assigned by the Board of Directors and the Board of Directors shall appoint an Executive Director to be the Chairman of the Executive Committee.
5. The Board of Directors may appoint a Chief Executive Officer and Managing Director or authorize any other person to operate the Company's business under the control of the Board. or may authorize such person to have the power as the Board deems appropriate and within the time the Board deems appropriate and the committee may cancel, revoke, change or amend such powers In the event that the Board of Directors has authorized the managing director or other person

to act on behalf of the normal business operation. Such authorization must be in accordance with the resolution of the Board of Directors meeting attended by independent directors or members of the audit committee. If an independent director or a director who is a member of the audit committee opposes such authorization Opinions of the said directors must be clearly recorded in the minutes of the meeting. In this regard, such delegation must clearly define the scope of powers, duties and responsibilities of the attorney. And must not have the nature of authorization that allows the attorney to approve transactions in which he or the person may have a conflict of interest or there may be a conflict of interest in any other manner with the Company or its subsidiaries.

6. Consider and approve the asset adoption. Or company assets or affiliated companies to be insured or enter any guarantees that cause encumbrances to the company.
7. To consider and approve investment in business expansion as well as joint ventures with other entrepreneurs.
8. Consider and approve the authorization within the company.

The Company has 3 sub-committees comprising of

- (1) Audit Committee
- (2) Nomination and Remuneration Committee
- (3) Risk Committee

7.2.2 The Board of Directors and Individuals with Controlling Power of the Company

1. Mr. Songkran Issara
Director and Chief Executive Officer and Managing Director
2. Mrs. Thiraporn Sricharoenwong
Director and Deputy Managing Director
3. Mr. Ditawat Issara
Director

Directors authorized to sign on behalf of the company is Mr. Songkran Issara, Chief Executive Officer, who sign and affix the company seal, or Mrs. Teeraporn Srijaroenwong and Mr. Ditawat Issara together with the company seal.

7.2.3 Roles and duties of the Borad

Roles and duties of the Board of Directors appear in details in 7.2.1 and details in Attachment 5.

7.3 Information on the sub-committees

The Company has 3 sub-committees as follows:

(1) Audit Committee

1. Mr. Phisut Dejakaisaya
Independent Director, Chairman of the Audit Committee
2. Mr. Vitit Rachjatanan
Independent Director, Audit Committee
3. Mr. Pinit Puapan
Independent Director, Audit Committee

Authorities and duties of the Audit Committee

1. Review to ensure that the company has accurate and adequate financial reporting. By coordinating with the auditors and the management responsible for preparing financial reports both quarterly and annually.
2. Review to ensure that the company has an appropriate and effective internal control system and internal audit system and to consider the independence of the internal audit department as well as to give approval to consider the appointment, transfer and termination of the head of the internal audit unit or any other department responsible for internal auditing.
3. Review to ensure the company complies with the law on securities and exchange. SET's regulations and laws relating to the Company's business.
4. Consider, select and nominate an independent person to act as the Company's auditor and propose the audit fee as well as to attend meetings with the auditors with no management to attend the meeting at least once a year. Considering the reliability, adequacy of resources and the amount of audit work of that audit firm. This includes the experience of personnel assigned to audit the company's accounts.
5. Consider disclosure of the Company's information in the event of a connected transaction or a transaction that may lead to a conflict of interest. To comply with the laws and regulations of the Stock Exchange of Thailand to ensure that such transactions are reasonable and it is in the best interest of the company.
6. Make a report of the Audit Committee, disclosed in the annual report of the company, which said the report was signed by the Chairman of the Audit Committee and must contain at least information as specified in the regulations of the Stock Exchange of Thailand.

- Commentary on accuracy, completeness It is the credibility of the company's financial reports.
 - Opinions on the sufficiency of the Company's internal control system.
 - Opinions on the compliance with the law on securities and exchange.
 - Regulations of the SET or laws relating to the Company's business.
 - Opinion on the suitability of the auditor.
 - Opinion on transactions that may have conflicts of interest.
 - Number of Audit Committee meetings and the attendance of each audit committee's meeting.
 - Comments or overall observations received by the Audit Committee from the performance of their duties under the charter.
 - Other items that the shareholders and general investors should know Within the scope of duties and responsibilities assigned by the Board of Directors.
7. Perform any other act as assigned by the Board of Directors with the approval of the Audit Committee and for the benefit of giving opinions on the Company's operations, the Audit Committee may hire experts to provide opinions on matters that require specialized expertise. In which the company is responsible for the expenses.

(2) Nomination and Remuneration Committee

Board of Directors has approved the establishment of a remuneration committee to consider the remuneration of the Board of Directors and Executives in accordance with the appropriateness. On February 25, 2011 and on January 22, 2015, the Board of Directors has approved the establishment of a Nomination Committee in order to consider the criteria and the process of recruiting qualified persons to take the position of the Director, Chief Executive Officer and Managing Director by joining into the same group as the Remuneration Committee which consists of 3 committees as follows.

1. Mr. Pravesvudhi Raiva
Independent Director, Chairman of the Nomination and Remuneration Committee
2. Mr. Phisut Dejakaisaya
Independent Director, Member of the Nomination and Remuneration Committee

3. Mr. Witit Ratchatatanun
Independent Director, Member of the Nomination and Remuneration Committee

Authority and Duties of the Nomination and Remuneration Committee

1. Consider and propose a list of suitable persons to serve as directors of the Company to the Board of Directors. To propose to the shareholders' meeting in the event that the position becomes vacant due to the completion of the agenda or in other cases.
2. To set criteria and evaluate the performance of the Board of Directors, Sub-committees, Chief Executive Officer and Managing Director annually. This is to be used in determining the remuneration of the Board of Directors, Sub-committees, Chief Executive Officer and Managing Director using the norms agreed in advance with the Chief Executive Officer and Managing Director on concrete criteria. This includes financial performance, contribution to the implementation of long-term strategic objectives.
3. Consider the remuneration of the Board of Directors, sub-committees which includes monthly compensation, meeting allowances, annual bonuses to be proposed to the Board of Directors for their approval and/or the shareholders' meeting for approval.
4. Consider the remuneration of the Chief Executive Officer and Managing Director which includes monthly compensation, meeting allowances, annual bonuses by the Chairman of the Nomination and Remuneration Committee will communicate the results of the consideration to the Chief Executive Officer and the Managing Director.
5. Perform any other tasks assigned by the Board of Directors in connection with the nomination and remuneration of directors and senior management.

(3) Risk Committee

The Board of Directors approved the establishment of the Risk Committee on February 25, 2015, with the aim of ensuring that the operations of the management are in line with the goals, policies, and to ensure the effectiveness of the work according to the Company's plans. Risk Committee consists of 4 directors as follows:

1. Mr. Songkran Issara
Chief of Risk Committee
2. Mrs. Thiraporn Sricharoenwong
Member of the Risk Committee
3. Mr. Pinit Puapan
Independent Director and Member of the Risk Committee
4. Mrs. Kanittha Sapp-asa
Member of the Risk Committee

The company secretary is assigned to act as the secretary of the risk management committee.

Duties and responsibilities of the Risk Committee

1. Establish a risk management policy to the Board of Directors. To consider overall risk management.
2. Determine strategy, organizational structure and resources used in the Company's risk management. To be in line with the risk management policy, as well as the Company's business strategy and direction.
3. Set risk limits or activities and propose to the Board of Directors. To seek approval as a basis for the performance of each type of risk.
4. Other matters as assigned by the Board of Directors.

By the Board of Directors, Audit Committee, Nomination and Remuneration Committee and Risk Committee operated within the framework of the charter of each committee including related principles or guidelines. The charter of each committee appears as detailed in Attachment 5.

7.4 Executive management information

7.4.1 Executive

The company has a total of 6 executives, 8 positions as follows:

1. Mr. Songkran Issara
Chief Executive Officer and Managing Director
Acting Assistant Managing Director, Joint Venture Project Division
2. Mrs. Thiraporn Sricharoenwong
Managing Director
Deputy Executive Vice president on Project Development and Management
3. Mr. Ditwat Issara
Executive Vice president on Creative and Technology

4. Mr. Krit Hongchanya
Executive Vice president on Sales and Marketing
5. Mr. Nimit Hongpanit
Executive Vice president on Operations Support
6. Ms. Pranee Worachokpeerat
Executive Vice president on Accounting and Finance

Scope of Duties for Chief Executive Officer

The Board of Directors Meeting No. 9/2002 on September 17, 2002 gave the Managing Director the authorities and duties as follows:

1. Be the president of all executives.
2. Consider and approve the action plan of each department.
3. Follow up and operate in accordance with the specified plans and policies.
4. Consider and approve requests from various departments that are beyond the authority of that department.
5. Consider an expansion investment plan or start a new business initially before proposing to the Board of Directors for approval.
6. Consider and approve the budget expenditures for the annual expenditures and the budget expenditures.
7. Co-operate with the Company's management in the allocation of gratuity, which has been approved by the Board of Directors.
8. Consider merit to appoint, move, punish, terminate employment or hire management staff.
9. Has the power to delegate other persons to act on behalf of them when temporarily unable to do so, including to have the power to delegate other persons to act on their behalf at their discretion.
10. * The aforementioned approval authority, except for authorization on related transactions. According to the definition of the Securities and Exchange Commission (SEC)

***Note:** Such authority does not have the nature of authorization that allows the attorney to approve transactions in which he or the person may have a conflict, interest, or may have a conflict of interest in any other manner with the Company or its subsidiaries.

7.4.2 Total remuneration of the Executive Committee and the Management

Compensation for directors and executives

To be the company's good corporate governance policy. In terms of remuneration of directors and executives Board of Directors Therefore, the policy, criteria, form, and nature of remuneration have been assigned to the Nomination and Remuneration Committee to carry out. In order for recruitment and consideration of compensation to be transparent, clear, and appropriate. and be able to perform duties fairly Taking into account comparisons at the same level and industry Including the duties and responsibilities of directors and executives. The Nomination and Remuneration Committee will use the information obtained to consider appropriate compensation in the short term. and long-term results of the Chief Executive Officer and Managing Director to be presented to the Board of Directors

7.4.3 Total remuneration of the executive committee and executives

(1) Compensation in money

- (1.1) Directors' remuneration for the year 2023 consists of meeting allowances which is paid monthly and according to the number of times attended as follows.

(Baht)

No.	Name	Position	Board of Director	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Total
1.	Srivarā Issara	Chairperson	1,056,000				1,056,000
2.	Mr. Songkran Issara	Director/ CEO Chairman of Risk Committee*	462,000				462,000
3.	Mrs. Linda Prasertsom	Director	53,900				53,900
4.	Mrs. Teeraporn Srijaroenwong	Director / Managing Director / Risk committee	462,000				462,000
5.	Mr. Pravesvudhi Raiva	กรรมการอิสระ / ประธานคณะกรรมการสรรหาและ พิจารณาตอบแทน	462,000		40,000		502,000
6.	Mr. Phisud Dejakaisaya	Independent Director / Chairman of Nomination and Remuneration committee	462,000	250,000	20,000		732,000
7.	Mr. Witit Rathatatanun	Independent Director Chairman of Audit committee / Nomination and Remuneration Committee	462,000	150,000	20,000		632,000
8.	Mr. Pinit Paupan	Independent Director / Audit committee / Risk management committee	462,000	150,000		10,000**	622,000
9.	Mr. Vorasit Issara	Director	462,000				462,000
10.	Mrs. Kanittha Sapp-Assa	Risk management committee				10,000**	10,000
11.	Mr. Dithawat Issara	Director / Assistant Managing Director of Creative Media and Information Technology	385,000				385,000

Note ** According to the charter of the Risk Committee to pay meeting allowances for non-executive directors of the company.

(1.2) Executives

Compensation type		December 31, 2023	
		Number (person)	Amount (baht)
Salary and bonus *	January - December 2023	6	55,600,738.56
Total			55,600,738.56

(2) Other compensation

Other remuneration of directors

-None-

Other management compensation

- Provident fund

The Company has provided a provident fund for the management in which the Company contributes at the rate of 5% of the salary. In 2023, the Company has paid contributions to the provident fund for 8 executives, totaling 3.0 million baht.

- Non-monetary compensation

The company determines non-monetary compensation to the chairman of the board, Chief Executive Officer, and Managing Director and Deputy Managing Director is a positional vehicle with a driver.

1. Information about employees

As of December 31, 2023, the company has total of executives is 79 people, each of which is divided into the following main lines.

Department	Number (person)
1. Office of Directors / Executive	10
2. Project Development and Management	19
3. Accounting and Finance	12
4. Sales and Marketing	12
5. Operations Support	10
6. Joint Venture Project	2
7. Business Development	14
Total	79

2. Total remuneration of company employees (Excluding management)

Employees of the company will receive compensation in the form of salary, overtime pay, bonus, contribution to the provident fund, health insurance, etc. In addition, employees are also receiving other benefits such as annual vacation, maternity leave, leave for military service or helping a funeral, etc.

For the years ended December 31, 2022 and 2023, total compensation of employees with details as follows

Compensation type	December 31, 2023	December 31, 2022
Total salary	53,141,704.33	46,671,926.67
Bonus	4,594,000	2,839,150.00
Provident Fund	2,247,525.44	2,027,396.14
Social Security Fund	721,305	472,506.00
Overtime	4,875	0.00
Health Insurance	329,275.20	261,765.00
Other compensation	866,084.33	2,272,317.00
Total	61,904,769.30	54,545,057.81

The company has paid the total remuneration for the year 2023 to its employees, which includes salary, overtime allowance, living allowance, bonus, special allowance, etc., totaling 61.90 million baht.

The company does not have a significant change in the number of employees or significant labor disputes in the past 3 years and to develop and enhance knowledge for personnel within the organization. The company has a policy of organizing trainings and seminars. By providing training

to employees on a regular basis about knowledge and wisdom built into the organization, such as sales training, personality of employees, leadership in languages, computer services and finance, accounting. By providing seminars and interviews with people with knowledge and experience in the organization's work.

7.6 Other important information

7.6.1 Information about Company secretary and the internal audit supervisor

Company secretary

The Board of Directors has resolved to appoint Sub LT. Narakorn Boonbumrung has been the company secretary since August 9, 2019, with the qualifications of the person holding the position of the company secretary as shown in Attachment 1.

The roles, duties and responsibilities of the Securities and Exchange Act are as follows:

1. Responsible for overseeing and giving advice to the Board of Directors and the Management on various rules that must be followed by the Company's good corporate governance principles.
2. Responsible for organizing board meetings and shareholders' meetings. Including helping the Board to ensure that the resolution is followed and provide an orientation Giving advice to newly appointed directors.
3. Preparation and maintenance of company information such as director registration, meeting invitations and minutes of various meetings, annual reports, reports of interest reported by directors and executives and send a copy of the report of interest under section 89/14 to the chairman of the board and the Chairman of the Audit Committee knows within 7 business days from the date the company receives the report.
4. Coordinate with regulatory agencies such as the SET office and supervise the disclosure of information. And report information to regulators and the public in a correct and complete manner according to the law.
5. Coordinate with departments within the company to comply with the resolutions of the Board of Directors and the shareholders' meeting.
6. Arrange an orientation to give advice to newly appointed directors.
7. Perform other duties as assigned by the company as specified by the Capital Market Supervisory Board.

The Company Secretary has performed duties as stipulated in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551, which comes into force on August 31, 2008 with responsibility, caution and honesty. Including to comply with the law, objectives, company regulations Board resolution ss well as the resolutions of the shareholders' meeting. The legal duties of the Company Secretary are as follows:

1. Prepare and maintain the following documents.
 - 1.1 Director registration
 - 1.2 Notice of Board of Directors Meeting Board meeting minutes and the annual report of the company.
 - 1.3 Notice of the shareholders' meeting and minutes of the shareholders' meeting.
2. Keeping reports of interest reported by directors or executives and send a copy of the report of interest under section 89/14 to the chairman of the board and the Chairman of the Audit Committee acknowledged within 7 working days from the date the company received the report.
3. Perform other activities as specified by the Capital Market Supervisory Board.

In addition, the company secretary has assigned duties as follows:

- Provide advice on relevant rules and regulations in conducting the activities of the committee in compliance with the law.
- Responsible for organizing the Board of Directors 'meetings and shareholders' meetings
- Contact and coordinate with departments within the company to comply with the resolutions of the Board of Directors and the resolution of the shareholders' meeting.
- Liaise with regulators such as the SET office and oversee the disclosure of information and reporting information to regulators and the public. To be correct and complete according to the law.
- Provide an orientation, giving advice to newly appointed directors.
- Other duties as assigned by the Company.

Internal Audit Supervisor

The company has appointed Mr. Ronachai Sukroj to act as the head of internal audit department. By holding a position Director of Internal Audit since 2015, detailed in Attachment 3 Details of the Supervisor of Internal Audit and Head of the Company's Compliance

Accounting Supervisor

The Company has appointed Ms. Orawan Eurumnuayrat Perform the duties of supervising accounting. By holding a position Manager of accounting department since 2018, details in Attachment 1, details of directors, executives who have control over the company. The person who has been assigned the highest responsibility in accounting and finance. Those assigned take direct responsibility for accounting controls, company secretary and agent to liaise in case of foreign company.

7.6.2 Information about Investor Relations Supervisor

The Company appointed Ms. Pranee Worachokpeerat, Executive Vice president on Accounting and Finance serves as an investor relations supervisor.

Auditor's remuneration

1. Audit fee
Company and subsidiary pay the audit fee to Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., The audit firm that the auditor is affiliated with in the fiscal year 2023, totaling 4,698,200 baht.
2. Other service fees (non-audit fee)
-None-
Information about supervisors regarding overseas contacts
-None-

8.

Important performance reports on corporate governance

8.1 Summary of the Board's Performance in the past year

In 2023, the Board of Directors Actions have been taken to drive business after the COVID-19 outbreak. Although the epidemic situation is in a better place Both in the hotel business Real estate business and office buildings for rent The committee has been following the situation closely. Including investment will be considered appropriately.

8.1.1 Nomination, Development and Evaluation of the Board's Performance

Board self-assessment and the assessment of the Chief Executive Officer

- 1.1 Board of Committees and Chief Executive Officer performance assessments will be performed manually at least once a year. In order for the Board of Directors to jointly consider the duties and responsibilities of the Board, achievements and problems during the past year. To improve by stipulating the norms that will be used to compare with the performance of the criteria. The evaluation form will be consistent with the Company's good corporate governance principles.

- 1.2 The Board performance assessment will assess both the faculty and the individual and disclose the criteria, procedures and overall assessment results in the annual report. By organizing the performance appraisal for the year 2023 as follows:

1. Self-Assessment Form of the entire Board of Directors
2. Performance Evaluation Form for the Audit Committee
3. Self-Assessment Form for Chief Executive Officer (CEO)

In December of every year, the Company Secretary Department will send self-assessment form of the committee and performance appraisal form of the audit committee and the performance appraisal form of the Chief Executive Officer including the risk assessment form. All committees shall independently assess themselves which after each director has finished evaluating, the form will be sent back to the company secretary to collect the evaluation form and summarize the results of the performance assessment analysis of the Board of Directors and presented to the Board of Directors meeting of the following year. (The assessment form used by the company as an assessment of the Stock Exchange of Thailand)

The 2023 Board of Directors 'self-assessment results were presented to the Board of Directors' Meeting No. 2/2024 on February 29, 2024, divided into 2 categories as follows:

1. Self-Assessment of the entire Board of Directors by assessing in various fields which is,
 - 1.1 Structure and qualifications of the Board
 - 1.2 Roles, duties and responsibilities of the Board
 - 1.3 Board meetings
 - 1.4 Performance of duties of directors
 - 1.5 Relationship with the Management
 - 1.6 Self-development of directors and development of executives
2. Self-assessment of the digging committee by assessing the various aspects as
 - 2.1 The structure and qualifications of the Board are appropriate. Make the work of the board effectively.
 - 2.2 Meeting of the sub-committees has been conducted in advance of the meeting schedule, the number of times and the duration of the meetings are sufficient. For the committee to act efficient meeting duties.
 - 2.3 Roles, duties and responsibilities of the sub-committees
3. Evaluation of the Chief Executive Officer (CEO) by assessing various aspects as follows
 - 3.1 Leadership
 - 3.2 Strategy formulation
 - 3.3 Implementation of the strategy
 - 3.4 Planning and financial performance
 - 3.5 Relationship with the Board
 - 3.6 External relations
 - 3.7 Administration and personnel relations
 - 3.8 Succession
 - 3.9 Knowledge of products and services
 - 3.10 Personal features

(1) Criteria for selecting an independent director

The Board of Directors of the Company is selected by the Nomination Committee meeting to consider remuneration (Nomination and Remuneration Committee) in accordance with the criteria and the recruiting methods as follows.

1. Selecting an appropriate person to be a director of the Company to replace the directors who have completed their terms or select new directors, nomination by the Nomination Committee of the

Company and the opportunity for small shareholders to propose a list of qualified persons under the Securities and Exchange Act. According to the qualifications set by the company to be elected as the company's directors. The invitation will be announced on the Company's website allowing shareholders to submit names and profiles of persons to the company.

2. Nomination and Remuneration Committee will select and nominate persons qualified persons according to the laws and regulations by considering experience, knowledge and ability that will benefit the company. In order for the Board of Directors to consider when the meeting of the Board of Directors has gone through a screening process with the approval of the company carefully. The company will propose a list of such persons for approval to elect as the Company's directors to the shareholders' meeting.

Definition of Independent Directors

Charn Issara Development Public Company Limited has defined the definition of independent directors. To comply with the rules of the Securities and Exchange Commission and the Stock Exchange of Thailand as follows.

1. Independent directors must hold shares not more than 1% of the voting shares in the company, parent company, subsidiary company, associated company or juristic person that may have conflict of interest, including the shares held by related persons of that independent director.
2. Not being or having been a director who participates in management, employees, or consultants receiving regular salary or controlling person of the company, parent company, subsidiary company, associated company or juristic person who may have conflict. Unless, after having been discharged from the aforementioned characteristics for at least 2 years.
3. No blood relationship or by legal registration in the manner of parent, spouse, sibling and child, major shareholders, controlling person or a person who will be nominated as an executive or a controlling person of the company or subsidiary.
4. No business relationship with the company, parent company, subsidiary company, associated company or juristic person that may have conflict in a manner

that may impede the independent exercise of judgment. Unless, after having been discharged from the aforementioned characteristics for at least 2 years.

5. Not being a director who has been appointed to represent the Company's directors, major shareholders or shareholders who are related to the major shareholders of the company.
6. Not having any other characteristics that prevent him or her from expressing independent opinions with regard to the Company's operations.

(2) Selection of directors and top management

Nomination and Appointment of Directors and Executives

Selection of persons to be appointed as directors of the company, the Nominating Committee must go through a process whereby the Nominating Committee has established guidelines for the appointment of the Company's directors as follows:

1. Directors of the company must perform their duties in accordance with the law, objectives and articles of association of the company, as well as the resolutions of the shareholders' meeting.
2. At every annual general meeting to retire one third of the directors at the rate. If the number of directors cannot be divided into three parts, then give out by the number closest to one-third.
3. In the event that the shareholders' meeting passes a resolution requiring any director to vacate office prior to the expiration of the term, with a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote. And having shares counted together not less than one half of the number of shares held by the shareholders who attend the meeting and have the right to vote.

The regulations of the company, the shareholders' meeting shall elect directors in accordance with the following criteria and methods.

- (1) A shareholder has one vote equal to one share per one vote.
- (2) Each shareholder is required to use all his votes under (1) to elect one or more persons to be directors. But cannot divide the votes to any person.

Persons who receive the highest number of votes in descending order will be elected in the number of directors equal to the number of directors required or to be elected at that time. In the event that the persons elected in descending order have equal votes in excess of the number of directors required or to be elected at that time, the chairman of the meeting shall have a casting vote.

Recruiting a person for a position Chief Executive Officer and Managing Director, the Board of Directors will consider screening and recruiting qualified persons, have knowledge, skills, and experience that are beneficial to the operations of the company and understand the business of the company as well. And able to manage work to achieve objectives goals set by the Board of Directors.

8.1.2 Meeting Attendance and Remuneration for Individual Committees

The details of the number of meetings and the number of times each director have attended the meeting in the year 2020 of the Board of Directors can be summarized as follows

List of Directors Position	Meeting (number of times)				
	Board of Director	Audit Committee	Nomination and Remuneration Committee	Risk Committee	Annual General Meeting of Shareholders
Mrs. Srivara Issara Chairman of the Board	10/10				1/1
Mr. Songkran Issara Chief Executive Officer and Managing Director Chairman of the Risk Committee	10/10			1/1	1/1
Mr. Prawet Wut Raiva Independent Director Chairman of the Nomination and Remuneration Committee	10/10		2/2		1/1
Mr. Ditawat Issara Director	8/9				1/1
Mrs. Teerapon Sricharoenwong Director, Risk Management Committee	10/10			1/1	1/1
Mr. Phisut Dejakaisaya Independent Director, Chairman of the Audit Committee Member of the Nomination and Remuneration Committee	10/10	5/5	2/2		1/1
Mr. Vitit Rachjatanan Independent Director, Audit Committee	10/10	5/5	2/2		1/1
Mr. Pinit Puapan Independent Director, Audit Committee Risk Committee	10/10	5/5		1/1	1/1
Mr. Worasit Issara Director	10/10				1/1
Mrs. Kanittha Sapp-asa Risk Committee committee				1/1	

The remuneration of each director for the year 2023 received from the Company and its subsidiaries and non-monetary compensation It appears as detailed in clause 7.4.3.

8.1.3 Supervision of Subsidiaries and Associated Companies

Supervision of Operations of Subsidiaries and Associated Companies

Nomination and Voting Rights to appoint a Director of Subsidiaries and Associated Companies operated by the person who is appointed as a director of a subsidiary or an associated company. Responsible for action in the best interests of that subsidiary or associated company. And the Company has required the appointed persons to be approved by the Board of Directors prior to voting or to exercise the right to vote on important matters at the same level as requiring the

approval of the Board of Directors. If it is operated by the Company by itself, the sending of directors to represent the subsidiary or associated company is in accordance with the Company's shareholding proportion.

In addition, in the case of a subsidiary, the company requires the person appointed by the company to oversee the subsidiary company to have the regulations on connected transactions. The acquisition or disposition of assets or any other important transactions of the said company are complete and correct. And use the rules relating to the disclosure of information and the above transactions in the same manner as the Company's guidelines. Including the need to supervise the storage of information and accounting records of subsidiaries for the Company to be able to audit; And compiled to prepare the consolidated financial statements on time.

In this regard, the Board of Directors will consider reviewing matters that the Company still unable to comply with the principles of good corporate governance.

(1) Regulatory mechanism supervises the management and be responsible for the operations of subsidiaries and associated companies.

Nomination and Voting Rights to appoint a Director of Subsidiaries and Associated Companies Operated by the person who is appointed to be a director of a subsidiary or affiliate. They are responsible for taking action in the best interest of that subsidiary or associated company (not to the Company), in this regard, the sending of directors to represent the subsidiary or associated company must be in accordance with the Company's shareholding proportion.

In addition, in the case of a subsidiary, the Company has stipulated rules that the person appointed by the company must oversee the subsidiary company to have regulations on connected transactions. Acquisition or disposition of assets or making important transactions any other of the said company. Complete and correct including the need to supervise the storage of information and accounting records of subsidiaries for the Company to be able to audit; And compiled to prepare financial statements on time. In this regard, details of the directors of the subsidiary are shown in Attachment 2 (details of the directors of the subsidiary).

8.1.4 Monitoring to ensure the implementation of the corporate governance policy and practice.

The Company realizes the importance of good corporate governance, relevant policies and practices have been established in the Company's corporate governance policy and business ethics. Along with promoting real action to build confidence among all groups of stakeholders.

In 2023, the company has followed up to ensure compliance with good corporate governance, covering the following areas:

- Section 1 Shareholder Rights
- Chapter 2 Equitable Treatment of Shareholders
- Chapter 3 Roles of Stakeholders
- Section 4 Disclosure of Information and Transparency
- Section 5 Responsibilities of the Board

In business ethics, the company covers the following areas.

- Conflict of Interest Prevention Policy
- Policy on the treatment and use of the Company's assets.
- Policy on giving or accepting gifts or entertainment
- Trading policy of the company. And the use of inside information
- Control System Policy Internal audit and financial reports
- Shareholder Responsibility Policy
- Treatment towards customers policy
- Treatment of business partners and contractors' policy
- Treatment of employees' policy
- Employee Conduct Policy And treatment of other employees
- Treatment of Competitors Policy
- Corporate Social Responsibility Policy

Where further details of the Company's corporate governance policy and business ethics. For more information, see Attachment 5 (Corporate Governance Policy and Guidelines and business ethics)

Anti-corruption

The company has announced the intention Collective Action Coalition of the Thai private sector in combating corruption. With a policy to define duties and responsibilities, practice guidelines, appropriate action requirements channels for receiving clues pr make a complaint section on protection and confidentiality, investigations and penalties, dissemination of anti-corruption policy, etc.

The Company therefore has established "Anti-Corruption Policy" in writing. To be a clear practice guideline in business operations and develop into a sustainable organization. It also announced its intention to become one of Thailand's private sectors collective actions against corruption (Private Sector Collective Action Coalition Against Corruption (CAC)).

In 2023, the company was certified as a Private Sector Collective Action Coalition Against Corruption (CAC). The company will operate in accordance with the policies and guidelines set forth. strictly

Whistleblowing

The company has provided a channel for receiving and deal with stakeholders' requests by disclosing the process and channels for complaints or whistle-blowing from illegal acts or guilty of fraud or unethical behavior or behavior that may

imply corruption of people in the organization or violation of rights. Both from employees, stakeholders of all groups by assigning the Audit Committee to be the recipient of complaints in which all groups of stakeholders can submit clues or make a complaint through the company's website or by email directly at email: cg@charnissara.com or by mail at

Audit Committee

Charn Issara Development Public Company Limited

2922/200 New Petchburi Road, Bangkokpi,

Huaykwang, Bangkok 10320

Business hours Monday - Friday 8:30 AM - 5:00 PM.

In 2023, the company not received any complaints or whistleblowing from illegal activities. or commit an offense due to corruption, unethical conduct, or behavior that may indicate corruption. of any person in the organization

8.2 Report on the performance of duties of the Audit Committee for the past year

In 2023, there were 5 Audit Committee meetings, with a quorum of the Audit Committee attending every time. There was a meeting with the auditor without the company's management. A total of 4 times to consider the scope of the guidelines and the auditor's annual audit plan including inquiring and following up on account audit results and issues of interest. In addition, there was a discussion with the internal auditors and auditors in related matters. At present, the Audit Committee of Charn Issara Development Public Company Limited consists of 3 independent directors who are experts and have experience in law, finance, accounting, and organizational management, consisting of Mr. Pisut Dechakaisaya as Chairman of the Audit Committee, Mr. Witit Ratchatatanan and Mr. Pinit Puapan as Audit Committee members.

At the end of every year, the Audit Committee evaluates the overall performance of the Audit Committee and evaluates itself which the evaluation results are in good condition. The summary of important points in performing duties in the year 2023 as follows:

1. Review of financial reports

The Audit Committee reviewed important information in the quarterly financial statements annual financial statements and consolidated financial statements of the company and its subsidiaries which has been prepared

according to Thai financial reporting standards which are consistent with international financial reporting standards. By reviewing important issues, special items, and receiving clarification from the auditor and management until satisfied that the arrangement and the making of financial statements including the disclosure of notes in the financial statements conforms to legal requirements and financial reporting standards. Therefore, the committee has given their approval to the financial statements which the auditor has reviewed and audited. It is an unqualified opinion report. In addition, the audit committee met with the auditor without management team to discuss freely about obtaining information examining material information in the preparation of financial statements and disclosing information that complies with financial reporting standards and is beneficial to users of financial statements. Important matters from the audit (Key Audit Matters) including suspicious circumstances according to section 89/25 of the Securities and Exchange Act B.E. 2535, amended by Securities and Exchange Act (No. 4) B.E. 2008, which in 2023. Certified public accountants that is independent and can be verified, giving opinions that no material observations and no suspicious circumstances were found that affected the financial statements. The company's consolidated financial statements are reliable and transparent, and consistent with standards.

The Audit Committee has considered and has the opinion that the Company's accounting and financial reporting process has adequate controls to ensure that the Company's financial reports and operating results are accurate according to accounting standards and adequate information is disclosed in the financial statements.

2. Review of internal control system

The Audit Committee has reviewed the results of the evaluation of the internal control system to assess the adequacy and appropriateness of the internal control system risk management according to internal audit standards. Including assessment forms according to guidelines set by the Securities and Exchange Commission.

The Audit Committee has considered and has the opinion that the company has an appropriate and adequate internal control system and effective and consistent with the auditor's opinion who reported that the review found no material deficiencies affecting the company's financial reports. This is one of the missions specified in the Audit Committee Charter.

3. Review of risk management

One audit committee member has joined the company's risk management committee to be a representative of the Audit Committee in reviewing the efficiency and effectiveness of the risk management process by attending meetings to review policies. Set guidelines for the company's risk management to be consistent with the changes in the environment and situation by considering internal and external factors and the possibility of impact according to the guidelines set by the Office of the Securities and Exchange Commission. There is a risk management committee who responsible for considering the structure, policy, and framework for risk management risk management plan reviewing risks and following up on the company's risk management. There is a risk management unit which esponsible for preparing risk reports and risk management of the company.

The Audit Committee has considered and has the opinion that the Company has an appropriate and adequate internal control and risk management system.

4. Supervision of internal audit work

The Audit Committee has considered and reviewed the Audit Committee Charter and the Audit Department Charter annually to be in line with current risks and situations. There is supervision of the work of the internal audit department, which covers the main missions scope of work scope of duties and responsibilities independence in audit performance, including organization. and manpower. By reviewing and approving the annual internal audit plan that is prepared according to the risk assessment results setting up inspection quality development plans and knowledge development skills and expertise of internal audit personnel.

The Audit Committee has considered and has the opinion that the Company has adequate and appropriate supervision of internal audit work and effective. Including the continuous development of the quality of internal audit work in terms of personnel and audit operations to meet international standards.

5. Compliance with laws governing securities and the stock exchange.

The Audit Committee has reviewed the laws regarding securities and the stock exchange, various requirements of the Stock Exchange and SEC, as well as laws related to business operations. Including compliance with obligation requirements that the company has with the third party.

The Audit Committee has considered and has the opinion that the Company has complied with the law and various requirements related matters strictly, completely and in accordance with the principles of good corporate governance.

6. Review procedures for entering into connected transactions.

The Audit Committee has reviewed the appropriateness and adequacy of the regulations and procedures for entering into connected transactions, items have been sold, items that may have conflicts of interest and reports of relevant directors. As well as reviewing the disclosure of such information to be accurate, complete, timely and in accordance with relevant announcements, regulations, and guidelines of the Stock Exchange of Thailand.

The Audit Committee has considered and has the opinion that the transactions occurred during the year were transactions that occurred in the normal of business and were for the benefit of the Company including the disclosure of sufficient information.

7. Independence of the Audit Committee

The Audit Committee evaluates the overall performance of the entire group including self-assessment according to guidelines of the Securities and Exchange Commission of Thailand in order for the review to be complete and complete.

The Audit Committee has acted independently throughout the period of its work and there was compliance with the scope specified in the Audit Committee's charter, which concluded that the results were good.

8. Consideration of selection, appointment and compensation of annual auditors.

The Audit Committee has considered and selected proposing to appoint an auditor including determining the auditor's remuneration for the year 2023 to the Board of Directors for consideration and requesting approval from the shareholder meeting to appoint an auditor from Deloitte Touche Tohmatsu Jaiyos Consulting Company Limited as the auditor of the company for 2023, based on the performance of the previous year. The auditor is independent, skilled, knowledge, ability, and experience in business auditing and provide knowledge related to business besides auditing by taking into account the announcement of the Securities and Exchange Commission of Thailand.

In summary the Audit Committee considers that the Company's Board of Directors, executives, and employees are committed to performing their duties to achieve the goals. We attach great importance to operating under a strict and appropriate internal control and risk management system. There is adequate and transparent good corporate governance and reliable.

8.3 Summary of the performance of duties of other committees

8.3.1 Summary of the performance of duties of the Nomination and Remuneration Committee

In 2023, the selection committee and consideration of remuneration, holding a total of 2 meetings to consider determining remuneration for the Board of Directors Various sub-committees Chief Executive Officer and Managing Director Using the principles agreed upon in advance with the Chief Executive Officer and Managing Director based on concrete criteria. This includes financial performance. Portfolio on the implementation of long-term strategic objectives and success in performance compared to the goals set. In addition, a self-evaluation of the Board of Directors is organized. and senior executives In this consideration, the responsibilities of the directors were taken into account. Size of the business Reality in the economy Operations that reflect and are linked to operating results Including considering and comparing with the company's remuneration rate. in the same industry group

8.3.2 Summary of the performance of duties of the Risk management Committee

In 2023, there was one meeting of the Risk Management Committee, where risk assessment was considered and followed up. The Risk Management Committee has set guidelines for conducting business. Under the risk that arises The Risk Management Committee has given importance and is committed to ensuring adequate supervision and management. So that risks are within the specified limits and operations can be carried out efficiently.

9. Internal control and related transactions

9.1 Internal control

Charn Issara Development Public Company Limited has continually emphasized on internal control. With a focus on establishing an internal control system that covers all activities and, in several dimensions, sufficiently and suitable for business operations. To increase efficiency

and operational efficiency. The use of resources and maintenance of assets (Operational Excellence), financial reporting and accounting systems that are accurate and reliable (Financial Reporting) and strict compliance with the laws and regulations related to the business of the company (Compliance).

The effectiveness of the internal control was assessed.
There are two types of Control Self-Assessment methods:

1. Enterprise-level assessment by using the self-control assessment based on the framework of internal control practices of The Committee of Sponsoring Organizations of the Treadway Commission: COSO, which defines five key elements required for internal control:

- 1.1 Control Environment

The Company has set up an environment and organizational structure that facilitates the internal control system to operate as the Company aims, including clear and measurable business goals. It has been considered by the Board of Directors to guide the performance of employees.

- 1.2 Risk Assessment

The management realizes the importance of managing risks under any changes that affect the business both from internal and external factors. It is considered that risk management is an essential element of every business process of the company and must be connected at all levels. Therefore, it has established a risk management guideline for the whole organization. The Risk Committee was established, perform overall risk management for maximum effectiveness, which is the responsibility of all departments. To manage and control risks to an acceptable level. In order to have the least impact on the company.

- 1.3 Control Activities of the Management (Control Activities)

The Company has always had control activities by implementing a management system and planning and controlling tools. There is a separation of duties and responsibilities. To check each other, the company has an operating manual which is used as a framework for determining operational guidelines to be systematic and effectively prevent and reduce the risk of damage that may arise from the operating activities of various departments. In addition, the company has continuously improved the complaint handling system. For employees and external stakeholders can report complaints through the system with confidence that the complaint information will be treated confidentially. It does not leak to unrelated persons.

- 1.4 Information system and information communication (Information & Communication)

With the vision of the Board of Directors in information technology, therefore recognizes and attaches importance to technology to help in compiling and process data quickly and efficiently. The company has selected the appropriate information system and is in the final stage of consideration before purchasing and developing for use.

- 1.5 Monitoring & Evaluation

The company has followed up on its performance to meet the goals set by organizing regular meetings with the management every week. And provide a report on the performance on a quarterly basis. To know the difference from the goals that are set and set solutions for the board to approve.

2. **Process level assessment** The Internal Audit Department reviewed the effectiveness of the internal control and reported the results of the review to the Audit Committee and the Board of Directors. The Audit Committee has assessed the Company's internal control system from the implementation results of the guidelines/recommendations for the development of internal control. It can be concluded that from the evaluation of the Company's internal control system in various areas, 5 elements are internal control of the organization. Risk assessment, operational control of information and communication systems; And tracking system. The Committee agreed that The Company's internal control system is adequate and appropriate.

- 9.1.1 The Sufficiency and Appropriateness of the Internal Control System

In the Board of Directors' Meeting No. 2/2023 on February 28, 2023 with 4 independent directors (3 members of the Audit Committee who are independent directors) attended the meeting as well. The Board evaluates the internal control system of the Company and its subsidiaries in consultation with the management. In conclusion, from the evaluation of the internal control system of the Company and its subsidiaries in various areas, 5 components are Internal control organization, Risk assessment, Operational control, Information and communication systems, and tracking system. The Committee agreed that, the internal control

system of the Company and its subsidiaries is adequate and appropriate. The Company and its subsidiaries have provided sufficient personnel to operate the system efficiently. In addition, the Company has an internal control system for monitoring, controlling and supervising the operations of subsidiaries. It can protect the assets of the Company and its subsidiaries from improper or powerless use by the Company or management. This includes transactions with persons who may have conflicts and related parties sufficiently for internal control on other topics. The Board of Directors have the view that the Company has adequate and appropriate internal controls.

In addition, the Company's auditors, Mr. Wallop Wilaiworawit from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., the auditor of the 2022 quarterly and annual financial statements, has unconditionally given an opinion on the Company's audit report.

9.1.2 Defects in the internal control system

-None-

9.1.3 Opinion of the Audit Committee that is different from the opinion of the Board of Directors

-None-

9.1.4 Opinion of the Audit Committee on the person holding the position of the Head of Internal Audit

The company has assigned Mr. Ronachai Sukroj to hold the position of Internal Audit Supervisor since 2015 because he has experience in performing internal audit work in the business/industry that are similar to the Company. And have attended courses related to the performance of internal auditing. He has an understanding of the activities and operations of the Company, therefore, it is deemed appropriate to perform such duties appropriately. More details are provided in Attachment 3 (details of the Internal Audit Supervisor And supervisors to supervise the operations of the company (Compliance)

9.1.5 Appointment, removal and transfer of the person holding the position of Internal Audit Supervisor

Appointment, termination and transfer of the head of internal audit The company will consider based on knowledge, ability, experience in performing internal audit in the same business or industry as the company. without being considered by the audit committee



Baba Beach Club HUa Hin

9.2 Related Transactions person who may have conflicts necessity and reasonableness of such transaction

Person who may have a conflict	Relationship	Characteristics of the transaction	Value of related transactions (million baht)	Necessity / Note
Charn Issara Residence Company Limited ("CIR")	The company holds 85.36% of shares and Mr. Vorasit Issara, who is a director/managing director and shareholders of the company take a position as an authorized director	CIR collects other expenses from the Company. CIR pays fees and management fees from the Company. CIR pays electricity bills to the company. CIR pays electricity bills to the company. The company has debtors CIR	0.037 5.555 0.167 0.255 2.903	The Audit Committee has reviewed and considered the aforementioned connected transaction and have the opinion that the service charge is an appropriate rate and creates the maximum benefit to the Company.
Sri Panwa Management Company Limited ("SPM")	CIR is 99.99% shareholder and Mr. Songkran Issara, director and shareholder of the Company, is an authorized director.	SPM collects other income from the company. SPM pays interest on loans to the company. SPM pays other expenses to the company. The company has debtors SPM The Company has loans to SPM.	0.037 2.771 0.035 0.257 40.000	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
Charn Issara Vipaphon Company Limited ("CIV")	The company holds 49.99% of shares and Mr. Songkran Issara is a director/ Mr. Surapong Sethaphakdi is the managing director and shareholder of the company, is an authorized director.	CIV collects rent and service fees from the company. CIV pays interest on loans to the Company. CIV pays fees and management fees to the Company. CIV pays electricity bills to the company. CIV paid other expenses to the Company. The company has debtors CIV. The Company provides loans to CIV. The company has creditors CIV	1.538 6.910 0.042 0.196 0.656 0.150 91.500 0.050	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
C.I.N.Estate Company Limited ("CIN")	The company holds 59.99% of shares and Mrs. Thiraporn Srichaenwong who is the director/managing director and shareholder of the company, is an authorized director.	CIN pays fees and management fees to the Company. CIN pays interest on loans to the company. CIN pays electricity bills to the company. CIN paid other expenses to the Company. The company has debtors CIN. The Company provides loans to CIN.	6.668 0.700 0.184 2.445 0.779 45.000	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.

Person who may have a conflict	Relationship	Characteristics of the transaction	Value of related transactions (million baht)	Necessity / Note
Ruam Issara Company Limited ("IU")	The company holds 49.99% of shares and Mr. Dithawat Issara, who is the managing director and shareholder of the company, is an authorized director.	IU pays fees and administrative expenses to the company. IU pays electricity to the company. IU pays rent and service fees to the company. IU pays other expenses to the company. The company has IU debtors. The company has a rental security creditor, IU.	8.040 0.059 0.098 3.420 5.286 0.026	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
Ruam Issara Development Company Limited ("IUD")	The company holds 49.99% of the shares and Mr. Songkran Issara is the director/managing director and shareholder of the company, is an authorized director.	IUD collects other income from the company. IUD pays fees and administrative expenses to the company. IUD pays the electricity bill to the company. IUD pays other expenses to the company. The company has IUD debtors.	0.042 0.840 0.022 0.017 0.735	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
Issara Junfa Company Limited ("IJ")	The company holds 86.30% of the shares and Mr. Songkran Issara is the director/managing director and shareholder of the company, is an authorized director.	IJ collects other income from the company. IJ pays interest on loans to the company. IJ pays fees and administrative expenses to the company. IJ pays electricity to the company. IJ pays other expenses to the company. The company has debtor IJ. The company lends money to IJ. The company has a creditor, IJ.	1.163 28.872 1.440 0.150 0.040 42.769 418.000 0.192	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
Chan Issara Retreat Management Company Limited ("CIRM")	The company holds 99.99% of the shares and Mr. Songkran Issara, who is a director and the shareholders of the company, is an authorized director.	CIRM pays the company for electricity. CIRM pays other expenses to the company. The company has CIRM debtors. The company has other non-current liabilities, CIRM.	0.079 0.967 0.027 0.802	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.

Person who may have a conflict	Relationship	Characteristics of the transaction	Value of related transactions (million baht)	Necessity / Note
Issara Development Company Limited ("ISD")	The company holds 99.99% of the shares and Mr. Songkran Issara, who is a director and the shareholders of the company, is an authorized director.	ISD pays fees and administrative expenses to the company. The company has ISD debtors.	1.00 18.479	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
International Resort Development Company Limited ("IRD")	The company holds 15.99% of the shares and Mr. Songkran Issara, who is a director and shareholder of the company, is an authorized director.	IRD pays fees and administrative expenses to the company.	0.960	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
Bangkok Property Fund ("BKKCP")	The company holds 17.56% of the shares and the company is the property manager of the fund.	BKKCP collects rent and service fees from the company. BKKCP pays dividends to the company. BKKCP pays fees and administrative expenses to the company. BKKCP pays other expenses to the company. The company has debtor BKKCP. The company has security money received from BKKCP.	6.020 11.415 5.244 0.995 1.039 1.521	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
Sri Panwa Hotel Real Estate Investment Trust ("SRIPANWA")	The company holds 0.17% of the shares and CIRM is the REIT manager.	SRIPANWA pays dividends to the company. SRIPANWA pays other expenses to the company.	0.086 0.003	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
Ban Rao Development Company Limited ("PHM")	Mr. Songkran Issara, who is a director and shareholder of the company, is an authorized director.	PHM pays fees and administrative expenses to the company. The company has PHM debtors.	0.650 0.650	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.
International Law Office Siam Premier Company Limited ("Siam Premier")	Director of the company, is an authorized director.	Siam Premier receives legal advisory fees from the company. The company has creditors Siam Premier	1.909 1.195	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company.

Necessity and reasonableness of the transaction

The inter-transaction is reasonable and necessary, in order to maximize the benefits of the company. The Audit Committee has commented that the said transaction is in accordance with the general nature of business and the compensation received and paid is a reasonable market price.

9.2.1 Policy and Trend of Related Transactions in the Future

Policy or trends in related transactions in the future

The company has a policy for future related transactions. In which the company will set various conditions to be in accordance with the general trade in the appropriate market price. The company will have the audit committee to give opinions on the price. Rate of compensation including the necessity and appropriateness of that particular item.

If there is an inter-company transaction with a person who may have a conflict of interest have a stake or may have a conflict of interest in the

future, the company must comply with the law on Securities and Exchange Commission and regulations, announcements, orders or regulations of the Stock Exchange of Thailand. Including compliance with the disclosure requirements, connected transactions and the acquisition or disposition of important assets of the Company or its subsidiaries. The company will allow the audit committee to give opinions on the necessity and appropriateness of such transactions. In the event that the Audit Committee does not have expertise in considering possible connected transactions, the Company will allow an independent expert or the Company's auditor to give opinions on such related transactions in order to be used in decision-making by the Board of Directors or shareholders, as the case may be notes to the financial statements that have been audited by the Company's auditors.

9.2.2 The display of the appraised price in conjunction with the connected transactions

-None-



Baba Beach Club Hotel, Hua Hin



Issara Collection Sathorn



Issara Collection Sathorn

Report of the Independent Certified Public Accountants



To the Shareholders and Board of Directors
Charn Issara Development Public Company Limited

Opinion

We have audited the consolidated financial statements of Charn Issara Development Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Charn Issara Development Public Company Limited (the “Company”) which comprise the consolidated and separate statements of financial position as at December 31, 2023, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Charn Issara Development Public Company Limited and its subsidiaries and of Charn Issara Development Public Company Limited as at December 31, 2023, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our

audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
<p>Compliance with debt covenants as stipulated in the borrowing agreements from financial institutions and a fact sheet and filing documents of bonds</p> <p>With reference to information disclosed in Notes 17, 18 and 22 to the consolidated and separate financial statements, the Group and the Company have to comply with certain debt covenants as stipulated in the borrowing agreements from financial institutions (consisting of bank overdraft from financial institutions, short-term borrowings presented in the from of promissory notes from financial institutions and long-term borrowings from financial institutions, collectively “borrowing agreements from financial institutions”) and a fact sheet and filing documents of bonds. Further, the balances of borrowings from financial institutions and bonds presented in the consolidated financial statements as at December 31, 2023 are Baht 5,483.44 million, representing 53.74% of the total liabilities (separate financial statements: Baht 3,906.01 million, representing 85.93% of total liabilities), which are deemed material. The failure of compliance with debt covenants as stipulated in such borrowing agreements from financial institutions and a fact sheet and filing documents of bonds may result in the borrowings and bonds being called by the lenders and/or bond holders as well as the reclassification of borrowings from non-current liabilities to current liabilities, impacting the going concern of the Group.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> Obtaining an understanding of the Group’s design of the key internal control over review process on complying with debt covenants stipulated by the lenders in the borrowing agreements from financial institutions and a fact sheet and filing documents of bonds and evaluating the Group’s implementation of such internal controls; and Performing substantive procedures as follows: <ul style="list-style-type: none"> Examining the documents associated with general and financial debt covenants as stipulated in borrowing agreements from financial institutions and a fact sheet and filing documents of bonds; as well as, testing calculation of financial ratio to determine whether the debt covenants stipulated in borrowing agreements from financial institutions and fact sheet and filing documents of bonds are complied. Gathering all debt covenants conditions and calculation process to comply with the covenants. Considering the sufficiency and appropriateness of the disclosures in Notes to the consolidated and separate financial statements that related to debt covenants as stipulated in the borrowing agreements from financial institutions and a fact sheet and filing documents of bonds. In case of any non-compliance occurred, examined the written waiver from the financial institutions and minutes of meeting of the bond holders prior to the reporting date.

Key Audit Matters	Audit Responses
<p>Valuation of investment properties and land at fair value</p> <p>With reference to information disclosed in Note 3.22.2 to the consolidated and separate financial statements “Critical accounting judgments and key source of estimation uncertainty” and the fair value appraisal of investment properties and lands presented under property, plant and equipment category as disclosed in Notes 13 and 14 to the consolidated and separate financial statements, the Group and the Company presented investment properties and lands which presented under property, plant and equipment category at their fair value in the consolidated financial statements as at December 31, 2023 totaling of Baht 2,042.30 million, representing 15.93% of the Group’s total assets (separate financial statements: Baht 279.64 million, representing 4.68% of total assets), which are deemed material. The Group and the Company determined the fair value of their investment properties and lands presented under property, plant and equipment category based on valuation appraised by independent appraisers using the Income and Market approaches. The Group’s and the Company’s management are required to exercise their significant judgments to consider key assumptions and other relevant information in valuation of investment properties and land. Therefore, significant risk with respect to valuation of investment properties and lands presented under property, plant and equipment category may exist.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • Inquiry of the Group’s management and independent appraiser to obtain our understanding of the approaches and key assumptions used for valuation of the Group’s investment properties and land; • Obtaining an understanding of the design of the key internal control that related to valuation of Group’s investment properties and land and evaluating the implementation of such internal controls; • Performing operating effectiveness test of key internal controls over the valuation of investment properties and land; and • Performing substantive procedures as follows: <ul style="list-style-type: none"> - Evaluating the competency, capabilities, and independence and verifying the qualification of independent appraisers. - Used of auditor’s specialist to involve in the testing process and challenging the independent appraiser’s source of data used in valuation and evaluating the appropriateness of such supporting data, key assumptions and valuation methodology used by the independent appraisers in the valuation of investment properties and land by the auditor’s specialist. - Considering retrospective trend and reasonableness of key assumption related to the valuation process including significant changes over the valuation of investment properties and land. - Considering the sufficiency and appropriateness of the disclosure of fair value measurement of investment properties in notes to the consolidated and separate financial statements.

Other Information

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

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

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 the 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 financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report

to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we 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. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Wonlop Vilaivaravit

Certified Public Accountant (Thailand)

Registration No. 6797

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK

February 29, 2024

Statement of Financial Position

Charn Issara Development Public Company Limited and Its Subsidiaries

as at December 31, 2023

Unit : Baht

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	297,503,319	397,049,523	116,419,744	79,935,003
Restricted deposit at financial institution	6 and 22	944,549,160	-	944,549,160	-
Trade and other current receivables	7	141,174,881	192,395,244	93,891,570	76,640,335
Short-term loans to subsidiaries	4.3.1 and 9	-	-	594,500,000	559,500,000
Costs of property development projects for sales	8 and 14	5,893,880,351	4,226,315,475	1,650,190,118	1,222,263,278
Inventories	10	36,794,885	36,315,055	3,174,331	1,171,304
Current corporate income tax receivable		13,634,023	14,093,183	6,698,406	8,957,467
Other current financial assets	11	3,231,086	3,197,471	3,231,086	3,197,471
Short-term deposit for land		22,400,000	24,800,000	22,400,000	-
Other current assets		23,699,228	18,927,799	2,720,450	1,720,355
Total Current Assets		7,376,866,933	4,913,093,750	3,437,774,865	1,953,385,213
NON-CURRENT ASSETS					
Other non-current financial assets	11	667,065,700	834,746,900	400,553,931	415,942,691
Investments in subsidiaries	12.1	-	-	1,755,650,960	1,615,651,160
Investment properties	13	385,329,526	353,439,526	279,640,000	250,200,000
Property, plant and equipment	8 and 14	3,417,625,872	3,519,357,020	9,423,275	11,991,324
Right-of-use assets	15	700,544,963	1,175,089,919	15,235,985	16,527,290
Deferred tax assets	24	157,780,826	255,198,420	-	-
Long-term deposit for land		26,215,721	-	26,215,721	-
Other non-current assets	16	88,638,860	102,489,955	50,929,290	47,387,224
Total Non-current Assets		5,443,201,468	6,240,321,740	2,537,649,162	2,357,699,689
TOTAL ASSETS		12,820,068,401	11,153,415,490	5,975,424,027	4,311,084,902

Notes to the financial statements form an integral part of these statements

Statement of Financial Position (Continued)

Charn Issara Development Public Company Limited and Its Subsidiaries

as at December 31, 2023

Unit : Baht

		Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
Notes					
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts from financial institutions	17	32,850,389	18,201,646	-	-
Short-term borrowings from financial institutions	18	100,000,000	426,831,290	50,000,000	406,831,290
Trade and other current payables	19	1,333,763,496	382,494,155	255,176,498	95,847,994
Current contract liabilities	20	465,171,174	405,249,862	194,361,782	249,525,924
Short-term borrowings from other company	21	55,000,000	55,000,000	-	-
Current portion of long-term borrowings					
from financial institutions	18	1,060,672,432	799,984,163	731,881,604	86,239,000
Current portion of long-term borrowings					
from other companies	21	171,097,393	174,097,393	-	-
Current portion of bonds	22	1,448,401,339	1,233,662,255	1,448,401,339	1,233,662,255
Current portion of lease liabilities	23	220,573,711	620,443,228	8,402,848	9,473,351
Short-term borrowings from related parties	4.4.1	167,500,000	157,500,000	-	-
Retention payables		103,678,452	75,606,829	51,614,963	19,178,421
Income tax payable		2,079,165	7,391,216	-	-
Other current liabilities		19,965,144	23,435,280	4,631,837	3,826,714
Total Current Liabilities		5,180,752,695	4,379,897,317	2,744,470,871	2,104,584,949
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions, net					
of current portion	18	1,196,786,368	695,938,431	30,995,868	47,685,600
Long-term borrowings from other companies, net					
of current portion	21	827,433,031	671,108,447	-	-
Bonds, net of current portion	22	1,644,731,180	498,476,820	1,644,731,180	498,476,820
Lease liabilities, net of current portion	23	842,895,077	1,365,040,502	6,537,188	6,820,021
Other non-current payables	4.2 and 19	144,365,889	-	802,432	802,432
Non-current contract liabilities	20	3,107,213	108,528,838	-	-
Deferred tax liabilities	24	257,740,003	291,802,543	55,222,551	52,392,077
Non-current provisions for employee benefits	25	79,163,109	68,933,552	54,152,251	48,810,291
Deferred revenue		-	15,788,729	-	-
Other non-current liabilities		27,402,705	37,309,239	8,446,134	8,451,558
Total Non-current Liabilities		5,023,624,575	3,752,927,101	1,800,887,604	663,438,799
TOTAL LIABILITIES		10,204,377,270	8,132,824,418	4,545,358,475	2,768,023,748

Notes to the financial statements form an integral part of these statements

Statement of Financial Position (Continued)

Charn Issara Development Public Company Limited and Its Subsidiaries

as at December 31, 2023

Unit : Baht

		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2023	2022	2023	2022
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	26				
Authorized share capital					
1,909,265,122 ordinary shares of Baht 1 each		1,909,265,122		1,909,265,122	
1,589,286,363 ordinary shares of Baht 1 each			1,589,286,363		1,589,286,363
Issued and paid-up share capital					
1,066,595,865 ordinary shares of Baht 1 each		1,066,595,865	1,066,595,865	1,066,595,865	1,066,595,865
Share premium		98,130,021	98,130,021	98,130,021	98,130,021
Retained earnings (deficit)					
Appropriated					
Legal reserve	28	55,443,961	55,443,961	55,443,961	55,443,961
Unappropriated (deficit)		(69,660,963)	155,807,715	151,744,754	252,429,348
Other components of shareholders' equity		445,845,130	562,150,118	58,150,951	70,461,959
TOTAL SHAREHOLDERS' EQUITY					
ATTRIBUTABLE TO OWNERS OF THE PARENT		1,596,354,014	1,938,127,680	1,430,065,552	1,543,061,154
NON-CONTROLLING INTERESTS		1,019,337,117	1,082,463,392	-	-
TOTAL SHAREHOLDERS' EQUITY		2,615,691,131	3,020,591,072	1,430,065,552	1,543,061,154
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		12,820,068,401	11,153,415,490	5,975,424,027	4,311,084,902

Notes to the financial statements form an integral part of these statements

Statement of Profit or Loss and Other Comprehensive Income

Charn Issara Development Public Company Limited and Its Subsidiaries

For the year ended December 31, 2023

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
REVENUES	31				
Revenue from real estate sales		794,192,874	1,150,404,032	359,667,872	604,501,386
Rental and services income		81,069,107	65,009,734	78,723,835	62,164,922
Revenue from hotel operations		947,427,056	672,337,928	-	-
Revenue from sale of goods		65,464,506	67,851,447	-	-
Management fee income and other fee income		38,202,253	31,283,678	33,272,057	29,602,020
Other income	32	323,063,742	187,406,010	53,328,774	25,699,893
Total Revenues		2,249,419,538	2,174,292,829	524,992,538	721,968,221
EXPENSES					
Cost of real estate sales		557,917,346	799,512,535	240,814,705	425,111,258
Cost of rental and services		52,130,590	42,914,534	52,972,968	43,915,361
Cost of hotel operations		734,309,646	618,555,883	-	-
Costs of sales of goods		62,294,258	64,259,067	-	-
Distribution costs		136,950,077	127,717,495	38,667,236	42,939,347
Administrative expenses		512,114,694	501,935,294	183,022,905	181,161,358
Total Expenses		2,055,716,611	2,154,894,808	515,477,814	693,127,324
Profit from operation		193,702,927	19,398,021	9,514,724	28,840,897
Finance income		1,336,700	1,208,705	39,864,942	32,371,436
Finance costs		(397,496,019)	(311,087,287)	(140,900,479)	(92,053,360)
Reversal (loss) on impairment determined in accordance with TFRS 9		253,322	84,159	-	(62,115)
LOSS BEFORE INCOME TAX EXPENSES		(202,203,070)	(290,396,402)	(91,520,813)	(30,903,142)
TAX EXPENSE (INCOME)	24	104,005,018	(34,041,705)	6,559,337	1,103,850
LOSS FOR THE YEAR		(306,208,088)	(256,354,697)	(98,080,150)	(32,006,992)
OTHER COMPREHENSIVE (LOSS) INCOME					
Components of other comprehensive (loss) income that will not be reclassified to profit or loss					
(Loss) gain on measuring financial assets, net of tax	11.2	(134,144,960)	30,283,349	(12,311,008)	(6,701,958)
Gain on revaluation of land, net of tax	14	-	845,187,952	-	-
Loss on re-measurements of defined benefit plans, net of tax		(4,547,093)	(661,627)	(2,604,444)	(672,079)
Other comprehensive (loss) income for the year, net of tax		(138,692,053)	874,809,674	(14,915,452)	(7,374,037)
Total comprehensive (loss) income for the year		(444,900,141)	618,454,977	(112,995,602)	(39,381,029)

Notes to the financial statements form an integral part of these statements

Statement of Profit or Loss and Other Comprehensive Income (Continued)

Charn Issara Development Public Company Limited and Its Subsidiaries

For the year ended December 31, 2023

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Loss attributable to:					
Owners of the parent		(221,598,186)	(199,774,418)	(98,080,150)	(32,006,992)
Non-controlling interests		(84,609,902)	(56,580,279)		
		(306,208,088)	(256,354,697)		
Total comprehensive (loss) income attributable to:					
Owners of the parent		(341,773,666)	469,999,115	(112,995,602)	(39,381,029)
Non-controlling interests		(103,126,475)	148,455,862		
		(444,900,141)	618,454,977		
Basic loss per share (Baht)	34	(0.2078)	(0.1873)	(0.0920)	(0.0300)

Notes to the financial statements form an integral part of these statements

Statement of Cash Flows

Charn Issara Development Public Company Limited and Its Subsidiaries

For the year ended December 31, 2023

Unit : Baht

Notes	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the years	(306,208,088)	(256,354,697)	(98,080,150)	(32,006,992)
Adjustments to reconcile profit (loss) to cash provided by (used in)				
Adjust with income tax expense (income)	104,005,018	(34,041,705)	6,559,337	1,103,850
Finance income	(1,336,700)	(1,208,705)	(39,864,942)	(32,371,436)
Finance costs	385,914,379	297,354,374	130,555,692	79,283,457
Depreciation	337,362,500	331,408,161	14,306,603	17,750,326
Amortization	1,016,723	881,764	38,357	54,597
Amortization of front-end fee on borrowings				
from financial institutions and other companies	1,825,563	5,293,345	588,710	4,330,335
Amortization of issuance cost of bonds	9,756,077	8,439,568	9,756,077	8,439,568
(Reversal) impairment loss determined in accordance with TFRS 9	(253,322)	(84,159)	-	62,115
Expenses from non-current provision for employee benefits	4,545,690	3,832,091	2,086,404	1,744,431
Dividends received from other non-current financial assets	(21,247,662)	(10,712,759)	(11,500,946)	(10,712,759)
Loss (gain) from sale of equipment and vehicle	146,389	(2,864,504)	(138,686)	(175,893)
Loss from write-off of assets	41	33	2,776	8
Gain from termination of lease agreement	(116,055,088)	-	-	-
Gain from lease modification	-	(68,013)	-	(145,219)
Gain from change in repayment term of past outstanding rentals	(32,377,913)	-	-	-
Loss from write-down of inventories	99,668	1,131,994	99,668	1,131,994
(Gain) loss on fair value measurement of investment properties	(31,890,000)	1,690,000	(29,440,000)	(1,450,000)
Gain from the waiver of lease payments for past periods	(42,334,100)	(94,650,000)	-	-
Net cash provided by (used in) operating activities				
before changes in operating assets and liabilities	292,969,175	250,046,788	(15,031,100)	37,038,382
Decrease (increase) in operating assets				
Restricted deposit at financial institution	(944,549,160)	-	(944,549,160)	-
Trade and other current receivables	51,541,792	(82,270,709)	(10,882,725)	3,984,093
Costs of property development projects for sales	(1,541,070,080)	132,035,833	(354,086,468)	168,972,228
Inventories	(579,498)	(8,960,931)	(2,102,695)	(2,303,297)
Deposit for land	(23,815,721)	(24,800,000)	(48,615,721)	-
Other current assets	(4,771,429)	(2,183,457)	(1,000,095)	(1,507,350)
Other non-current assets	(1,925,975)	(1,044,836)	1,084,162	(3,562,333)

Notes to the financial statements form an integral part of these statements

Statement of Cash Flows (Continued)

Charn Issara Development Public Company Limited and Its Subsidiaries

For the year ended December 31, 2023

Unit : Baht

Notes	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES (Continued)				
(Decrease) increase in operating liabilities				
Trade and other current payables	808,240,114	55,915,669	149,142,263	(28,160,529)
Contract liabilities	(45,500,313)	29,266,511	(55,164,142)	(69,652,269)
Retention payables	28,071,623	5,762,375	32,436,542	4,240,404
Other current liabilities	(3,470,137)	4,934,627	805,123	587,420
Other non-current liabilities	(9,906,534)	(15,960,649)	(5,425)	779,395
Cash (used in) provided by operating activities	(1,394,766,143)	342,741,221	(1,247,969,441)	110,416,144
Cash received (paid) for income tax	4,444,679	2,073,320	(2,362,273)	(1,505,782)
Net cash (used in) provided by operating activities	(1,390,321,464)	344,814,541	(1,250,331,714)	108,910,362
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash received from sale of other current financial assets	80,226,897	417,178,719	80,226,897	254,173,783
Cash paid for other current financial assets	(80,260,512)	(342,202,407)	(80,260,512)	(254,197,471)
Cash received from short-term loans to subsidiaries	-	-	10,000,000	15,000,000
Cash paid for short-term loans to subsidiaries	-	-	(45,000,000)	(5,000,000)
Cash paid for increased share capital of a subsidiary	-	-	(40,000,000)	(9,999,980)
Cash paid for establishment of a new subsidiary	-	-	(99,999,800)	-
Cash paid for other non-current financial assets	-	(3,279,408)	-	(3,279,408)
Dividends income received from other non-current financial assets	21,247,662	10,712,759	11,500,946	10,712,759
Cash received from sale of equipment and vehicle	318,972	2,994,393	318,037	190,654
Cash paid for purchase of property, plant and equipment	(45,945,908)	(54,772,547)	(1,261,121)	(2,625,030)
Cash paid for purchase of intangible asset	(514,212)	(1,224,641)	(43,268)	(56,938)
Interest received	1,332,853	1,440,779	33,496,433	16,318,782
Net cash (used in) provided by investing activities	(23,594,248)	30,847,647	(131,022,388)	21,237,151

Notes to the financial statements form an integral part of these statements

Statement of Cash Flows (Continued)

Charn Issara Development Public Company Limited and Its Subsidiaries

For the year ended December 31, 2023

Unit : Baht

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (decrease) in overdrafts from financial institutions		14,648,743	(6,063,523)	-	-
Cash received from short-term borrowings from financial institutions		1,200,040,000	1,481,040,000	1,062,040,000	1,431,040,000
Cash paid for repayment of short-term borrowings					
from financial institutions		(1,527,460,000)	(1,244,620,000)	(1,419,460,000)	(1,194,620,000)
Cash received from short-term borrowings from related companies		20,000,000	-	-	-
Cash paid for repayment of short-term borrowings					
from person and related companies		(10,000,000)	-	-	-
Cash received from short-term borrowings from other companies		-	55,000,000	-	-
Cash received from long-term borrowings from financial institutions		975,308,575	360,237,500	758,296,000	118,934,600
Cash paid for repayment of long-term borrowings					
from financial institutions		(235,906,216)	(337,010,825)	(129,756,539)	(57,150,000)
Cash received from long-term borrowings from other companies		209,470,000	31,505,160	-	-
Cash paid for repayment of long-term borrowings					
from other companies		(56,479,223)	(200,000)	-	-
Cash paid for repayment of lease liabilities		(335,504,514)	(60,606,058)	(11,374,518)	(11,267,338)
Cash received from issuing of bonds, net of issuance costs		1,641,037,368	492,906,970	1,641,037,368	492,906,970
Cash paid for matured bonds		(289,800,000)	(800,000,000)	(289,800,000)	(800,000,000)
Cash received from non-controlling interests					
for increased share capital of subsidiaries		40,000,200	20	-	-
Interest paid		(330,985,425)	(286,510,780)	(193,143,468)	(161,091,614)
Net cash provided by (used in) financing activities		1,314,369,508	(314,321,536)	1,417,838,843	(181,247,382)
Net (decrease) increase in cash and cash equivalents					
Cash and cash equivalents as at January 1,		397,049,523	335,708,871	79,935,003	131,034,872
Cash and cash equivalents as at December 31,	6	297,503,319	397,049,523	116,419,744	79,935,003

Notes to the financial statements form an integral part of these statements

Statement of Changes in Shareholders' Equity

Charn Issara Development Public Company Limited and Its Subsidiaries

For the year ended December 31, 2023

Unit : Baht

Note	Consolidated financial statements										
	Issued and paid-up share capital	Share premium	Retained earnings (deficit)		Other components of shareholders' equity				Total equity attributions to owners of the parent	Non-controlling interests	Total shareholders' equity
			Appropriated	Unappropriated (deficit)	Surplus on change in interest in equity of subsidiaries	(Loss) gain on measuring financial assets	Revaluation surplus	Total other components of shareholders' equity			
Brought forward balance as at January 1, 2022 Loss for the year Other comprehensive (loss) income for the year Total comprehensive (loss) income for the year Increase in equity attribution to non-controlling interests	1,066,595,865	98,130,021	55,443,961	356,330,005	22,390,288	(130,761,575)	-	(108,371,287)	1,468,128,565	934,007,510	2,402,136,075
				(199,774,418)			-	-	(199,774,418)	(56,580,279)	(256,354,697)
				(747,872)			24,867,643	645,653,762	670,521,405	205,036,141	874,809,674
				(200,522,290)			24,867,643	645,653,762	670,521,405	148,455,862	618,454,977
				-	-	-	-	-	-	-	20
Carried forward balance as at December 31, 2022	1,066,595,865	98,130,021	55,443,961	155,807,715	22,390,288	(105,893,932)	645,653,762	562,150,118	1,938,127,680	1,082,463,392	3,020,591,072
Brought forward balance as at January 1, 2023 Loss for the year Other comprehensive loss for the year Total comprehensive loss for the year Increase in equity attribution to non-controlling interests	1,066,595,865	98,130,021	55,443,961	155,807,715	22,390,288	(105,893,932)	645,653,762	562,150,118	1,938,127,680	1,082,463,392	3,020,591,072
				(221,598,186)			-	-	(221,598,186)	(84,609,902)	(306,208,088)
				(3,870,492)			(116,304,988)	-	(116,304,988)	(18,516,573)	(138,692,053)
				(225,468,678)			(116,304,988)	-	(116,304,988)	(103,126,475)	(444,900,141)
				-	-	-	-	-	-	-	40,000,200
Carried forward balance as at December 31, 2023	1,066,595,865	98,130,021	55,443,961	(69,660,963)	22,390,288	(222,198,920)	645,653,762	445,845,130	1,596,354,014	1,019,337,117	2,615,691,131

Notes to the financial statements form an integral part of these statements

Statement of Changes in Shareholders' Equity (Continued)

Charn Issara Development Public Company Limited and Its Subsidiaries

For the year ended December 31, 2023

Unit : Baht

	Separate financial statements						
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
			Appropriated	Unappropriated	Other comprehensive income (loss) on Gain (loss) on measuring financial assets	Total other components of shareholders' equity	
			Legal reserve				
Brought forward balance as at January 1, 2022	1,066,595,865	98,130,021	55,443,961	285,108,419	77,163,917	77,163,917	1,582,442,183
Loss for the year	-	-	-	(32,006,992)	-	-	(32,006,992)
Other comprehensive loss for the year	-	-	-	(672,079)	(6,701,958)	(6,701,958)	(7,374,037)
Total comprehensive loss for the year	-	-	-	(32,679,071)	(6,701,958)	(6,701,958)	(39,381,029)
Carried forward balance as at December 31, 2022	1,066,595,865	98,130,021	55,443,961	252,429,348	70,461,959	70,461,959	1,543,061,154
Brought forward balance as at January 1, 2023	1,066,595,865	98,130,021	55,443,961	252,429,348	70,461,959	70,461,959	1,543,061,154
Loss for the year	-	-	-	(98,080,150)	-	-	(98,080,150)
Other comprehensive loss for the year	-	-	-	(2,604,444)	(12,311,008)	(12,311,008)	(14,915,452)
Total comprehensive loss for the year	-	-	-	(100,684,594)	(12,311,008)	(12,311,008)	(112,995,602)
Carried forward balance as at December 31, 2023	1,066,595,865	98,130,021	55,443,961	151,744,754	58,150,951	58,150,951	1,430,065,552

Notes to the financial statements form an integral part of these statements

CHARN ISSARA DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023

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CHARN ISSARA DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023

1. OPERATION AND GENERAL INFORMATION OF THE COMPANY

Operation

Charn Issara Development Public Company Limited (the “Company”) is a public company incorporated under Thai law on June 27, 2002. The registered office of the Company is located at 2922/200, 10th floor, Charn Issara Tower 2, New Petchburi Road, Bangkapi Sub-district, Huaykwang District, Bangkok.

The Company is principally engaged in sale or lease of office condominiums and property development in Thailand. The subsidiaries of the Company are principally engaged in businesses as disclosed in Note 2.7.1 (collectively, the “Group”) to the notes to financial statements.

The Group and the Company have extensive transactions and relationships with their related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Group and the Company operated without such affiliations.

2. BASIS OF THE PREPARATION AND PRESENTATION OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

2.1 The Group and the Company maintain their accounting records in Thai Baht and prepare their statutory financial statements in Thai language in conformity with Thai Financial Reporting Standards (“TFRSs”) and accounting practices generally accepted in Thailand.

The financial statements in Thai language are the official statutory financial statements of the Group and the Company. The financial statements in English language have been translated from the Thai language financial statements.

2.2 The Group’s and the Company’s financial statements have been prepared in accordance with the Thai Accounting Standard No. 1 “Presentation of Financial Statements” and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statement (No.3) B.E. 2562” dated December 26, 2019.

2.3 The financial statements have been prepared under the historical cost basis except as disclosed in the significant accounting policies (Note 3).

2.4 The consolidated and separate statements of financial position for the year ended December 31, 2022, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Group and the Company for the year then ended.

2.5 TFRSs impacting the reporting and disclosures in the current period financial statements

During the year, the Group and the Company have adopted the revised new financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have any significant impact on the Group’s and the Company’s financial statements.

2.6 TFRSs announced in the Royal Gazette but not yet effective.

TFRSs which will be effective for the financial statements for the period beginning on or after January 1, 2024, onwards

The revised TFRSs are mostly the revision of wording and terminology and clarification of accounting requirements. TFRSs which have been amended and are relevant to the Group and the Company are as follows:

Thai Accounting Standard No.1 “Presentation of Financial Statements” (TAS 1)

The amendments change the requirements regarding the disclosure of accounting policies from “significant accounting policies” to “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Thai Accounting Standard No.8 “Accounting Policies, Changes in Accounting Estimates and Errors” (TAS 8)

The amendments change the definition of accounting estimates to be “monetary amounts in financial statements that are subject to measurement uncertainty”, to help an entity to be able to segregate the difference of “change in accounting estimates” from “change in accounting policies”.

Thai Accounting Standard No.12 “Income Taxes” (TAS 12)

The amendments add the requirements for the initial recognition of deferred tax, which give rise to equal taxable and deductible temporary differences such as right-of-use assets and lease liabilities and decommissioning obligation. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. At the beginning of the earliest comparative period, an entity recognizes a deferred tax asset, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, and a deferred tax liability for all deductible and taxable temporary differences associated with such transactions. The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when they become effective. The Group’s management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

TFRSs which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards

Thai Financial Reporting Standard No.17 “Insurance Contracts” (TFRS 17) establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 “Insurance Contracts” (TFRS 4). The Group does not have accounting transaction which should be adopted this Financial Reporting Standard.

2.7 Preparation of consolidated financial statements

2.7.1 The Consolidated financial statements comprise the Company’s and its subsidiaries’ financial statements and the Group’s interest in associates.

Material intercompany balances and transactions have been eliminated from these consolidated financial statements. The consolidated financial statements for the years ended December 31, 2023 and 2022, have included the financial information of the Company’s subsidiaries for the years then ended as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
<u>Subsidiaries in which their shares are held by the Company</u>				
Charn Issara Residence Co., Ltd.	Real estate development and hotel operations	Thailand	85.36	85.36
Charn Issara Viphol Co., Ltd.	Real estate development	Thailand	49.99	49.99
C.I.N. Estate Co., Ltd.	Real estate development	Thailand	59.99	59.99
Issara United Co., Ltd.	Real estate development	Thailand	49.99	49.99
Issara Junfa Co., Ltd.	Real estate development and hotel operations	Thailand	86.30	86.30
Issara United Development Co., Ltd.	Real estate development and hotel operations	Thailand	49.99	49.99
Charn Issara Reit Management Co., Ltd.	REIT Management	Thailand	99.99	99.99
Issara Development Co., Ltd.	Real estate development	Thailand	99.99	-
<u>Subsidiary in which its shares is held by</u>				
<u>Charn Issara Residence Co., Ltd.</u>				
Sri panwa Management Co., Ltd.	Hotel operations	Thailand	99.99	99.99

2.7.2 The Company prepared separate financial statements presenting investments in subsidiaries using cost method.

2.7.3 The Company is able to assume the controlling upon invested entities or subsidiaries only if the Company possesses a right to share profit or possesses interests in the future of the invested entities and the Company can exert influence over the entities' activities which cause material effect upon the operating return.

2.7.4 The subsidiaries' financial statements are prepared in accordance with significant accounting policies implemented by the Company.

2.7.5 Non-controlling interest in subsidiaries is defined as profit or loss and net assets of the subsidiaries which do not belong to the Company. It is presented as a separate section in the consolidated profit or loss and shareholders' equity in the consolidated statement of financial position.

3. SIGNIFICANT ACCOUNTING POLICIES

The English version of the consolidated and separate financial statements have been prepared from the Thai version of the consolidated and separate financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version consolidated and separate financial statements in accordance with the Thai law is superseded.

The significant accounting policies are summarized as follows:

3.1 Revenue recognition

The Group and the Company recognize revenues from the following major sources:

- Revenue from real estate sales
- Revenue from hotel operations
- Revenue from rental and services
- Revenue from sales of goods
- Interest income and other income
- Dividend income

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group and the Company recognize revenue when they transfer control of a product or service to a customer.

3.1.1 Revenue from real estate sales

The Group and the Company directly sell real estate projects consisting of villa, detached houses and condominium units to the customer through financial institutions, through real estate agent and directly sell to the customer through sales office of each project.

The Group and the Company recognize deposit received from customer for reserving real estate unit as contract liability until control is transferred to customer.

The Group and the Company recognize transfer deposit and trade receivable when a property unit is transferred to the customer. The revenue is recognized when the Group and the Company release control upon the real estate unit to the customer on the statement of profit or loss and other comprehensive income.

In case that the construction of common area has not been completed on a day the control over the real estate unit is transferred to the customer, portion of the sales price will be allocated to such common area. The Group and the Company will recognize revenue from portion of the common area under construction as unearned revenue presented as a liability in the statement of financial position which will be reversed to revenue from real estate sales in the statement of profit or loss and other comprehensive income when the construction of such common area is completed in line with the cost of the common area incurred according to the contract with the customer.

Mortgage fee, transfer registration fee of real estate projects, sinking fund and common area fee paid to juristic person which are paid on behalf of the customer when the property is registered and transferred to the customer. The Group and the Company, therefore, are considered to be awarded or amount paid on behalf of customer. Such transactions which should be deducted from revenue from real estate sales on the statement of profit and loss and other comprehensive income instead of presenting as selling expense as previously recognized.

Cost to obtain a contract is a commission necessarily paid in order to obtain a contract with customers. The Group and the Company considered the commission paid to obtain contract with customers should be recognized as an asset and is recognized as expense in the statement of profit or loss and other comprehensive income to be in line with associated revenue recognition instead of recognizing selling expense when the transaction occurred as previously recorded (see Note 3.2).

3.1.2 Revenue from hotel operations

Revenue from hotel operations is recognized at a point in time based on a room occupancy while revenue from restaurant operations and other related services are recognized at a point in time when goods are delivered or the services are rendered to the customers.

3.1.3 Revenue from rental

Revenue from rental of units in office buildings and plazas are recognized on the straight-line basis over the lease terms.

3.1.4 Revenue from rendering services

Management fee and other fees earned from rendering services are recognized when a customer obtains control of the services in an amount that reflects the consideration to which the Group and the Company expect to be entitled, excluding those amounts collected on behalf of third parties. Revenue is recognized by excluding value added taxes, net of deduction of discounts, if any. Revenue from rendering services is recognized at point in time and over time when services are rendered to customer, depending on conditions of agreements.

3.1.5 Revenue from sales of goods

Revenue from sales of goods is recognized in the statement of profit or loss and other comprehensive income when the control over the goods is passed to the buyer.

3.1.6 Interest income and other income

Interest income and other income are recognized on the statement of profit or loss and other comprehensive income on an accrual basis.

3.1.7 Dividend income

Dividend income is recognized when the right to receive the dividends is established.

3.2 Cost of real estate sales, cost of rental and services

In determining the costs of sales of land and houses and cost of residential condominium units, the anticipated total development costs (after recognizing the costs incurred to date) are attributed to units already sold on the basis of the salable area by the Group and the Company and then recognized as costs in profit or loss in accordance with revenue recognition.

The cost of construction actually incurred but not yet allocated to cost of sales in profit or loss is presented as "Costs of property development projects for sales" in the statements of financial position.

In determining cost of rental and services, expenses directly attributable to the office building such as household taxes and facilities expenses are attributed to cost of rental and services on the basis of used area.

Cost to obtain a contract

The Group and the Company recognize commission paid to obtain a customer contract as an asset and amortized to expenses on a systematic basis that is consistent with the pattern of revenue recognition and will be amortized when cost of properties development project for sales is transferred to the customer or when the agreement to buy and to sell real estate unit is terminated (Note 3.1.1).

3.3 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, all types of deposits with financial institutions with original maturities of three months or less from the date of acquisition and excluding deposit at financial institutions used as collateral or with restriction of use.

3.4 Trade and other current receivables

Trade and other current receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses is disclosed in Note 3.7.

3.5 Costs of properties development projects for sale

Costs of property development projects for sales are stated at cost less allowance for loss on diminution in value of projects, if any. The details of cost calculation are as follows:

- Land - Cost of land is recorded separately for each project.
- Construction in progress - Construction in progress consists of the cost of design, cost of construction, public utility costs and interest capitalized to cost of projects.

The Group and the Company will recognize loss on diminution in value of project in the statement of profit or loss and other comprehensive income, if any.

3.6 Inventories

Inventories are measured at the lower of cost and net realizable value.

Cost of inventories is calculated using the weighted average cost method.

Net realizable value is calculated as the expected proceed received from sales in a normal course of business less estimated expenditures which make the items ready to be sold.

Operation equipment (utensils and linen) are stated at cost using weighted average cost method. The asset value is derived from annual physical count at the end of reporting period.

Allowance for diminution in value of inventories is provided for the decline of net realizable value of inventories.

3.7 Financial instruments

Financial assets and financial liabilities are recognized in the Group's and the Company's consolidated and separate statement of financial position, respectively, when the Group and the Company become the parties to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI);

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset;

- The Group and the Company may irrevocable elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (2) below); and
- The Group and the Company may irrevocable designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (3) below).

(1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, The Group and the Company recognize interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognized in profit or loss and is included in the “finance income” line item.

(2) Equity instruments designated as at FVTOCI

On initial recognition, the Group and the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss in accordance with TFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the “finance income” line item in profit or loss.

The Group and the Company designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9.

A financial asset is held for trading if either:

- It has been acquired principally for the purpose of selling it in the near term.
- On initial recognition it is part of a portfolio of identified financial instruments that the Group and the Company manages together and has evidence of a recent actual pattern of short-term profit-taking.
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

(3) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see (1) to (2) above) are measured at FVTPL. Specifically;

- Investments in equity instruments are classified as at FVTPL, unless the Group and the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (2) above).
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria (see (1) and (2) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called “accounting mismatch”) that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Group and the Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other gains and losses” line item. Fair value is determined in the manner described in Note 29.2.

Impairment of financial assets

The Group and the Company recognize a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI, lease receivables, trade receivables and other receivables and contract assets. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group and the Company always recognizes lifetime allowance for expected credit loss (ECL) for lease receivables, trade receivables and other current receivables, contract assets. The ECL on these financial assets are estimated using a provision matrix based on the Group’s and the Company’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group and the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(1) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group and the Company compare the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group and the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the aspects of the industries in which the Group's and the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to The Group's and the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations
- An actual or expected significant deterioration in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group and the Company presume that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group and the Company have reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group and the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default.
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term.
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group and the Company consider a financial asset to have low credit risk when the asset has external credit rating of “investment grade” in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of “performing”. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Group and the Company regularly monitor the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(2) Definition of default

The Group and the Company consider the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor.
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group and the Company, in full (without taking into account any collateral held by the Group and the Company).

Irrespective of the above analysis, the Group and the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(3) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event (see (2) above)
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization
- The disappearance of an active market for that financial asset because of financial difficulties.

(4) Write-off policy

The Group and the Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group’s and the Company’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(5) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset’s gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount of guarantee debt that has been drawn down as at the reporting date, together with any additional guarantee amounts expected to be drawn down by the borrower in the future by default date determined based on historical trend, the Group’s and the Company’s understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group and the Company in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining ECL is consistent with the cash flows used in measuring the lease receivables in accordance with TFRS 16 “Leases” (TFRS 16).

If the Group and the Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and the Company measure the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group and the Company recognize an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group and the Company derecognize a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group and the Company neither transfer nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Company recognize its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Company continue to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group and the Company have elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Group’s and the Company’s own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group’s and the Company’s own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group and the Company, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (1) contingent consideration of an acquirer in a business combination (2) held for trading or (3) it is designated as at FVTPL.

A financial liability is classified as held for trading if either:

- It has been acquired principally for the purpose of repurchasing it in the near term.
- On initial recognition it is part of a portfolio of identified financial instruments that the Group and the Company manages together and has a recent actual pattern of short-term profit-taking.
- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if either:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's and the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis
- It forms part of a contract containing one or more embedded derivatives, and TFRS 9 permits the entire combined contract to be designated as at FVTPL

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognized in profit or loss to the extent that they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the "other gains or losses" line item in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (1) contingent consideration of an acquirer in a business combination, (2) held-for-trading, or (3) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derecognition of financial liabilities

The Group and the Company derecognize financial liabilities when, and only when, the Group's and the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Group and the Company exchange with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group and the Company account for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective date is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

3.8 Investment properties

Investment properties are properties which are held to earn rental income or 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 by the Group and the Company initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognized in profit or loss when incurred.

The Group and the Company recognize the difference between the net disposal proceeds and the carrying amount of the asset in profit or loss in the year when investment property is derecognized.

3.9 Property, plant and equipment

3.9.1 Property

Property is measured at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values less allowance for impairment loss, (if any). Revaluations will be made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's and the Company's assets, the increase is recognized in other comprehensive income and accumulated in equity under the heading "revaluation surplus", which is presented in other components of shareholders' equity
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's and the Company's assets, the decrease is recognized in statement of profit or loss.

3.9.2 Plant and equipment

Plant and equipment are measured at cost less accumulated depreciation and allowance for impairment losses, if any.

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 labor, any other costs directly attributable to bringing the assets to a working condition for their intended use. The cost also includes the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for separately by major components.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net as profit or loss in the statement of comprehensive income.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized 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 derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized as an expense in statement of comprehensive income as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount of plant and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged as an expense to the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements	5 and 10 years
Buildings	5, 15, 20 and 30 years
Building improvements	5, 10, 20 and 30 years
Furniture and office equipment	2, 3 and 5 years
Vehicles	3 and 5 years

No depreciation is provided on construction in progress.

In case of impairment of property, plant and equipment, the resultant loss on impairment is recognized as expense in the statements of profit or loss and other comprehensive income.

Construction in progress includes construction cost, borrowing costs that are directly attributable to loans for construction and other related costs directly to constructing the asset or bringing it to working condition.

3.10 Intangible asset

Intangible asset is computer software stated at cost less accumulated amortization and allowance for impairment, if any.

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of intangible asset, other than goodwill, from the date that they are available for use.

The estimated useful lives are as the following estimated useful lives for 3, 5 and 10 years.

3.11 Borrowing costs

Borrowing costs directly attributable to the acquisitions construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the respective costs of property development projects for sales and property, plant and equipment. All other borrowing cost are expensed in the period that they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds are expense in the period when incurred.

3.12 Impairment

The carrying amounts of the Group's and the Company's assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company will estimate the asset's recoverable amounts.

The Group and the Company recognize impairment loss when the recoverable amount of an asset is lower than its carrying amount. The recoverable amount is the higher of the asset's fair value less cost to sell and its value in use. In determining asset's value in use, the Group and the Company estimate the future cash flows generated by the asset and discounts to be present value using a pre-tax discount rate which reflects current market risk assessments of the time value of money and the risk specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used reflect the amount that the Group and the Company could obtain from the disposal of the asset after deducting the costs of disposal in an arm's length transaction between knowledgeable, willing parties.

The Group and the Company recognize an impairment loss as expense in the statement of profit or loss and other comprehensive income.

3.13 Related party transactions

Related companies comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

3.14 Leases

The Group and the Company as lessee

The Group and the Company assess whether a contract is or contains a lease, at inception of the contract. The Group and the Company recognize a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (i.e. copied machine and office equipment etc.). For these leases, the Group and the Company recognize the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a yield interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group and the Company incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37 “Provisions Contingent Liabilities and Contingent Assets” (TAS 37). To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and the Company expect to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Depreciation of right-of-use assets is calculated based on cost of assets on a straight-line basis over the estimated useful lives of the duration of each agreement as follows:

Land	1 - 13 years
Building	1 - 14 years
Equipment	4 years
Vehicles	1 - 4 years

The right-of-use assets are presented as a separate line in the consolidated and separate statements of financial position.

The Group and the Company apply TAS 36 “Impairment of Assets” (TAS 36) to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss.

The Group and the Company as lessor

The Group and the Company enter into lease agreements as a lessor with respect to some of its investment properties. The Group and the Company also rent office space to customer.

Leases for which the Group and the Company are a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group and the Company are net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group and the Company apply TFRS 15 to allocate the consideration under the contract to each component.

3.15 Provisions

Provisions are recognized when the Group and the Company have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.16 Employee benefits

3.16.1 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted cash flow basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group and the Company have 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.

3.16.2 Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit or loss and other comprehensive income in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's and the Company's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis until the benefits become vested. To the extent that the benefits is vested, the expense is recognized immediately in the statement of profit or loss and other comprehensive income.

The Group and the Company recognize all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statement of profit or loss and other comprehensive income.

Past service cost related to the plan amendment is recognized as an expense in the income statement when the plan amendment is effective.

Actuarial gains and losses arising from defined benefit plan are recognized in other comprehensive income.

3.17 Finance costs

Finance costs consist of interest expense and the same category of expenditures which are recorded in statement of profit or loss and other comprehensive income in the period they incurred except for that borrowing costs that are capitalized to be included in the asset's cost resulting from long duration in providing, construction or productivity asset before utilize or sell the assets.

3.18 Income tax expenses

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized as income or expenses in the statement of profit or loss and other comprehensive income except to the extent that they relate to a business combination, or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable derived from a computation of profit or loss using tax rates enacted and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized 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 recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction in the consolidated financial statement that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are enacted at the reporting date.

In determining the amount of current and deferred tax, the Group and the Company take into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group and the Company believe 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 judgments about future events. New information may become available that causes the Group and the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period when such a determination is made.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Group and the Company intend to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. 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 realized. The Group and the Company recognize deferred tax liabilities for all taxable temporary differences in the consolidated and separate financial statements.

3.19 Basic earnings (loss) per share

The calculations of basic earnings (loss) per share is based on the profit (loss) for the year attributable to equity holders divided by the weighted average number of ordinary shares held by outsiders outstanding during the year net of treasury stocks, if any. The calculations of diluted earnings (loss) per share, if any, were based on the weighted average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

3.20 Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resources to the segment and assess its performance.

3.21 Fair value measurement

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

3.22 Critical accounting judgements and key source of estimation uncertainty

3.22.1 Use of management's judgements

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Group's and the Company's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of reporting period and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Critical judgments in applying the Group's and the Company's accounting policies are as follows:

Recognition of deferred tax assets associated with tax losses carried forward

A deferred tax asset is recognized to the extent that it is probable that it will be utilized in the future and the Group and the Company have assessed them to be probable that the Group and the Company will generate taxable income sufficient to fully utilize the tax losses that exist.

Significant increase in credit risk

As explained in Note 3.7, expected credit losses are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. TFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group and the Company take into account qualitative and quantitative reasonable and supportable forward looking information.

3.22.2 Key sources of estimation uncertainty

The Group and the Company have estimates with the assumptions concerning future. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value measurements and valuation processes

Some of the Group's and the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Board of Directors of the Company has set up a valuation committee, which is headed by the Assistant Managing Director of Accounting and Finance, to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group uses other observable information either directly or indirectly.

Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 29.

Fair value of investment properties

The fair value of the investment properties of the Group and the Company are appraised by the independent appraisers using value analysis of the Income Approach or Market Approach or Cost Approach. The key assumptions used in the income approach valuation included yield rate, inflation rate, projected rental increases and vacancy rates, as well as other forecast parameters such as the duration of the leases. The appraisal relies on the theoretical hypothesis where the investment properties will be valued as they were fully independent.

Fair value of properties

The fair value of properties of the Group are appraised by the independent appraisers using the Market Approach method with similar characteristics considering location, physical size, and legal limitations as underlying assumptions for the valuation.

Calculation of loss allowance

When measuring expected credit losses the Group and the Company use reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of defaults is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

4. RELATED PARTY TRANSACTIONS

Related persons or parties of the Company are defined as persons or entities that control the Company or are controlled by the Company, whether directly or indirectly or are under the same control as the Company including holding companies. In addition, related person or parties also include individuals owning, directly or indirectly, and interest in the voting shares of the Company, and have significant influence over the Company, key management personnel, directors or officers of the Company. This also applies to the close members of the family of such individuals and companies associated with these individuals.

In considering each possible related person or party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Transactions with related person or parties are conducted at market prices or, where no market price exists, at contractually agreed prices.

Relationships with related persons or parties other than subsidiaries, associates and joint ventures for the years ended December 31, 2023 and 2022 were as follows:

Company's name	Nature of business	Country of incorporation	Relationship
International Resource Development Co., Ltd.	Real estate development	Thailand	Related company
Viphol Holdings Co., Ltd.	Rental and service	Thailand	Shareholder of subsidiary
I.C.C. International Public Company Limited	Business distribution of consumer products	Thailand	Shareholder of subsidiary
Saha Pathanapibul Public Company Limited	Business distribution of consumer products	Thailand	Shareholder of subsidiary
Nawarat Patanakarn Public Company Limited	Engineering and construction	Thailand	Shareholder of subsidiary
Sumolnart Co., Ltd.	Restaurant	Thailand	Subsidiary's investee
Mana Development Co., Ltd.	Real estate development	Thailand	Shareholder of subsidiary
Junfa Group Co., Ltd.	Real estate development and hotel operation	China	Shareholder of subsidiary
YMC Holdings LLC	Real estate development	China	Shareholder of subsidiary
Bangkok Commercial Property Fund	Property Fund	Thailand	Common director
Banraow Development Company Limited	Real estate development	Thailand	Common director

Company's name	Nature of business	Country of incorporation	Relationship
Siam Premier International Law Office Company Limited	Legal advisor	Thailand	Common director
Sri panwa Hospitality Real Estate Investment Trust	Invest in real estate or leasehold real estate	Thailand	Common director
Related persons	-	Thailand	Director of the Company

- 4.1 During the years, the Group and the Company had significant business transactions with related persons or related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related persons or companies.

Unit: Million Baht

	Consolidated financial statements		Separate financial statements		Pricing policy
	2023	2022	2023	2022	
Transactions with subsidiaries (Eliminated from the consolidated financial statements)					
Management fee income	-	-	24	21	Contract price
Rental and service income	-	-	1	1	Contract price
Finance income	-	-	39	32	Contract price
Other income	-	-	8	5	As agreed
Depreciation for the right-of-use assets	-	-	1	1	Contract price
Finance costs	-	-	1	-	Contract price
Service expense	-	-	2	3	Contract price
Transactions with related companies, directors and shareholders					
Management fee income	18	17	7	6	Contract price
Dividend income	12	11	12	11	As declared
Other income	1	3	1	3	Contract price
Gain from the waiver of past lease payment	42	95	-	-	As agreed
Profit sharing from contract for use of property	14	-	-	-	Contract price
Depreciation for the right-of-use assets	171	192	2	6	Contract price
Interest expenses related to lease liabilities	145	177	-	-	Contract price
Finance costs	11	9	-	-	Contract price
Professional fees	3	2	2	2	As agreed

4.2 The outstanding balances between the Company and the related companies as at December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade and other current receivables - related companies (see Note 7)				
Subsidiaries	-	-	70,575	40,098
Related companies	1,768	892	1,738	892
Total	1,768	892	72,313	40,990
Trade and other current payables - related companies (see Note 19)				
Subsidiaries	-	-	243	145
Related companies	124,874	71	1,195	-
Total	124,874	71	1,438	145
Other non-current payables - related companies				
Subsidiaries	-	-	802	802
Related companies (see Note 19)	144,366	-	-	-
Total	144,366	-	802	802
Other non-current liabilities				
Subsidiaries	-	-	26	26
Total	-	-	26	26

4.3 Balances and movements of loans to related companies are as follows:

4.3.1 Short-term loans to subsidiaries

Unit: Thousand Baht

	Separate financial statements						
	Relationship	Interest rate (% p.a.)	Due date	Balance as at December 31, 2022	Increase during the year	Repaid during the year	Balance as at December 31, 2023
Short-term loans to subsidiaries							
Charn Issara Viphapol Co., Ltd.	Subsidiary	MLR	At call	101,500	-	(10,000)	91,500
Issara Junfa Co., Ltd.	Subsidiary	MLR	At call	418,000	-	-	418,000
Sri panwa Management Co., Ltd.	Subsidiary	MLR	At call	40,000	-	-	40,000
C.I.N. Estate Co., Ltd.	Subsidiary	MOR	At call	-	45,000	-	45,000
Total				559,500	45,000	(10,000)	594,500

Unit: Thousand Baht

	Separate financial statements						
	Relationship	Interest rate (% p.a.)	Due date	Balance as at December 31, 2021	Increase during the year	Repaid during the year	Balance as at December 31, 2022
Short-term loans to subsidiaries							
Charn Issara Viphapol Co., Ltd.	Subsidiary	MLR	At call	101,500	-	-	101,500
Issara Junfa Co., Ltd.	Subsidiary	MLR	At call	413,000	5,000	-	418,000
Sri panwa Management Co., Ltd.	Subsidiary	MLR	At call	55,000	-	(15,000)	40,000
Total				569,500	5,000	(15,000)	559,500

4.3.2 Long-term loan to a related company

Unit: Thousand Baht

	Consolidated financial statements						
	Relationship	Interest rate (% p.a.)	Due date	Balance as at December 31, 2022	Increase during the year	Repaid during the year	Balance as at December 31, 2023
Long-term loan to a related company							
Sumolnart Co., Ltd.	Subsidiary of shareholder	0.1	Jul 11, 2024	1,286	-	-	1,286
<u>Less</u> Allowance for expected credit losses				(1,286)	-	-	(1,286)
Total				-			-

Unit: Thousand Baht

	Consolidated financial statements						
	Relationship	Interest rate (% p.a.)	Due date	Balance as at December 31, 2021	Increase during the year	Repaid during the year	Balance as at December 31, 2022
Long-term loan to a related company							
Sumolnart Co., Ltd.	Subsidiary of shareholder	0.1	Jul 11, 2024	1,286	-	-	1,286
<u>Less</u> Allowance for expected credit losses				(1,286)	-	-	(1,286)
Total				-			-

On July 12, 2021, Sumolnart Co., Ltd. renewed five unsecured promissory notes with total amounts of Baht 1.28 million to borrow from Charn Issara Residence Co., Ltd. ("CIR") with the fixed interest rate of 0.1% per annum. The interest shall be repaid on a monthly basis and the last interest shall be repaid together with the repayment of principals on July 11, 2024.

Loans to subsidiaries and related company are unsecured loans in Thai Baht currency.

4.4 Balances and movements of borrowings from related persons and related companies are as follows:

4.4.1 Short-term borrowings from related persons and related companies

Unit: Thousand Baht

	Consolidated financial statements						
	Relationship	Interest rate (% p.a.)	Due date	Balance as at December 31, 2022	Increase during the year	Repaid during the year	Balance as at December 31, 2023
Short-term borrowings from related person and related companies							
Viphol Holdings Co., Ltd.	Subsidiary of shareholder	MLR	At call	9,000	-	-	9,000
Director	Subsidiary's director	MLR	At call	148,500	-	(10,000)	138,500
Mana Development Co., Ltd.	Subsidiary of shareholder	MOR	At call	-	20,000	-	20,000
Total				157,500	20,000	(10,000)	167,500

Unit: Thousand Baht

	Consolidated financial statements						
	Relationship	Interest rate (% p.a.)	Due date	Balance as at December 31, 2021	Increase during the year	Repaid during the year	Balance as at December 31, 2022
Short-term borrowings from related person and related companies							
Viphol Holdings Co., Ltd.	Subsidiary of shareholder	MLR	At call	9,000	-	-	9,000
Director	Subsidiary's director	MLR	At call	148,500	-	-	148,500
Total				157,500	-	-	157,500

Short-term borrowings from related person and related companies are unsecured borrowings in Thai Baht currency.

4.5 Directors' and management's benefits for the years ended December 31, are as below:

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short-term employee benefits	92	90	77	74
Post-employment benefits	1	1	1	1
Total	93	91	78	75

5. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

Supplementary disclosure of cash flows information for the years ended December 31, are as follows:

5.1 Non-cash transactions for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements	
	2023	2022
Transfer land held for development to property, plant and equipment	-	187,875
Transfer costs of property development projects for sales to property, plant and equipment	-	704,740
Transfer of deposits for land to costs of property development projects for sale (see Note 8)	24,800	-
Transfer of lease liabilities to trade payables and other payables - related party (see Note 23)	292,150	-

5.2 Changes in liabilities from financing activities for the years ended December 31, are as follows:

Unit: Thousand Baht

	Consolidated financial statements			
	As at January 1, 2023	Cash flows	Non-cash items	As at December 31, 2023
Bank overdrafts from financial institutions	18,202	14,648	-	32,850
Short-term borrowings from financial institutions	426,831	(327,420)	589	100,000
Short-term borrowings from related persons and companies	157,500	10,000	-	167,500
Short-term borrowings from other companies	55,000	-	-	55,000
Long-term borrowings from financial institutions	1,495,922	739,402	22,135	2,257,459
Long-term borrowings from other companies	845,206	152,991	333	998,530
Bonds	1,732,139	1,351,237	9,756	3,093,132
Lease liabilities	1,985,484	(335,505)	(586,510)	1,063,469
Accrued finance costs	19,435	(330,985)	342,065	30,515

Unit: Thousand Baht

	Consolidated financial statements			
	As at January 1, 2022	Cash flows	Non-cash items	As at December 31, 2022
Bank overdrafts from financial institutions	24,265	(6,063)	-	18,202
Short-term borrowings from financial institutions	190,000	236,420	411	426,831
Short-term borrowings from related persons and companies	157,500	-	-	157,500
Long-term borrowings from financial institutions	-	55,000	-	55,000
Long-term borrowings from other companies	1,468,200	23,227	4,495	1,495,922
Long-term borrowings from related companies	813,514	31,305	387	845,206
Bonds	2,030,792	(307,093)	8,440	1,732,139
Lease liabilities	1,938,669	(60,606)	107,421	1,985,484
Accrued finance costs	19,322	(286,511)	286,624	19,435

Unit: Thousand Baht

	Separate financial statements			
	As at January 1, 2023	Cash flows	Non-cash items	As at December 31, 2023
Short-term borrowings from financial institutions	406,831	(357,420)	589	50,000
Long-term borrowings from financial institutions	133,925	628,539	413	762,877
Bonds	1,732,139	1,351,237	9,756	3,093,132
Lease liabilities	16,293	(11,375)	10,022	14,940
Accrued finance costs	17,883	(193,143)	203,329	28,069

Unit: Thousand Baht

	Separate financial statements			
	As at January 1, 2022	Cash flows	Non-cash items	As at December 31, 2022
Short-term borrowings from financial institutions	170,000	236,420	411	406,831
Long-term borrowings from financial institutions	68,221	61,785	3,919	133,925
Bonds	2,030,792	(307,093)	8,440	1,732,139
Lease liabilities	25,317	(11,267)	2,243	16,293
Accrued finance costs	23,262	(161,092)	155,713	17,883

6. CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSIT AT FINANCIAL INSTITUTION

Cash and cash equivalents as at December 31, consist of the following:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash on hand	4,163	3,600	40	52
Deposit at financial institutions - current accounts	26,760	3,039	28,850	2,472
Deposit at financial institutions - savings accounts	266,541	390,372	87,530	77,411
Deposit at financial institutions - fixed accounts not exceeding of 3 months	39	39	-	-
Total	297,503	397,050	116,420	79,935

As at December 31, 2023 and 2022, the Group and the Company have deposits at financial institutions in savings and fixed accounts with original maturities of not exceeding 3 months in Thai Baht currency have interest rates of 0.125%-1.40% per annum.

As at December 31, 2023, the Group's consolidated statement of financial position and the Company's separate statement of financial position presented restricted deposit at financial institution of Baht 944.55 million used for the purpose of repayment of matured bonds as described in Note 22 (As at December 31, 2022 : nil).

7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables				
Trade receivables - related companies	-	-	139	89
Trade receivables - other companies	41,168	44,199	9,516	8,724
<u>Less</u> Allowance for expected credit losses	(5,675)	(5,928)	(3,874)	(3,874)
Total trade receivables - net	35,493	38,271	5,781	4,939
Other current receivables				
Other current receivables - related companies	1,015	-	54,003	40,009
Other current receivables - other companies	10,179	10,615	8,207	5,272
Accrued income - related companies	753	892	18,171	892
Accrued income - other companies	336	193	323	172
Prepaid expenses	23,144	13,779	1,794	1,280
Cost to obtain contracts with customers	23,717	37,136	4,139	22,671
Advanced payments for constructions	30,255	68,681	939	1,169
Advanced payments	16,283	22,828	535	236
Total other current receivables - net	105,682	154,124	88,111	71,701
Total	141,175	192,395	93,892	76,640

Aging analysis of trade receivables as at December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables - related companies				
Aged on the basis of due dates:				
Not yet due	-	-	116	88
Past due:				
Less than 3 months	-	-	23	1
Total trade receivables - related companies	-	-	139	89
Trade receivables - other companies				
Aged on the basis of due dates:				
Not yet due	30,717	31,813	3,871	2,740
Past due:				
Less than 3 months	4,563	6,223	1,608	1,960
Over 3 months to 6 months	293	444	163	150
Over 6 months to 12 months	1,117	1,252	-	-
Over 12 months	4,478	4,467	3,874	3,874
	41,168	44,199	9,516	8,724
<u>Less</u> Allowance for expected credit losses	(5,675)	(5,928)	(3,874)	(3,874)
Total trade receivables - other companies - net	35,493	38,271	5,642	4,850
Total trade receivables - net	35,493	38,271	5,781	4,939

For the years ended December 31, 2023 and 2022, the average credit terms for services is between 30 to 90 days without interest charged for past due receivables.

The Group and the Company measures the loss allowance for trade and other current receivables at an amount equal to lifetime expected credit loss ("ECL"). The ECL on trade and other current receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position.

The Group and the Company have recognized a loss allowance of 100% against all debtors over 365 days past due because historical experience has indicated that these debtors are generally not recoverable.

The following table details the risk profile of trade and other current receivables based on the Group's and the Company's provision matrix. As the Group's and the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's and the Company's different customer segments.

Unit: Thousand Baht

Consolidated financial statements: As at December 31, 2023	Trade and other current receivables - days past due						Total
	1-90 days	91-120 days	121-150 days	151-180 days	181-365 days	> 365 days	
Expected credit loss rate	0.72%	11.26%	65.09%	92.95%	98.77%	100%	
Loss for expected credit loss throughout the contract period	254	26	20	28	1,103	4,244	5,675
							5,675

Unit: Thousand Baht

Consolidated financial statements: As at December 31, 2022	Trade and other current receivables - days past due						Total
	1-90 days	91-120 days	121-150 days	151-180 days	181-365 days	> 365 days	
Expected credit loss rate	2.20%	5.86%	15.09%	24.63%	45.64%	100%	
Loss for expected credit loss throughout the contract period	836	15	14	25	571	4,467	5,928
							5,928

Unit: Thousand Baht

Separate financial statements: As at December 31, 2023	Trade and other current receivables - days past due						Total
	1-90 days	91-120 days	121-150 days	151-180 days	181-365 days	> 365 days	
Expected credit loss rate	0%	0%	0%	0%	0%	100%	
Loss for expected credit loss throughout the contract period	-	-	-	-	-	3,874	3,874
							3,874

Unit: Thousand Baht

Separate financial statements: As at December 31, 2022	Trade and other current receivables – days past due						Total
	1-90 days	91-120 days	121-150 days	151-180 days	181-365 days	> 365 days	
Expected credit loss rate	0%	0%	0%	0%	0%	100%	
Loss for expected credit loss throughout the contract period	-	-	-	-	-	3,874	3,874
							3,874

The following table shows the movement in lifetime ECL that has been recognized for trade and other current receivables in accordance with the simplified approach set out in TFRS 9.

Unit : Thousand Baht

	Consolidated financial statements	Separate financial statements
	Collectively assessed	Separate assessed
Balance as at January 1, 2023	5,928	3,874
Reversal of net remeasurement of loss allowance	(253)	-
Balance as at December 31, 2023	5,675	3,874

Unit : Thousand Baht

	Consolidated financial statements	Separate financial statements
	Collectively assessed	Separate assessed
Balance as at January 1, 2022	6,639	3,890
(Reversal) net remeasurement of loss allowance	(84)	62
Amounts written off	(627)	(78)
Balance as at December 31, 2022	5,928	3,874

8. COSTS OF PROPERTY DEVELOPMENT PROJECTS FOR SALES

Costs of property development projects for sales as at December 31, consist of the following:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Land and construction development	3,135,357	1,862,111	1,650,190	176,244
Land and construction under development	2,758,523	2,364,204	-	1,046,019
Total	5,893,880	4,226,315	1,650,190	1,222,263

Movements of costs of property development projects for sales for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Brought forward balance as at January 1	4,226,315	4,931,854	1,222,263	1,313,906
Increase in cost of constructions	2,074,243	666,786	594,902	256,139
Transfer from deposits for land (see Note 5.1)	24,800	-	-	-
Capitalized borrowing cost for the years	126,439	131,928	73,840	77,329
Reclassified to property, plant and equipment (see Note 14)	-	(704,740)	-	-
Cost of real estate sales for the years	(557,917)	(799,513)	(240,815)	(425,111)
Carried forward balance as at December 31	5,893,880	4,226,315	1,650,190	1,222,263

In 2022, the Group's management has reviewed the purpose of use for land and structures of certain projects previously presented as part of cost of property development projects for sales in the statement of financial position in order to be in line with the Group's current business plan. The management has reclassified those land and structures with the carrying amounts of Baht 704.74 million to be presented as part of property, plant and equipment since the Group intends to hold the lands for administrative purpose and expected to use during more than one period (see Note 14).

During the years, the Group and the Company included borrowing costs in the costs property development. These were determined by applying capitalization rates which are the weighted average of the financial charges on total borrowings as follows:

	2023	2022
Borrowing costs included in costs of property development projects for sales (Million Baht)	31	55
Capitalization rates (Percent)	8	7

As at December 31, 2023 and 2022, the Group and the Company have mortgaged their land and buildings thereon in the property development projects of Baht 5,075 million and Baht 4,283 million, respectively, (The Company only as at December 31, 2023 and 2022: Baht 1,582 million and Baht 1,222 million, respectively), to secure the credit facilities of bank overdrafts from financial institutions, long-term borrowings from financial institutions, long-term borrowings from other companies, bonds and bank guarantees issued by the financial institutions of the Group and the Company (see Notes 17, 18, 21 and 22).

9. SHORT-TERM LOANS TO SUBSIDIARIES

As at December 31, 2023 and 2022, the Company had short-term loans to four subsidiaries of Baht 594.50 million and Baht 559.50 million, respectively, in form of unsecured Thai-Baht promissory notes which will be due at call. Interest will be repaid on a monthly basis at interest rates as stipulated in promissory notes which referred to the interest rate of Minimum Loan Rate (MLR) and at interest rates as stipulated in promissory notes which referred to the interest rate of MOR (Minimum Overdraft Rate) (see Note 4.3).

10. INVENTORIES

Inventories as at December 31, consist of the following:

Unit : Thousand Baht

	Consolidated financial statements	
	2023	2022
Food and beverages	8,169	7,455
Operating equipment	18,626	20,134
Other operating supplies	5,396	6,218
Finished goods	4,836	3,640
Total inventories	37,027	37,447
Less Allowance for diminution in value of inventories	(232)	(1,132)
Total	36,795	36,315

Unit : Thousand Baht

	Separate financial statements	
	2023	2022
Finished goods	3,406	2,303
Less Allowance for diminution in value of inventories	(232)	(1,132)
Total	3,174	1,171

11. OTHER FINANCIAL ASSETS

Other financial assets consist of the following:

Unit: Thousand Baht

	Consolidated financial statements			
	Balances as at December 31, 2023		Balances as at December 30, 2022	
	Financial assets measured at amortized cost	Investments measured at FVTOCI	Financial assets measured at amortized cost	Investments measured at FVTOCI
Other current financial assets	3,231	-	3,197	-
Other non-current financial assets	-	667,066	-	834,747
Total	3,231	667,066	3,197	834,747

Unit: Thousand Baht

	Separate financial statements			
	Balances as at December 31, 2023		Balances as at December 30, 2022	
	Financial assets measured at amortized cost	Investments measured at FVTOCI	Financial assets measured at amortized cost	Investments measured at FVTOCI
Other current financial assets	3,231	-	3,197	-
Other non-current financial assets	-	400,554	-	415,943
Total	3,231	400,554	3,197	415,943

11.1 Other current financial assets

As at December 31, 2023 and 2022, the Group's and the Company's other current financial assets represent the investments in fixed deposit at financial institutions with original maturity terms over 3 months up to 12 months with no obligations and have interest rates at 1.15% p.a. to 2.20% p.a. and 0.55% p.a., respectively, which are measured at amortized cost.

The fair value of the investments carried at amortized cost is disclosed in Note 29.

11.2 Other non-current financial assets

As at December 31, 2023 and 2022, the Group's and the Company's other non-current financial assets consist of the investments in investment units of property fund and real estate investment trust as well as equity instruments in non-listed companies measured at FVTOCI.

Movements of other non-current financial assets measured at FVTOCI for the years ended December 31, 2023 and 2022 are as follows:

Unit : Thousand Baht

	Consolidated financial statements			
	Balance as at January 1, 2023	Additions during the year	Unrealized loss from change in fair value during the year (Before tax effect)	Balance as at December 31, 2023
Bangkok Commercial Property Fund	180,888	-	(14,050)	166,838
Sri panwa Hospitality Real Estate Investment Trust	422,487	-	(153,631)	268,856
International Resource Development Limited	231,372	-	-	231,372
Sumolnart Co., Ltd.	-	-	-	-
Total	834,747	-	(167,681)	667,066

Unit : Thousand Baht

	Separate financial statements			
	Balance as at January 1, 2023	Additions during the year	Unrealized loss from change in fair value during the year (Before tax effect)	Balance as at December 31, 2023
Bangkok Commercial Property Fund	180,888	-	(14,050)	166,838
Sri panwa Hospitality Real Estate Investment Trust	3,683	-	(1,339)	2,344
International Resource Development Limited	231,372	-	-	231,372
Total	415,943	-	(15,389)	400,554

For the year ended December 31, 2023, the Group and the Company had unrealized loss from change in fair value during the period of other non-current financial assets recognized in other comprehensive loss net of tax of Baht 134.14 million and Baht 12.31 million, respectively.

Unit : Thousand Baht

	Consolidated financial statements			
	Balance as at January 1, 2022	Additions during the year	Unrealized (loss) profit from change in fair value during the year (Before tax effect)	Balance as at December 31, 2022
Bangkok Commercial Property Fund	189,669	-	(8,781)	180,888
Sri panwa Hospitality Real Estate Investment Trust	372,572	3,279	46,636	422,487
International Resource Development Limited	231,372	-	-	231,372
Sumolnart Co., Ltd.	-	-	-	-
Total	793,613	3,279	37,855	834,747

Unit : Thousand Baht

	Separate financial statements			
	Balance as at January 1, 2022	Additions during the year	Unrealized (loss) profit from change in fair value during the year (Before tax effect)	Balance as at December 31, 2022
Bangkok Commercial Property Fund	189,669	-	(8,781)	180,888
Sri panwa Hospitality Real Estate Investment Trust	-	3,279	404	3,683
International Resource Development Limited	231,372	-	-	231,372
Total	421,041	3,279	(8,377)	415,943

For the year ended December 31, 2022, the Group and the Company had unrealized (loss) profit from change in fair value during the period of other non-current financial assets recognized in other comprehensive income (loss) net of tax of Baht 30.28 million and Baht (6.70) million, respectively.

- Investments in investment units of property fund**

As at December 31, 2023 and 2022, the Company's investments in investment units of property fund measured at FVTOCI by Baht 166.84 million and Baht 180.89 million, respectively, represent investments in 17,561,900 units of Bangkok Commercial Property Fund (the "Fund") or equivalent to 17.56% of the Fund's total investment units.

As at December 31, 2023 and 2022, the Company has pledged 16,650,000 investment units of the Fund held by the Company with a financial institution as a collateral for short-term borrowing and letter of guarantee of the Company (see Notes 18 and 36.4).

- Investments in investment units of real estate investment trust**

As at December 31, 2023 and 2022, the Company has investments in investment units of real estate investment trust measured at FVTOCI of Baht 2.34 million and Baht 3.68 million, respectively, which are of 478,300 investment units of Sri panwa Hospitality Real Estate Investment Trust (the "Trust"), representing 0.17% of total investment units of the Trust.

As at December 31, 2023 and 2022, the Group has investments in the Trust's investment units measured at FVTOCI of Baht 268.86 million and Baht 422.49 million, respectively, which are 54,868,457 investment units of the Trust, representing 19.66% of total investment units of the Trust. The Group had 54,390,157 units of the Trust used as collateral for borrowings from a director of a subsidiary in February 2024 (see Note 37)

- **Investments in equity instruments of non-listed companies**

As at December 31, 2023 and 2022, the Company's investment in equity instruments of non-listed company measured at FVTOCI of Baht 231.37 million is investment in 2,810,695 shares of International Resource Development Limited ("IRD"), representing 15.99% of IRD's total shares. In addition, the Group has another investment in equity instruments of non-listed company which is investment in 7,144 shares of Sumolnart Co., Ltd., representing 17.86% of Sumolnart Co., Ltd.'s total shares. The Group has recognized loss on impairment of financial assets from investments in Sumolnart Co., Ltd. and devalued such investments in the financial statements since the year ended December 31, 2020.

12. INVESTMENTS IN SUBSIDIARIES

12.1 Investments in subsidiaries as at December 31, are as follows:

Company's name	Paid - up share capital (Thousand Baht)		Percentage of Shareholding (%)		Balance at cost method (Thousand Baht)	
	2023	2022	2023	2022	2023	2022
<u>Subsidiaries held by the Company</u>						
Charn Issara Residence Co., Ltd.	140,000	140,000	85.36	85.36	151,652	151,652
Charn Issara Viphapol Co., Ltd.	100,000	100,000	49.99	49.99	50,000	50,000
C.I.N. Estate Co., Ltd.	250,000	250,000	59.99	59.99	150,000	150,000
Issara United Co., Ltd.	420,000	420,000	49.99	49.99	210,000	210,000
Issara Junfa Co., Ltd.	920,000	920,000	86.30	86.30	793,999	793,999
Issara United Development Co., Ltd.	560,000	480,000	49.99	49.99	280,000	240,000
Charn Issara Reit Management Co., Ltd.	20,000	20,000	99.99	99.99	20,000	20,000
Issara Development Co., Ltd.	100,000	-	99.99	-	100,000	-
Total	2,510,000	2,330,000			1,755,651	1,615,651
<u>Subsidiary held by</u>						
Charn Issara Residence Co., Ltd.						
Sri panwa Management Co., Ltd.	100,000	100,000	99.99	99.99	100,000	100,000

Issara United Development Co., Ltd.

As at December 31, 2022, registered share capital of Issara United Development Co., Ltd. ("IUD") is Baht 560 million (5,600,000 ordinary shares of Baht 100 each) which are paid-up share capital of Baht 480 million (4,800,000 ordinary shares of Baht 100 each). The remaining shares to be paid of Baht 80 million was derived from the increased share capital of Baht 200 million (2,000,000 ordinary shares of Baht 100 each) in accordance with the approval per the resolution of the Extraordinary General Meeting of Shareholders of IUD held in 2021. IUD already received the paid-up increased share capital from the first and second payments of Baht 120 million in 2021. The third payment of Baht 80 million was initially scheduled in June 2022. However, on June 13, 2022, IUD issued the notification letter to the shareholders for deferral of the third payment of increased share capital from initial schedule in June 2022 to the new schedule in May 2023.

On May 9, 2023, IUD collected the third payment of such proceed from increased share capital from the Company of Baht 40 million and from the other two shareholders of Baht 40 million, totaling of Baht 80 million. Therefore, as at December 31, 2023, IUD has registered and paid up share capital of Baht 560 million (5,600,000 ordinary shares of Baht 100 each).

Charn Issara Reit Management Co., Ltd.

On April 8, 2022, the Annual General Meeting of Shareholders No. 1/2022 of Charn Issara Reit Management Co., Ltd. (“CIRM”) had a special resolution to approve increase of the authorized share capital in the amount of Baht 10.00 million by issuing 1,000,000 new ordinary shares at par value of Baht 10.00 each and allocate to the existing shareholders in proportion to the numbers of shares held by each shareholder. Total authorized share capital of CIRM has increased from 1,000,000 shares to 2,000,000 shares at par value of Baht 10.00 each, totaling Baht 20.00 million accordingly. In April 2022, CIRM fully received for the increased share capital and registered the increase of such authorized share capital with Department of Business Development, Ministry of Commerce, on April 21, 2022.

Issara Development Company Limited

On August 9, 2023, Board of Directors’ Meeting No. 6/2023 of the Company passed a resolution to approve the establishment of Issara Development Company Limited (“ISD”) with registered share capital of 1,000,000 shares at Baht 100 each in which the Company held 999,998 shares representing 99.99% of ISD’s total registered share capital. The Company has assessed and classified investments in ISD as an investment in a subsidiary, in which on September 12, 2023, the statutory meeting of ISD passed a resolution to call for the first payment of the registered share capital Baht 25 each, totaling Baht 25 million. ISD received in full amounts and registered the paid-up share capital with the Department of Business Development, Ministry of Commerce, on September 21, 2023.

On October 10, 2023, the Board of Directors’ Meeting No. 1/2023 of Issara Development Company Limited (“ISD”), a subsidiary, passed a resolution to call for the second and third payments of the registered share capital after the first payment of registered share capital was received in September 2023. ISD called for the second payment of registered share capital of Baht 25 per share totaling of Baht 25 million and call for the third payment of the registered share capital of Baht 50 per share totaling of Baht 50 million. ISD received in full amounts and registered the paid-up share capital with the Department of Business Development, Ministry of Commerce, on October 19, 2023 and October 25, 2023, respectively.

12.2 Details of subsidiaries that have material non-controlling interests

Unit: Million Baht

Company's name	Proportion of equity interest held by non-controlling interests (%)		Accumulated balance of non-controlling interests		(Loss) profit allocated to non-controlling interests during the years	
	2023	2022	2023	2022	2023	2022
C.I.N. Estate Co., Ltd.	39.99	39.99	236	244	(8)	17
Issara United Co., Ltd.	49.99	49.99	384	400	(16)	61
Issara United Development Co., Ltd.	49.99	49.99	120	163	(43)	4
Charn Issara Vipapool Co., Ltd.	49.99	49.99	51	62	(11)	(4)

12.3 Summarized financial information of subsidiaries with material non-controlling that are based on amounts before inter-company elimination about subsidiaries

Summarized financial positions

Unit: Thousand Baht

	C.I.N. Estate Co., Ltd.		Issara United Co., Ltd.		Issara United Development Co., Ltd.		Charn Issara Viphapol Co., Ltd.	
	As at December 31,		As at December 31,		As at December 31,		As at December 31,	
	2023	2022	2023	2022	2023	2022	2023	2022
Current assets	932,826	836,147	1,710,448	1,332,294	41,160	40,327	416,964	506,606
Non-current assets	87,625	90,077	615,035	627,758	1,054,696	1,106,524	31,134	37,872
Current liabilities	406,830	295,211	410,414	214,948	94,570	97,185	340,171	360,054
Non-current liabilities	23,320	21,397	1,025,905	824,876	562,866	604,244	7,841	61,574

Summarized comprehensive income

Unit: Thousand Baht

	C.I.N. Estate Co., Ltd.		Issara United Co., Ltd.		Issara United Development Co., Ltd.		Charn Issara Viphapol Co., Ltd.	
	For the years ended December 31,		For the years ended As at December 31,		For the years ended As at December 31,		For the years ended As at December 31,	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	8,447	303,454	271,917	265,010	79,932	74,398	159,038	100,981
Total comprehensive (loss) income for the year	(19,316)	43,366	(31,064)	122,883	(87,002)	7,887	(22,765)	(7,457)

Summarized cash flows

Unit: Thousand Baht

	C.I.N. Estate Co., Ltd.		Issara United Co., Ltd.		Issara United Development Co., Ltd.		Charn Issara Viphapol Co., Ltd.	
	For the years ended December 31,		For the years ended December 31,		For the years ended December 31,		For the years ended December 31,	
	2023	2022	2023	2022	2023	2022	2023	2022
Cash flows (used in) provided by the following activities:								
Operating activities	(184,526)	93,700	(333,045)	220,515	(175,175)	55,224	111,620	23,988
Investing activities	388	73,658	(3,455)	(181,687)	104,630	(134,337)	(1,308)	(499)
Financing activities	135,783	(165,039)	304,830	18,037	71,937	62,831	(78,471)	(44,746)
Net (decrease) increase in cash and cash equivalents	(48,355)	2,319	(31,670)	56,865	1,392	(16,282)	31,841	(21,257)
Cash and cash equivalents as at January 1,	48,576	46,257	70,379	13,514	19,946	36,228	13,492	34,749
Cash and cash equivalents as at December 31,	221	48,576	38,709	70,379	21,338	19,946	45,333	13,492

13. INVESTMENT PROPERTIES

Movements of investment properties for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Fair value				
Balance as at January 1,	353,440	355,130	250,200	248,750
Sold during the years	-	-	-	-
Net (loss) gain from a fair value remeasurement of investment properties	31,890	(1,690)	29,440	1,450
Balance as at December 31,	385,330	353,440	279,640	250,200

For the years ended December 31, 2023 and 2022, the Group and the Company had rental income from investment properties recognized in the consolidated statement of profit or loss and other comprehensive income of Baht 18.78 million and Baht 16.44 million, respectively. (The Company only for the years ended December 31, 2023 and 2022: Baht 14.50 million and Baht 12.12 million, respectively).

Represented fair value of investment property which was determined by the independent appraisers who have been approved by the Office of the Securities and Exchange Commission (Thailand) using Income Approach and Market Approach.

The main assumptions used in the valuation are summarized as below:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Occupancy rate (%)	80-90	80-90	80-90	80-90
Discount rate (%)	7-8	7-8	8	8
Rental rate (Baht/Square meter/Month)	267-760	328-760	370-760	370-760
Long-term growth rate of rental (%)	0-5	0-5	0-5	0-5

As at December 31, 2023 and 2022, the Group and the Company have mortgaged part of their Investment properties at cost of Baht 42.23 million, (The Company only for the year ended December 31, 2023 and 2022 : Baht 28.08 million), to secure the credit facilities short-term borrowings from financial institutions and bonds of the Group and the Company (see Notes 18 and 22).

On January 2, 2024, the Company released the mortgaged investment properties with carrying amounts of Baht 28.08 million as to user as collateral assets for the bonds of the Group and the Company.

14. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, consist of the following:

Unit : Thousand Baht

	Consolidated financial statements				
	Balance as at January 1, 2023	Increase	(Decrease)	Transfer between accounts	Balance as at December 31, 2023
Cost/Revalued amount					
Lands at cost	600,484	-	-	-	600,484
Appraised portion of land	1,056,485	-	-	-	1,056,485
Land improvement	30,690	-	-	-	30,690
Buildings	1,697,768	4,767	-	(4,985)	1,697,550
Building improvements	139,127	10,250	(227)	12,317	161,467
Furniture and office equipment	384,320	12,006	(15,736)	10,978	391,568
Vehicles	57,453	459	(2,961)	-	54,951
Total costs	3,966,327	27,482	(18,924)	18,310	3,993,195
Accumulated depreciation					
Land improvement	(731)	(3,483)	-	-	(4,214)
Buildings	(149,940)	(69,535)	-	-	(219,475)
Building improvements	(69,446)	(12,085)	56	-	(81,475)
Furniture and office equipment	(174,846)	(59,758)	15,442	-	(219,162)
Vehicles	(57,034)	(342)	2,961	-	(54,415)
Total accumulated depreciation	(451,997)	(145,203)	18,459	-	(578,741)
Construction in progress	5,027	16,485	(30)	(18,310)	3,172
Property, plant and equipment - net	3,519,357				3,417,626

Unit : Thousand Baht

	Consolidated financial statements						
	Balance as at January 1, 2022	Increase	(Decrease)	Transfer between accounts	Transfer from costs of property development projects for sales	Transfer from land held for development	Balance as at December 31, 2022
Cost							
Lands at cost	306,952	-	-	-	105,657	187,875	600,484
Appraised portion of land	-	1,056,485	-	-	-	-	1,056,485
Land improvement	-	-	-	-	30,690	-	30,690
Buildings	1,195,970	-	-	26,330	475,468	-	1,697,768
Building improvements	110,640	8,197	(1,620)	942	20,968	-	139,127
Furniture and office equipment	297,679	13,846	(6,461)	7,299	71,957	-	384,320
Vehicles	69,376	284	(12,207)	-	-	-	57,453
Total costs	1,980,617	1,078,812	(20,288)	34,571	704,740	187,875	3,966,327

Unit : Thousand Baht

	Consolidated financial statements						
	Balance as at January 1, 2022	Increase	(Decrease)	Transfer between accounts	Transfer from costs of property development projects for sales	Transfer from land held for development	Balance as at December 31, 2022
Accumulated depreciation							
Land improvement	-	(731)	-	-	-	-	(731)
Buildings	(93,584)	(56,356)	-	-	-	-	(149,940)
Building improvements	(62,321)	(8,745)	1,620	-	-	-	(69,446)
Furniture and office equipment	(129,312)	(51,869)	6,335	-	-	-	(174,846)
Vehicles	(68,681)	(555)	12,202	-	-	-	(57,034)
Total accumulated depreciation	(353,898)	(118,256)	20,157	-	-	-	(451,997)
Construction in progress	7,140	32,458	-	(34,571)	-	-	5,027
Property, plant and equipment - net	1,633,859						3,519,357
Depreciation in the consolidated financial statements for the years ended December 31,							
2023						Thousand Baht	145,203
2022						Thousand Baht	118,256

Unit : Thousand Baht

	Separate financial statements				
	Balance as at January 1, 2023	Increase	(Decrease)	Transfer between accounts	Balance as at December 31, 2023
Cost					
Building improvements	51,078	49	-	-	51,127
Furniture and office equipment	38,080	1,242	(14,170)	-	25,152
Vehicles	24,477	-	(2,961)	-	21,516
Total costs	113,635	1,291	(17,131)	-	97,795
Accumulated depreciation					
Building improvements	(42,248)	(1,811)	-	-	(44,059)
Furniture and office equipment	(35,065)	(1,809)	13,988	-	(22,886)
Vehicles	(24,361)	(27)	2,961	-	(21,427)
Total accumulated depreciation	(101,674)	(3,647)	16,949	-	(88,372)
Construction in progress	30	-	(30)	-	-
Property, plant and equipment - net	11,991				9,423

Unit : Thousand Baht

	Separate financial statements				
	Balance as at January 1, 2022	Increase	(Decrease)	Transfer between accounts	Balance as at December 31, 2022
Cost					
Building improvements	49,978	158	-	942	51,078
Furniture and office equipment	37,767	838	(1,048)	523	38,080
Vehicles	27,543	134	(3,200)	-	24,477
Total costs	115,288	1,130	(4,248)	1,465	113,635
Accumulated depreciation					
Building improvements	(40,438)	(1,810)	-	-	(42,248)
Furniture and office equipment	(30,760)	(5,338)	1,033	-	(35,065)
Vehicles	(27,538)	(23)	3,200	-	(24,361)
Total accumulated depreciation	(98,736)	(7,171)	4,233	-	(101,674)
Construction in progress	-	1,495	-	(1,465)	30
Property, plant and equipment - net	16,552				11,991
Depreciation in the separate financial statements for the years ended December 31,					
2023				Thousand Baht	3,647
2022				Thousand Baht	7,171

In 2022, the Group revalued all items of its lands by an independent appraiser using the Market Approach to their fair value as at December 31, 2022. Revalued lands included items of land previously presented in the financial statements under cost of property development projects for sales category (see Note 8) and land held for development subsequently reclassified to be presented under property, plant and equipment category.

Carrying amounts of lands of the Group increased from the revaluation by Baht 1,056.49 million and recognized in other comprehensive income for the year ended December 31, 2022 of Baht 845.19 million (net of tax). If the Group's lands are measured at cost, their carrying amounts as at December 31, 2023 and 2022 would be Baht 600.48 million.

As at December 31, 2023 and 2022, certain items of the Group's and the Company's equipment have been fully depreciated but are still in use. The gross carrying amounts before deducting accumulated depreciation of those equipment amounting to Baht 186 million and Baht 179 million, respectively (The Company only as at December 31, 2023 and 2022: Baht 74 million and Baht 78 million, respectively).

As at December 31, 2023 and 2022, the Company's subsidiaries have mortgaged part of their property, plant and equipment with carrying amounts of Baht 3,116 million and Baht 2,159 million, respectively, as collateral against credit facilities received from the financial institutions which is long-term borrowings of the Group and long-term borrowings from other companies of the Group, bonds of the Group and the Company and bank guarantee issued by the financial institutions of the Group and the Company (see Notes 18, 21, 22 and 36.4).

15. RIGHT-OF-USE ASSETS

Movements of right-of-use assets for the years ended December 31, 2023 and 2022 are as follows:

Unit: Thousand Baht

	Consolidated financial statements				
	Balance as at January 1, 2023	Increase	(Decrease)	Effects from canceling the lease agreement	Balance as at December 31, 2023
Cost					
Land	20,168	4,710	(5,023)	-	19,855
Buildings	1,733,790	21,621	(37,291)	(537,812)	1,180,308
Equipment	622	1,207	(293)	(329)	1,207
Vehicles	34,793	1,846	(3,985)	-	32,654
Total costs	1,789,373	29,384	(46,592)	(538,141)	1,234,024
Accumulated depreciation					
Land	(5,236)	(1,084)	5,023	-	(1,297)
Buildings	(587,740)	(183,061)	37,291	226,370	(507,140)
Equipment	(241)	(243)	293	1	(190)
Vehicles	(21,066)	(7,771)	3,985	-	(24,852)
Total accumulated depreciation	(614,283)	(192,159)	46,592	226,371	(533,479)
Right-of-use assets - net	1,175,090				700,545

Unit: Thousand Baht

	Consolidated financial statements				
	Balance as at January 1, 2022	Increase	(Decrease)	Effects from lease modification	Balance as at December 31, 2022
Cost					
Land	20,168	-	-	-	20,168
Buildings	1,723,182	11,913	-	(1,305)	1,733,790
Equipment	293	329	-	-	622
Vehicles	23,867	10,926	-	-	34,793
Total costs	1,767,510	23,168	-	(1,305)	1,789,373
Accumulated depreciation					
Land	(3,701)	(1,535)	-	-	(5,236)
Buildings	(385,843)	(203,379)	-	1,482	(587,740)
Equipment	(160)	(81)	-	-	(241)
Vehicles	(12,909)	(8,157)	-	-	(21,066)
Total accumulated depreciation	(402,613)	(213,152)	-	1,482	(614,283)
Right-of-use assets - net	1,364,897				1,175,090
Depreciation in the consolidated financial statements for the years ended December 31,					
2023				Thousand Baht	192,159
2022				Thousand Baht	213,152

Unit: Thousand Baht

	Separate financial statements				
	Balance as at January 1, 2023	Increase	(Decrease)	Effects from lease modification	Balance as at December 31, 2023
Cost					
Buildings	29,907	8,515	(8,371)	-	30,051
Vehicles	9,979	853	(3,210)	-	7,622
Total costs	39,886	9,368	(11,581)	-	37,673
Accumulated depreciation					
Buildings	(17,457)	(8,305)	8,371	-	(17,391)
Vehicles	(5,902)	(2,354)	3,210	-	(5,046)
Total accumulated depreciation	(23,359)	(10,659)	11,581	-	(22,437)
Right-of-use assets - net	16,527				15,236

Unit: Thousand Baht

	Separate financial statements				
	Balance as at January 1, 2022	Increase	(Decrease)	Effects from lease modification	Balance as at December 31, 2022
Cost					
Buildings	32,782	-	-	(2,875)	29,907
Vehicles	8,821	1,158	-	-	9,979
Total costs	41,603	1,158	-	(2,875)	39,886
Accumulated depreciation					
Buildings	(12,450)	(8,212)	-	3,205	(17,457)
Vehicles	(3,535)	(2,367)	-	-	(5,902)
Total accumulated depreciations	(15,985)	(10,579)	-	3,205	(23,359)
Right-of-use assets - net	25,618				16,527
Depreciation in the separate financial statements for the years ended December 31,					
2023				Thousand Baht	10,659
2022				Thousand Baht	10,579

The Group and the Company have leased various types of assets consisting of property, plant and equipment with the average lease periods of 1-14 years.

The Group and the Company have a choice to buy some assets in determined amount as specified in lease agreements upon the expiration of agreements. The Group's and Company's commitments have been guaranteed by the ownership of the lessor over the leased assets for such lease agreements.

Approximately 26% and 7% of building and equipment leases of the Group and the Company have expired in 2023 and 2022, respectively. The expired lease agreements will be replaced by the new lease agreements for the same underlying assets, which resulted to an increase of the right-of-use assets in 2023 and 2022 amounting to Baht 20.73 million and Baht 12.86 million, respectively (The Company only as at December 31, 2023 and 2022: Baht 8.52 million and Baht 1.60 million, respectively).

Analysis of the maturity of lease liabilities is presented in Note 23.

Unit : Thousand Baht

	As at December 31, 2023	
	Consolidated financial statement	Separate financial statement
Amounts recognized in profit or loss:		
Depreciation for the right-of-use assets	192,159	10,659
Interest expenses related to lease liabilities (see Note 23)	146,415	653
Expenses related to short-term leases	1,321	121
Expenses related to low-value leases	1,660	310
Revenue from subleasing of the right-of-use assets	2,140	2,140

Unit : Thousand Baht

	As at December 31, 2022	
	Consolidated financial statement	Separate financial statement
Amounts recognized in profit or loss:		
Depreciation for the right-of-use assets	213,152	10,579
Interest expenses related to lease liabilities (see Note 23)	178,794	900
Expenses related to short-term leases	1,110	222
Expenses related to low-value leases	1,581	331
Revenue from subleasing of the right-of-use assets	1,973	1,973

For the years ended December 31, 2023 and 2022, the Group have total cash paid for lease liabilities of Baht 335.50 million and Baht 60.61 million, respectively, (The Company only for the years ended December 31, 2023 and 2022: Baht 11.37 million and Baht 11.27 million, respectively).

Effects from lease modification for the years ended December 31, 2023 and 2022 are reconciled as follows:

Unit : Thousand Baht

	Consolidated financial statements			
	2023		2022	
	Right-of-use assets	Lease liabilities	Right-of-use assets	Lease liabilities
Before the modification	-	-	1,420	1,488
Effects from the lease modification (see Note 23)	-	-	177	109
After the lease modification	-	-	1,597	1,597

Unit : Thousand Baht

	Separate financial statements			
	2023		2022	
	Right-of-use assets	Lease liabilities	Right-of-use assets	Lease liabilities
Before the modification	-	-	2,603	2,748
Effects from the lease modification (see Note 23)	-	-	330	185
After the lease modification	-	-	2,933	2,933

16. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, consist of the following:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Refundable withholding tax	70,226	85,514	46,225	41,603
Deposits	12,283	10,254	4,631	5,715
Intangible assets	2,314	2,816	73	69
Others	3,816	3,906	-	-
Total	88,639	102,490	50,929	47,387

17. BANK OVERDRAFTS FROM FINANCIAL INSTITUTIONS

Bank overdrafts from financial institutions as at December 31, 2023 and 2022 of Baht 32.85 million and Baht 18.20 million, respectively, are bank overdrafts from financial institutions of the Company's subsidiaries consisting of credit facilities from agreements totaling Baht 136 million and Baht 131 million, respectively, bearing interest rates of 7.58% per annum and 4.97% - 6.87% per annum, respectively. The lands with buildings located in the subsidiaries' projects have been mortgaged for credit facilities of such bank overdrafts (see Note 8).

18. BORROWINGS FROM FINANCIAL INSTITUTIONS

Short-term borrowings from financial institutions as at December 31, consist of the following:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short-term borrowings from financial institutions	100,000	426,831	50,000	406,831

As at December 31, 2023 and 2022, short term borrowings from financial institutions of the Group and the Company are Baht 100 million and Baht 426.83 million, respectively. (The Company only are Baht 50 million and Baht 406.83 million, respectively) with the main purpose for managing internal operation of the Group and the Company. The borrowings carry fixed interest rate at 4.00% to 6.20% per annum and 3.95% to 4.70% per annum, respectively. Certain borrowings carry interest at Minimum Loan Rate ("MLR") minus certain rates as stipulated in the agreements. as stipulated in the promissory notes and loan agreement. The interest is to be paid on a monthly basis.

Long-term borrowings from financial institutions as at December 31, consist of the following:

Unit : Thousand Baht

Company's name	Maturities	Interest rate (% p.a.)		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022	2023	2022
The Company:							
Charn Issara Development Public Company Limited	Release mortgage September 2024, January 2026	MLR-0.25%, MLR-1.75%, MLR	MLR-0.25%, MLR-1.75%, 2%	762,877	133,925	762,877	133,925
Subsidiaries:							
C.I.N. Estate Co., Ltd. (1)	December 2023	MLR-1.25%	MLR-1.25%	209,611	184,242	-	-
Charn Issara Viphapol Co., Ltd.	Release mortgage December 2023	MLR-1.25%	MLR-1.25%	-	55,471	-	-
Issara United Co., Ltd.	May 2027	MLR-1.25%	MLR-1.25%	147,450	1,178	-	-
Issara United Development Co., Ltd.	March 2026	MLR-1.50%	MLR-1.50%				
	June 2026	MLR, 2%	2%	580,640	588,530	-	-
Charn Issara Residence Co., Ltd.	July 2025, July 2027, February 2032	MLR-0.25%, MLR-0.75%, MLR-1.00%	MLR-0.25%, MLR-0.75%, MLR-1.00%	556,880	532,576	-	-
				2,257,458	1,495,922	762,877	133,925
<u>Less</u> Current portion				(1,060,672)	(799,984)	(731,881)	(86,239)
Long-term borrowings from financial institutions, net of current portion				1,196,786	695,938	30,996	47,686

The Company

As at December 31, 2023 and 2022, the Company's short-term borrowings from financial institutions of Baht 50 million and Baht 407 million, respectively, represent the borrowings in form of promissory notes under the credit facilities from local financial institutions of Baht 100 million and Baht 596 million, respectively, with the main purpose for use in constructions of the Company's property development projects for sales and financing the repayment of the Company's matured bond. The borrowings carry fixed interest rate and some of these borrowings carry interest at Minimum Loan Rate ("MLR") minus certain rates as stipulated in the promissory notes. The interest is to be paid on a monthly basis.

As at December 31, 2023 and 2022, the Company's long-term borrowings from financial institutions of Baht 763 million and Baht 134 million, respectively, are borrowings under many credit facilities agreements from local financial institutions totaling Baht 933 million and Baht 638 million, respectively, with the main purpose for use in constructions of the Company's property development projects for sales, support the liquidity of the Company. Most of these borrowings carry interest at Minimum Loan Rate ("MLR") minus certain rates as stipulated in the agreements. The principals of borrowings and interest shall be repaid on a monthly basis. However, the principals can be also repaid when the Company releases the mortgaged lands and structures after the Company collects the payments from customers, who buy lands and structures from the Company's projects, at amounts based on percentage of selling prices of lands and structures in the Company's projects as stipulated in loan agreements with financial institutions and the Company has to comply with certain covenants as stipulated in the loan agreements such as maintenance of interest bearing debt to shareholders' equity as at December 31, 2023.

As at December 31, 2023, the Company has not been able to comply with the financial ratios requirements as stipulated in the loan agreements for a long-term borrowing facility. However, the Company received the waive letter regarding debt covenant compliance from the financial institution dated December 28, 2023, assuming that the company has not breached the agreement.

As at December 31, 2023 and 2022, the Company's short-term and long-term borrowings from financial institutions are secured by the lands and structures of the Company's property development projects as described above which are presented as parts of costs of property development projects for sales (see Note 8) and are also secured by the Company's investment units of Bangkok Commercial Property Fund (see Note 11).

Subsidiaries

As at December 31, 2023 and 2022, a subsidiary's short-term borrowings from financial institutions of Baht 50 million and Baht 20 million, respectively, represent the borrowing in form of a promissory note under the credit facilities from a local financial institution with total amounts of Baht 50 million, with the main purpose for managing internal operation of the subsidiary. The borrowings carry fixed interest rate as stipulated in the promissory note. Most of these borrowings carry interest at Minimum Loan Rate ("MLR") minus certain rate as stipulated in the agreements. Interest shall be repaid on a monthly basis.

As at December 31, 2023 and 2022, the subsidiaries' long-term borrowings from financial institutions of Baht 1,495 million and Baht 1,362 million, respectively, are borrowings under many credit facilities agreements from local financial institutions totaling Baht 3,692 million and Baht 3,043 million, respectively, with the main purpose for use in constructions of the subsidiaries' property development projects for sale and managing internal operation of the subsidiaries. Most of these borrowings carry interest at Minimum Loan Rate ("MLR") minus certain rate as stipulated in the agreements. The principals of borrowings and interest shall be repaid on a monthly and a quarterly basis.

However, the principals can be also repaid upon release of mortgage after the subsidiaries collect the payments from customers, who buy land and structures or condominium units from the subsidiaries' projects, at amounts based on percentage of selling prices of lands and structures or condominium units of the subsidiaries' projects as stipulated in loan agreements with the financial institutions. The subsidiaries have to comply with certain covenants as stipulated in the loan agreements such as maintenance of certain financial ratios.

As at December 31, 2022, the subsidiary is unable to comply with the condition pertaining to maintaining the financial ratio for long-term borrowings stipulated in two loan agreements (credit facilities of Baht 450 million and Baht 110 million) with a financial institution. The Group presented the balances of long-term borrowings from those two loan agreements of Baht 477.82 million as current portion of long-term borrowings from financial institution in the consolidated statement of financial position.

Subsequently, on May 19, 2023, the subsidiary entered into an addendum to loan agreement to request for amendment and additional conditions in a loan agreement (credit facility of Baht 450 million) with a financial institution which includes agreeing to amend the condition pertaining to the maintaining the financial ratio. Under the amended condition, the subsidiary has to maintain the financial ratio as stipulated in the loan agreement for the financial statements of the year 2023 onwards. However, the subsidiary does not enter into an amendment for another loan agreement (credit facility of Baht 110 million) with the financial institution. As at December 31, 2023, the subsidiary is still unable to comply with the condition pertaining to maintaining the financial ratio for the long-term borrowings stipulated in such two loan agreements and the Group presented the balance of such long-term borrowing of Baht 107.86 million (credit facility of Baht 110 million). As at December 31, 2023, such subsidiary enables to comply with term as to maintain the financial ratios under long-term borrowings, as stipulated in the two borrowing agreements

As at December 31, 2023 and 2022, the subsidiaries' short-term and long-term borrowings from financial institutions are secured by certain lands and structures of the subsidiaries' property development projects as described above which are presented as parts of costs of property development projects for sales (see Note 8), certain items of property, plant and equipment (see Note 14) and investment properties (see Note 13).

(1) On January 5, 2024, C.I.N. Estate Co., Ltd., a subsidiary of the Company, has signed an amendment with a financial institution to extend the maturity date of a credit facility from December 1, 2023 to be February 27, 2026. Therefore, the Group presented such borrowing as part of current portion of long term borrowings from financial institutions on the consolidated financial statements.

19. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, consist of the following:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade payables - other companies	907,993	221,047	51,905	41,355
Trade payables - related party	122,820	-	-	-
Other payables - other companies	21,381	15,589	4,336	1,587
Other payables - related companies	1,040	71	424	145
Accrued expenses - other companies	229,653	108,716	167,172	32,735
Accrued expenses - related companies	1,014	-	1,014	-
Advances received	49,862	37,071	30,325	20,026
Total	1,333,763	382,494	255,176	95,848

Trade payables - related party of Baht 122.82 million in the consolidated financial statements represent balances of outstanding rentals from lease contract of Sri panwa Hospitality Real Estate Investment Trust (the "Trust") used in hotel operation for the project SPM 2 of Sri panwa Management Co., Ltd. ("SPM"). The said outstanding rentals will be settled according to the installment plans approved by the Trust until July 2028 which were previously presented as part of lease liabilities. After the termination of such lease in August 2023 (see Note 23), lease liabilities under the previous plan to use asset of management decreased and lease items were reclassified in the consolidated financial statements as at December 31, 2023 for the leases of project SPM 2 as follows:

Unit : Thousand Baht	Consolidated financial statements
Outstanding rentals (August 2020 to August 2023) (see Note 23)	292,150
Deferred interest	(29,388)
Deferred compensation	(292)
Others	7,790
Paid during the year	(3,074)
Total trade payables - related party	267,186
Less Current portion	(122,820)
Outstanding rentals, net of current portion (see Note 4.2)	144,366

20. CONTRACT LIABILITIES

As at December 31, 2023 and 2022, the Group and the Company have contract liabilities that represent the amounts of payments received in advance from customers according to agreements to buy and to sell real estates, rental and services agreements and deposits received from hotel operation services which the revenues will be recognized at point in time. Such contract liabilities will decrease and revenues will be recognized when the Group and the Company pass control over real estate to the customers or when services are rendered.

Contract liabilities will be recognized as income from breach of agreements when it is probable that customers will not comply with conditions stipulated in the agreements. Such revenue from breach from agreements will be presented as other income.

Contract liabilities as at December 31, consist of the following:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current:				
Advances received from customers according to agreements to buy and to sell real estates	461,841	401,917	192,734	247,953
Advances received from rental and service agreements	3,330	3,333	1,628	1,573
	465,171	405,250	194,362	249,526
Non-current:				
Advances received from customers according to agreements to buy and to sell real estates	3,107	108,529	-	-
Total	468,278	513,779	194,362	249,526

Recognition of the beginning of advances received from agreements as revenues during the years ended December 31, were as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Recognized as revenues from sales during the years	98,816	188,183	21,926	100,041
Recognized as revenue from breach of sales agreement during the years (see Note 32)	2,574	183	-	43

21. BORROWINGS FROM OTHER COMPANIES

The Group's short-term borrowings from other company are borrowings in form of promissory notes with other companies of the Company's subsidiary as follows:

Unit : Thousand Baht

Subsidiaries	Maturities	Interest rate (% p.a.)		Consolidated financial statements as at December 31,	
		2023	2022	2023	2022
Issara United Co., Ltd.	January 20, 2023	-	3.00	-	15,000
	May 9, 2023	-	3.00	-	10,000
	May 9, 2024	3.00	-	10,000	-
	June 21, 2024	3.00	-	15,000	-
Issara United Development Co., Ltd.	October 17, 2023	-	3.00	-	30,000
	October 17, 2024	4.00	-	30,000	-
Short-term borrowings from other companies				55,000	55,000

The Group has long-term borrowings from other companies denominated in Thai Baht currency as at December 31, 2023 and 2022 by Baht 998.53 million and Baht 845.21 million, respectively, which are borrowings between the Company's subsidiaries and other four companies as follows:

Unit : Thousand Baht

Company's name	Maturities	Interest rate (% p.a.)		Consolidated financial statements as at December 31,	
		2023	2022	2023	2022
Issara United Co., Ltd.	July 31, 2024	4.50	4.50	150,000	150,000
	October 20, 2024	4.25	4.25	200,000	200,000
	December 24, 2024	4.25	4.25	100,000	100,000
	June 24, 2025	3.00	3.00	35,000	35,000
	July 30, 2025	5.25	5.25	441,633	285,308
Charn Issara Viphapol Co., Ltd.	Contract conditions are met	4.00	4.00	71,897	74,897
				998,530	845,205
<u>Less</u> Current portion				(171,097)	(174,097)
Long-term borrowings from other companies, net of current portion				827,433	671,108

As at December 31, 2023 and 2022, subsidiaries' long-term borrowings from other companies are secured by the certain lands of a subsidiary (see Note 14) and cost of property development projects for sales (see Note 8). The principals of borrowings are to be paid on a yearly basis or when the Group is able to comply with the conditions stipulated in agreement and interest is to be paid on a monthly basis. However, such term of repayment can be mutually agreed among the parties.

22. BONDS

Bonds as at December 31, consist of:

Unit : Thousand Baht

Date of issuance	Maturity date	Units issued	Value per unit (Baht)	Interest rate (% p.a.)	Consolidated/Separate financial statements	
					2023	2022
April 30, 2020	April 30, 2023	289,800	1.00	6.25	-	289,800
January 29, 2021	December 29, 2023	950,000	1.00	6.70	950,000	950,000
February 25, 2022	August 25, 2024	500,000	1.00	6.85	500,000	500,000
March 30, 2023	March 30, 2025	280,000	1.00	6.90	280,000	-
March 30, 2023	March 30, 2026	420,000	1.00	7.10	420,000	-
December 28, 2023	June 28, 2025	440,100	1.00	6.70	440,100	-
December 28, 2023	September 28, 2026	509,900	1.00	7.10	509,900	-
Total					3,100,000	1,739,800
<u>Less</u> Deferred bonds issuing costs					(6,868)	(7,661)
					3,093,132	1,732,139
<u>Less</u> Current portion					(1,448,401)	(1,233,662)
Bonds, net of current portion					1,644,731	498,477

During 2023, the Company issued additional 1,650,000 units of the secured and unsecured bonds in Thai Baht currency for the purpose of use in the Company's operation, project expansion and repayment of matured bonds as follows:

No. of units	Par value (Baht/unit)	Amounts (Million Baht)	Interest rate (%p.a.)	Terms of interest payment	Maturity
280,000	1,000	280.00	6.90	Every 3 months	March 30, 2025
420,000	1,000	420.00	7.10	Every 3 months	March 30, 2026
440,100	1,000	440.10	6.70	Every 3 months	June 28, 2025
509,900	1,000	509.90	7.10	Every 3 months	September 28, 2026
1,650,000		1,650.00			

On April 30, 2023, the Company repaid for 289,800 units of the matured bonds amounting to Baht 289.80 million.

As at December 31, 2023 and 2022, the Company has both secured and unsecured bonds of 3,100,000 and 1,739,800 units at par value of Baht 1,000.00 each, totaling Baht 3,100.00 million and Baht 1,739.80 million, respectively, and bear interest rates at 6.70% per annum to 7.10% per annum and 6.25% per annum to 6.85% per annum, respectively. The interest shall be paid in every 3 months. The Company's secured bonds of Baht 950.00 million have been mortgaged by property, plant and equipment (see Note 14) and costs of property development projects for sales of the Company's subsidiary (see Note 8) and the Company's investment property (see Note 13). Such bonds shall be matured in December 2023 until September 2026.

On January 2, 2024, the Company repaid for 950,000 units of the matured bonds issued on January 29, 2021 amounting to Baht 950.00 million.

The Company has to comply with terms and conditions stipulated in agreements such as maintaining debt to equity ratio and assess the collateral value annually in order to maintain Collateral Value to Loan ratio. As at December 31, 2023, the Company is able to maintain such ratio.

23. LEASE LIABILITIES

Movements of lease liabilities for years ended December 31, 2023 and 2022 were presented below:

Unit : Thousand Baht

	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2023	1,985,484	16,293
Add Lease liabilities during the period (see Note 15)	29,384	9,368
Amortized interest during the period (see Note 15)	146,415	653
Effect from lease cancellation	(427,826)	-
Derecognition of lease liabilities arose from the waiver of past lease payments (see Note 32)	(42,334)	-
Reclassified to trade payables - related party (see Note 19)	(292,150)	-
	1,398,973	26,314
Less Paid during the period	(335,504)	(11,374)
Balance as at December 31, 2023	1,063,469	14,940
Less Current portion	(220,574)	(8,403)
Lease liabilities, net of current portion	842,895	6,537

Unit : Thousand Baht

	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2022	1,938,669	25,317
Add Lease liabilities during the period	23,168	1,158
Amortized interest during the period (see Note 15)	178,794	900
Effects from lease modification (see Note 15)	109	185
Derecognition of lease liabilities arose from the waiver of past lease payments (see Note 32)	(94,650)	-
Less Paid during the period	(60,606)	(11,267)
Balance as at December 31, 2022	1,985,484	16,293
Less Current portion	(620,443)	(9,473)
Lease liabilities, net of current portion	1,365,041	6,820

Lease liabilities as at December 31, consist of:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Maturity analysis:				
Year 1	321,947	782,039	8,932	9,963
Year 2	252,879	348,315	4,578	5,367
Year 3	245,744	356,611	2,220	1,503
Year 4	251,408	351,955	-	170
Year 5	155,061	368,506	-	-
After year 5 onwards	199,457	416,062	-	-
	1,426,496	2,623,488	15,730	17,003
Less Deferred interest	(363,027)	(638,004)	(790)	(710)
Total	1,063,469	1,985,484	14,940	16,293
Presentation in the statements of financial position:				
Current	220,574	620,443	8,403	9,473
Non-current	842,895	1,365,041	6,537	6,820
Total	1,063,469	1,985,484	14,940	16,293

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's Finance Department.

During the period of Coronavirus disease 2019 ("COVID-19") pandemic, the Group had the adverse impact continuously on its operating results and ability of SPM to pay rentals to the Trust as stipulated in lease agreements of properties used for hotel operations of SPM. Since 2020, SPM has submitted the letters to the Trust requesting for the approval on deferral, waiver of rentals, and installments for repayment of rental fee of certain lease periods to mitigate the impacts from such situation. The Group's management has continued to monitor the results of the Trust's consideration and also submitted letters to the Trust in the current period to request for the additional waiver and deferral of lease payments. During 2022 and 2023, SPM obtained the approval letter for the deferral, installment and waiver of the lease payments from CIRM and Trustee as follows:

Date	Projects	Periods	Approval/ Amounts (Million Baht)		Key Terms and conditions of approval	Waived or paid rentals up to the year December 31, 2023 (Million Baht)	Remaining rentals as of December 31, 2023 (Million Baht)
			Waiver of lease payments	Deferral and Installment of lease payments			
September 7, 2022	SPM 1	March 2022	-	10.96	- Trust has considered to extend the payment period from previous term of 45 days to 3 months (90 days) starting from last day of each month with detail of payment as defined in installment schedules	(2.08)	8.88
	SPM 3	March 2022	-	1.98		(0.79)	1.19
	SPM 2	March 2022	-	6.14		(6.14)	-
	SPM 3	August 2021 to December 2021	-	16.17	- SPM will obtain the approval for the deferral and installment of lease payments upon receiving the financial support signed by CIR to SPM.	(16.17)	-
			-	35.25		(25.18)	10.07
	SPM 1	August 2021 to December 2021	89.52	-	- SPM will obtain the approval for waiver of lease payments for projects	(89.52)	-
	SPM 1	January 2022 to February 2022	40.20	-	SPM 1 and SPM 3 of Baht 94.65 million upon receiving the financial support signed by CIR to SPM.	(40.20)	-
	SPM 3	January 2022 to February 2022	7.26	-	- SPM will obtain the approval for waiver of remaining lease payments for projects SPM 1 and SPM 3 of Baht 42.33 million when the Trust achieves the refinancing over the existing borrowing agreement from the current lending financial institution and certain term and condition as stipulated in the agreement are complied.	(7.26)	-
February 24, 2023		Total (2)	136.98	-		(136.98)	-
	SPM 1	April 2022 to September 2022	-	60.29	- SPM received the approval for installment of lease payments for 6 periods, starting from February 2023 until July 2023.	(60.29)	-
	SPM 3	April 2022 to September 2022	-	10.89		(10.89)	-
		Total	-	71.18		(71.18)	-
July 27, 2023	SPM 2	August 2020 to July 2022	-	184.48	- SPM is required to pay the leases and interest by monthly installments for 5 years according to the installment schedules, SPM will start lease and interest payments from August 2023 and shall be completely settled in July 2028.	(3.84)	180.64
					- SPM is required to pay compensation at 0.5% per annum on outstanding rentals of Baht 184.5 million, starting from August 2023 until December 2023		
					- CIR is required to have a letter acknowledging the installment plans of lease payments and compensations of SPM and agree to grant the financial support to SPM to enable SPM to settle such outstanding rental and compensation according to the payment plans when SPM is not able to pay outstanding rental and compensation to the Trust		
		Total (3)	-	184.48		(3.84)	180.64

- (1) CIR signed a financial support letter dated September 26, 2022 for SPM undertaking that CIR will provide SPM with financial support to pay the shortfall of rental in each year within 30 days from the end of each year (a) with total amounts of not exceeding Baht 35.25 million and (b) for rental of the project SPM 2 only when the Trust obtains the approval from the resolution of the unitholders' meeting of the Trust for extending period of lease payments for August 2021 until March 2022.
- (2) With reference to the conditions for approval of rental shortfall amounting to Baht 136.98 million stipulated in the letter dated September 7, 2022, SPM will receive the waiver of outstanding rentals for the projects SPM 1 and SPM 3 totaling Baht 94.65 million only when CIR signs to provide the financial support to SPM for the payment of rental shortfalls as described in paragraph (1) above and SPM will obtain the approval for the waiver of remaining outstanding rentals, amounting to Baht 42.33 million when the Trust is able to achieve the refinancing over the existing borrowing agreement of Baht 450.00 million from the current lending financial institution and certain term and condition as stipulated in the agreement are complied.

On September 26, 2022, CIR signed a financial support letter for SPM as described in (1) above which resulted that SPM has obtained approval for the waiver of outstanding rentals of Baht 94.65 million that caused lease liabilities to be ceased. The Group derecognized such lease liabilities of Baht 94.65 million in the consolidated statement of financial position in 2022 and recognized gain from the waiver of lease payments of Baht 94.65 million presented as part of other income in the consolidated statement of profit or loss for the year ended December 31, 2022.

In August 2023, the Trust repaid the borrowing of Baht 450.00 million to the current lending financial institution which resulted that SPM is able to comply with conditions of approval for the waiver of remaining outstanding rentals totaling Baht 42.33 million that caused such lease liabilities to be ceased. The Group derecognized such lease liabilities of Baht 42.33 million in the consolidated statement of financial position as at December 31, 2023 and recognized gain from the waiver of lease payments of Baht 42.33 million presented as part of other income in the consolidated statement of profit or loss for the year ended December 31, 2023 (see Note 32).

- (3) CIR signed a financial support letter dated August 2, 2023 for SPM undertaking that CIR will provide SPM with financial support to pay the outstanding rentals and the compensations in event that SPM is not able to settle such outstanding rentals and compensations with the Trust according to the extended schedule of lease payments. Accordingly, SPM is able to comply with the conditions of approval for the deferral and installment of the lease payments of certain lease periods of project SPM 2 totaling Baht 184.48 million. The Group has assessed the effects of modification of such payment terms of outstanding leases for the past periods and recognized gain from lease modification as part of other income presented in the consolidated statement of profit or loss for the year ended December 31, 2023 amounting to Baht 32.38 million (see Note 32).

Furthermore, lease agreement of properties used for SPM's hotel operations in the project SPM 2 has expired on July 31, 2022. SPM submitted the letters dated September 15, 2022, and August 9, 2023 to the Trust requesting for lease renewal for another first 3 years and proposed the option to renew such lease for another 3 years until July 31, 2028 after the first 3 years of renewal end.

Subsequently, SPM submitted a letter dated July 15, 2023 to CIRM and Trustee proposing them to consider the lease termination for properties used in the project SPM 2 so as to comply with lessee selection process of the Trust after such lease expired in July 2022 as described in preceding paragraph. However, during the period in which the Trust is considering the lease renewal and selecting the lessee, SPM is still a lessee of the lease agreement of properties used in the project SPM 2 until August 31, 2023 according to the conditions stipulated in the lease dated August 1, 2019.

According to the termination of lease contract under SPM 2 Project resulted the effect from lease termination in which the Group write off of right-of-use asset of Baht 310.51 million and lease liability of Baht 426.55 million in the consolidated statement of financial position as at December 31, 2023 and recognized gain from termination of lease agreement of Baht 116.04 million presented as part of other income in the consolidated statement of profit or loss for the year ended December 31, 2023 (see Note 32).

Under the conditions of such lease of properties used in the project SPM 2, SPM has to settle all outstanding rentals for the project SPM 2 to the Trust upon the expiration of lease period which included outstanding rentals after the end of lease period until the last period in which SPM is a lessee of such properties (for the period from August 2022 until July 2023) totaling Baht 102.50 million. SPM has requested CIRM and Trustee to consider and approve for the installment of such lease payments for the period of 5 years per the letter dated August 9, 2023 which is still under the consideration of CIRM and Trustee.

During the period in which the Trust is considering the lessee selection after the agreed termination of lease for the project SPM 2, Trustee entered into an Assets Use Agreement with SPM (the "Use Agreement") dated September 1, 2023 to make the properties of the Trust available for SPM to use in its hotel operation. Such assets represented the existing properties leased from the Trust by SPM to use in hotel operations for the project SPM 2 that expired in July 2022 (collectively, the "Assets to be Used") consisting of land and structures used in operation of the Habita Sri panwa Hotel (the "Habita") and X29 villa (collectively, the "Hotel"). SPM will still have revenues presented in revenue from hotel operation category in the statement of profit or loss and the Trust will receive the considerations from SPM for use the Assets to be Used as agreed in the Use Agreement. The Trust will allow SPM to use the Assets to be Used for the period of 1 year, starting from date of signing contract unless termination before the term and condition in the agreement is notified.

24. DEFERRED TAX AND INCOME TAX (INCOME) EXPENSE

Deferred tax assets and liabilities as at December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax assets	157,781	255,198	-	-
Deferred tax liabilities	(257,740)	(291,803)	(55,223)	(52,392)
Total	(99,959)	(36,605)	(55,223)	(52,392)

The movements of deferred tax assets and deferred tax liabilities during the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements			
	Balance as at January 1, 2023	Items recognized in profit or loss	Items recognized in other comprehensive income	Balance as at December 31, 2023
Deferred tax assets				
Allowance for expected credit loss	1,585	(50)	-	1,535
Recognitions of revenue and expense of real estate business	18,825	(1,573)	-	17,252
Unused tax losses	7,018	-	-	7,018
Non-current provisions for employee benefits	13,787	909	1,137	15,833
Recognition of deferred interest under long-term loan contracts	-	4,246	-	4,246
Recognition of rental from long-term leases	303	26	-	329
Adjustment of the profit from intercompany sale transactions	79,557	(1,503)	-	78,054
Lease liabilities	397,353	(184,629)	-	212,724
Total	518,428	(182,574)	1,137	336,991

Unit : Thousand Baht

	Consolidated financial statements			
	Balance as at January 1, 2023	Items recognized in profit or loss	Items recognized in other comprehensive income	Balance as at December 31, 2023
Deferred tax liabilities				
Recognition of rental revenue in accordance with long-term lease of land	(70,443)	3,729	-	(66,714)
Fair value measurement of investment properties	(59,936)	(8,132)	-	(68,068)
Fair value measurement of assets	(211,297)	-	-	(211,297)
Gain from the change in value of other non-current financial assets	21,546	-	33,536	55,082
Gain from changing lease conditions	-	(5,936)	-	(5,936)
Adjustment of intercompany lease transactions	256	(134)	-	122
Recognition of right-of-use of assets	(235,159)	95,020	-	(140,139)
Total	(555,033)	84,547	33,536	(436,950)
Deferred tax liabilities	(36,605)			(99,959)

Unit : Thousand Baht

	Consolidated financial statements			
	Balance as at January 1, 2022	Items recognized in profit or loss	Items recognized in other comprehensive income (loss)	Balance as at December 31, 2022
Deferred tax assets				
Allowance for expected credit loss	1,728	(143)	-	1,585
Recognitions of revenue and expense of real estate business	3,981	14,844	-	18,825
Unused tax losses	22,706	(15,688)	-	7,018
Non-current provisions for employee benefits	12,855	767	165	13,787
Recognition of rental from long-term leases	160	143	-	303
Adjustment of the profit from intercompany sale transactions	81,304	(1,747)	-	79,557
Lease liabilities	387,854	9,499	-	397,353
Total	510,588	7,675	165	518,428
Deferred tax liabilities				
Recognition of rental revenue in accordance with long-term lease of land	(74,172)	3,729	-	(70,443)
Fair value measurement of investment properties	(58,505)	(1,431)	-	(59,936)
Fair value measurement of assets	-	-	(211,297)	(211,297)
Gain from the change in value of other non-current financial assets	29,116	-	(7,570)	21,546
Adjustment of intercompany lease transactions	344	(88)	-	256
Recognition of right-of-use of assets	(272,828)	37,669	-	(235,159)
Total	(376,045)	39,879	(218,867)	(555,033)
Deferred tax assets (liabilities)	134,543			(36,605)

Unit : Thousand Baht

	Seperate financial statements			
	Balance as at January 1, 2023	Items recognized in profit or loss	Items recognized in other comprehensive income	Balance as at December 31, 2023
Deferred tax assets				
Allowance for expected credit loss	775	-	-	775
Non-current provision for employee benefits	9,762	417	651	10,830
Recognition of deferred interest under long-term loan contracts	-	82	-	82
Lease liabilities	3,258	(270)	-	2,988
Total	13,795	229	651	14,675
Deferred tax liabilities				
Fair value measurement of investment properties	(45,266)	(7,047)	-	(52,313)
Gain from the change in value of other non-current financial assets	(17,616)	-	3,078	(14,538)
Right-of-use of assets	(3,305)	258	-	(3,047)
Total	(66,187)	(6,789)	3,078	(69,898)
Deferred tax liabilities	(52,392)			(55,223)

Unit : Thousand Baht

	Seperate financial statements			
	Balance as at January 1, 2022	Items recognized in profit or loss	Items recognized in other comprehensive income	Balance as at December 31, 2022
Deferred tax assets				
Allowance for expected credit loss	778	(3)	-	775
Non-current provision for employee benefits	9,245	349	168	9,762
Lease liabilities	5,063	(1,805)	-	3,258
Total	15,086	(1,459)	168	13,795
Deferred tax liabilities				
Fair value measurement of investment properties	(43,804)	(1,462)	-	(45,266)
Gain from the change in value of other non-current financial assets	(19,291)	-	1,675	(17,616)
Right-of-use of assets	(5,123)	1,818	-	(3,305)
Total	(68,218)	356	1,675	(66,187)
Deferred tax liabilities	(53,132)			(52,392)

Reconciliations of income tax expense for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements	
	2023	2022
Accounting loss before income tax	(202,203)	(290,396)
Tax losses on which deferred tax assets have not been recognized	735,290	132,416
Temporary differences	(490,140)	310,513
Permanent differences	(1,157)	43,244
Income exempted from taxation	(11,501)	(10,713)
Accumulated tax loss utilized during the year	(404)	(117,497)
Taxable gain	29,885	67,567
Tax rate (%)	20	20
Current income tax expense	5,977	13,513
Tax effects of temporary differences	98,028	(47,555)
Income tax expense (income)	104,005	(34,042)
Effective tax rate (%)	-	-

Unit : Thousand Baht

	Seperate financial statements	
	2023	2022
Accounting loss before income tax	(91,521)	(30,903)
Tax losses on which deferred tax assets have not been recognized	127,115	30,698
Temporary differences	(32,797)	(5,519)
Permanent differences	8,704	16,437
Income exempted from taxation	(11,501)	(10,713)
Taxable loss	-	-
Tax rate (%)	20	20
Current income tax expense	-	-
Tax effects of temporary differences	6,559	1,104
Income tax	6,559	1,104
Effective tax rate (%)	-	-

Details of expiry date of unused tax losses which have been recognized as deferred tax assets as at December 31, are summarized as follows:

Unit : Thousand Baht

	Consolidated financial statements		Seperate financial statements	
	2023	2022	2023	2022
As at				
December 31, 2021	35,091	35,091	-	-
Total	35,091	35,091	-	-

25. NON-CURRENT PROVISION FOR EMPLOYEE BENEFITS

Non-current provision for employee benefits, which represents the obligations under defined benefit plan in accordance with Thai Labor Protection Act B.E. 2541 for post-employment benefit upon retirement granted to employees who have entitlement and years of services as defined.

Movements of non-current provision for employee benefits for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Brought forward balance as at January 1,	68,934	64,275	48,810	46,226
Recognized in profit or loss:				
Current service cost	3,496	3,060	1,603	1,378
Interest cost	1,049	772	484	366
Recognized in other comprehensive income:				
Actuarial loss - before tax effect	5,684	827	3,255	840
Carried forward balance as at December 31,	79,163	68,934	54,152	48,810

The total expenses of long-term employee benefits for the years ended December 31, 2023 and 2022 are recognized as expenses in profit or loss and other comprehensive income.

As at December 31, 2023 and 2022, the Group and the Company expect to pay Baht 45.09 million and Baht 29.09 million, respectively, of long-term employee benefits during the next year (the Company only as at December 31, 2023 and 2022: Baht 42.36 million and Baht 27.11 million, respectively).

As at December 31, 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefit is 14 years (the Company only as at December 31, 2023 and 2022: 6 years).

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Unit : Percentage per annum

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Discount rate	2.52-3.67	2.12-4.01	2.52	2.12
Salary increase rate	3.00-4.00	3.00	4.00	3.00
Turnover rate	1.91-40.11	0.95-40.11	2.87-34.38	3.82-22.92

Significant actuarial assumptions for the determination of the provision for long-term employee benefit are discount rate, expected salary increase rate and turnover rate of employees. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The impact on the employee benefit obligations increased/(decreased) as at December 31, are as follows:

Unit : Million Baht

	As at December 31, 2023			
	Consolidated financial statements		Separate financial statements	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Discount rate	(3)	4	(1)	2
Salary increase rate	4	(3)	2	(1)
Turnover rate	(4)	5	(1)	2

Unit : Million Baht

	As at December 31, 2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Discount rate	(3)	3	(1)	2
Salary increase rate	3	(3)	1	(1)
Turnover rate	(3)	4	(1)	1

26. SHARE CAPITAL

As at December 31, 2022, the Company's authorized share capital represents 1,589,286,363 ordinary shares of Baht 1.00 each, totaling Baht 1,589.29 million and 1,066,595,865 shares have been issued and paid-up of Baht 1.00 each, totaling Baht 1,066.60 million.

For the year ended December 31, 2023, changes in the Company's share capital are summarized as follows:

- (1) The Company decreased the authorized share capital of the Company in amounts of Baht 256.04 million from the existing Company's authorized share capital at Baht 1,589.29 million to the new Company's authorized share capital of Baht 1,333.24 million by deducting 256,041,532 shares which were not paid at par value of Baht 1.00 per share. The decrease in authorized share capital has been approved by the Company's Annual General Meeting of Shareholders No.1/2023 held on April 26, 2023. Subsequently, the Company registered the decrease in authorized share capital with the Department of Business Development, Ministry of Commerce, on June 13, 2023.
- (2) The Company increased the authorized share capital of the Company in the amounts of Baht 576.02 million via general mandate from the existing Company's authorized capital at Baht 1,333.24 million to the new Company's authorized share capital of Baht 1,909.27 million by issuing 576,020,291 new ordinary shares at par value of Baht 1.00 per share to be reserved the exercise of convertible bond holders in the future. The increase in authorized share capital has been approved by the Company's Annual General Meeting of Shareholders No.1/2023 held on April 26, 2023. Subsequently, the Company registered the increase in authorized share capital with the Department of Business Development, Ministry of Commerce, on June 15, 2023.

As at December 31, 2023, the Company's authorized share capital represents 1,909,265,122 ordinary shares of Baht 1.00 each, totaling Baht 1,909.27 million and 1,066,595,865 shares have been issued and paid-up of Baht 1.00 each, totaling Baht 1,066.60 million accordingly.

27. WARRANTS

The Company issued and offered the warrants No.2 to purchase the ordinary shares of the Company (CI-W2) in accordance with the approval of the Annual General Meeting of the Company's Shareholders No.1/2022 held on April 27, 2022 in the amount of 266,635,904 units to existing shareholders at the ratio of 4 existing shares per 1 unit of

CI-W2 (fractions will be discarded) without charge with effective term of warrants for 2 years from the issuing and offering date (June 1, 2022). The warrants to purchase the ordinary shares of the Company (CI-W2) will be traded on July 12, 2022 with the exercise price at Baht 1.00 per 1 ordinary share. The first and last exercise dates are November 30, 2022 and May 31, 2024, respectively.

As at December 31, 2023, the Company has 266,635,904 outstanding units of unexercised warrants.

28. LEGAL RESERVE

In accordance with the Public Limited Company Act B.E. 2535, the Company is required to set aside a legal reserve of at least 5 percent of net earnings after deducting accumulated deficit brought forward (if any) until reserve reaches ten percent of the authorized share capital and this reserve is not available for distribution as dividends.

29. FINANCIAL INSTRUMENTS

29.1 Financial risk management

The Group exposes to a variety of financial risks which are market risk (including fair value risk, interest rate risk and foreign currency risk), credit risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

29.1.1 Market risk

Interest rate risk

The Group and the Company exposure to interest rate risk relates primarily to their cash and cash equivalents, loans to, restricted deposit at financial institution, bank overdrafts from financial institutions, lease liabilities, short-term borrowings, long-term borrowings and bonds. However, most of the Group's and the Company's financial assets and liabilities bear floating market rates.

Significant financial assets and liabilities bearing interest as at December 31, 2023 and 2022 classified by type of interest rates as follows:

	As at December 31, 2023			
	Consolidated financial statements			
	Fixed interest rates (Million Baht)	Floating interest rate (Million Baht)	Total (Million Baht)	Interest rate (% p.a.)
Financial assets				
Deposits at financial institutions	-	293	293	0.125-1.40
Restricted deposit at financial institution	-	945	945	-
Investments in fixed deposits at financial institutions	3	-	3	1.15-2.20
Financial liabilities				
Bank overdrafts from financial institutions	-	33	33	7.58
Lease liabilities	1,063	-	1,063	2.20-7.15
Borrowings from financial institutions	70	2,287	2,357	MLR-0.25 to MLR-1.75, MLR 2.00-6.20
Borrowings from relation persons and companies	-	168	168	MLR, MOR
Borrowings from other companies	1,054	-	1,054	3.00-5.25
Bonds	3,093	-	3,093	6.70-7.10

	As at December 31, 2022			
	Consolidated financial statements			
	Fixed interest rates (Million Baht)	Floating interest rate (Million Baht)	Total (Million Baht)	Interest rate (% p.a.)
Financial assets				
Deposits at financial institutions	-	393	393	0.125-1.40
Investments in fixed deposits at financial institutions	3	-	3	0.55
Financial liabilities				
Bank overdrafts from financial institutions	-	18	18	4.97-6.87
Lease liabilities	1,985	-	1,985	2.20-7.15
Borrowings from financial institutions	381	1,542	1,923	MLR-0.25 to MLR-1.75, 2.00-4.70
Borrowings from relation persons and companies	-	158	158	MLR
Borrowings from other companies	900	-	900	3.00-5.25
Bonds	1,732	-	1,732	6.25-6.85

	As at December 31, 2023			
	Separate financial statements			
	Fixed interest rates (Million Baht)	Floating interest rate (Million Baht)	Total (Million Baht)	Interest rate (% p.a.)
Financial assets				
Deposits at financial institutions	-	116	116	0.125-0.25
Restricted deposit at financial institution	-	945	945	-
Investments in fixed deposits at financial institutions	3	-	3	1.15-2.20
Loans to subsidiaries	14	581	595	6.32, MLR, MOR
Financial liabilities				
Lease liabilities	15	-	15	2.20-5.07
Borrowings from financial institutions	50	763	813	MLR-0.25 to MLR-1.75, MLR 6.10-6.20
Bonds	3,093	-	3,093	6.70-7.10

	As at December 31, 2022			
	Separate financial statements			
	Fixed interest rates (Million Baht)	Floating interest rate (Million Baht)	Total (Million Baht)	Interest rate (% p.a.)
Financial assets				
Deposits at financial institutions	-	80	80	0.125-0.25
Investments in fixed deposits at financial institutions	3	-	3	0.55
Loans to subsidiaries	14	546	560	6.32, MLR
Financial liabilities				
Lease liabilities	16	-	16	2.20-4.50
Borrowings from financial institutions	361	180	541	MLR-0.25 to MLR-1.75, 2.00-4.70
Bonds	1,732	-	1,732	6.25-6.85

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. The Group and the Company elect to use 1.0% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1.0% higher or lower and all other variables were held constant, the Group's and the Company's:

- Profit (loss) for the year ended December 31, 2023 of the Group would increase or decrease by Baht 24.88 million (For the year ended December 31, 2022: increase or decrease by Baht 17.18 million). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.
- Profit (loss) for the year ended December 31, 2023 would increase or decrease by Baht 7.63 million (For the year ended December 31, 2022: increase or decrease by Baht 1.80 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Foreign currency risk

The Group and the Company consider themselves not to be exposed to foreign currency risk because the majority of financial transactions of the Group and the Company are in Baht currency.

29.1.2 Credit risk

The Group and the Company are exposed to credit risk primarily with respect to trade and other current receivable and loans to. The Group and the Company manage the risk by adopting appropriate credit control policies and procedures therefore the Group and the Company do not expect to incur material financial losses. In addition, The Group and the Company do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other current receivable, and loans to as stated in the statement of financial position.

29.1.3 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Unit : Million Baht

As at December 31, 2023	Consolidated financial statements					
	Weighted average effective interest rate	Less than 1 year	1 - 5 years	More than 5 years	Total	Carrying amount
Bank overdrafts from financial institutions	-	33	-	-	33	33
Short-term borrowings from financial institutions	-	100	-	-	100	100
Trade and other current payables	-	1,333	-	-	1,333	1,333
Current contract liabilities	-	465	3	-	468	468
Short-term borrowings from other companies	-	55	-	-	55	55
Long-term borrowings from financial institutions	3.81-6.26	1,143	918	196	2,257	2,257
Long-term borrowings from other companies	3.00-5.27	171	828	-	999	999
Bonds	7.11-7.57	1,450	1,650	-	3,100	3,100
Short-term borrowings from related parties	-	168	-	-	168	168
Retention payables	-	104	-	-	104	104
Lease liabilities	2.20-7.15	221	687	155	1,063	1,063

Unit : Million Baht

As at December 31, 2022	Consolidated financial statements					
	Weighted average effective interest rate	Less than 1 year	1 - 5 years	More than 5 years	Total	Carrying amount
Bank overdrafts from financial institutions	-	18	-	-	18	18
Short-term borrowings from financial institutions	-	427	-	-	427	427
Trade and other current payables	-	382	-	-	382	382
Current contract liabilities	-	405	109	-	514	514
Short-term borrowings from other companies	-	55	-	-	55	55
Long-term borrowings from financial institutions	3.91-5.39	800	696	-	1,496	1,496
Long-term borrowings from other companies	3.00-4.25	174	671	-	845	845
Bonds	6.26-7.40	1,240	500	-	1,740	1,740
Short-term borrowings from related parties	-	158	-	-	158	158
Retention payables	-	76	-	-	76	76
Lease liabilities	2.20-7.15	620	1,016	349	1,985	1,985

Unit : Million Baht

As at December 31, 2023	Separate financial statements					
	Weighted average effective interest rate	Less than 1 year	1 - 5 years	More than 5 years	Total	Carrying amount
Short-term borrowings from financial institutions	-	50	-	-	50	50
Trade and other current payables	-	254	-	-	254	254
Contract liabilities	-	194	-	-	194	194
Long-term borrowings from financial institutions	3.81-6.26	732	31	-	763	763
Bonds	7.11-7.57	1,450	1,650	-	3,100	3,100
Retention payables	-	52	-	-	52	52
Lease liabilities	2.20-4.50	8	7	-	15	15
Other non-current payables	-	-	1	-	1	1

Unit : Million Baht

As at December 31, 2022	Separate financial statements					
	Weighted average effective interest rate	Less than 1 year	1 - 5 years	More than 5 years	Total	Carrying amount
Short-term borrowings from financial institutions	-	407	-	-	407	407
Trade and other current payables	-	96	-	-	96	96
Contract liabilities	-	250	-	-	250	250
Long-term borrowings from financial institutions	3.91-5.39	86	48	-	134	134
Bonds	6.26-7.40	1,240	500	-	1,740	1,740
Retention payables	-	19	-	-	19	19
Lease liabilities	2.20-4.50	9	7	-	16	16
Other non-current payables	-	-	1	-	1	1

29.1.4 Financing facilities

The Group is using combination of the cash inflows from the financial assets and the available bank facilities to manage the liquidity.

As at December 31, 2023, and 2022, the Group accesses capital sources by having credit facilities with financial institutions totaling Baht 4,910 million and Baht 4,457 million, respectively, with the market interest rate in which the unused credit facilities with the financial institutions are Baht 1,070 million and Baht 1,346 million, respectively.

29.2 Fair values of financial instruments

Since the majority of the Group's and the Company's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

The methods and assumptions used by the Group and the Company in estimating the measured at amortized cost fair value of financial instruments are as follows:

- a) Cash and cash equivalents, restricted deposit at financial institution, receivables and short-term loans, other current financial assets, payables and short-term borrowings, their carrying amounts in the statement of financial position approximate their fair values due to the short maturity period.
- b) For equity securities, their fair value is generally derived from quoted market prices, or based on net assets value of the Group's and the Company's investments when no market price is available.
- c) For loans to, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- d) For investment properties and the land on property, plant and equipment their fair value is estimated by independent appraisers.
- e) The fair values of debentures are calculated by applying the latest reference rate referred from the Thai Bond Market Association.
- f) For long-term borrowings carrying interest approximated to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

During the current year, there was no transfer within the fair value hierarchy.

As at December 31, 2023 and 2022, the Group and the Company have assets and liabilities measured at fair value or disclose the information of fair value using different levels of inputs as follows:

Unit : Million Baht

	Consolidated financial statements									
	Carrying amounts						Fair value			
	Financial assets		Financial liabilities		Non-financial assets and non-financial liabilities	Total	Level			
	FVTPL - mandatorily measured	FVTOCI - designated	Amortized cost	FVTPL - mandatorily measured			Amortized cost	1	2	3
As at December 31, 2023										
Cash and cash equivalents	-	-	297	-	-	-	297	-	-	-
Restricted deposit at financial institution	-	-	945	-	-	-	945	-	-	-
Trade and other current receivables	-	-	143	-	-	-	143	-	-	-
Other current financial assets	-	-	3	-	-	-	3	-	-	-
Other non-current financial assets	-	667	-	-	-	-	667	436	-	231
Investment properties	385	-	-	-	-	-	385	-	-	385
Land presented under property, plant and equipment category	-	1,657	-	-	-	-	1,657	-	-	1,657
Other non-current assets	-	-	89	-	-	-	89	-	-	-
Bank overdrafts from financial institutions	-	-	-	-	33	-	33	-	-	-
Short-term borrowings from financial institutions	-	-	-	-	100	-	100	-	-	-
Trade and other current payables	-	-	-	-	1,333	-	1,333	-	-	-
Contract liabilities	-	-	-	-	468	-	468	-	-	-
Short-term borrowings from other company	-	-	-	-	55	-	55	-	-	-
Short-term borrowings from related parties	-	-	-	-	168	-	168	-	-	-
Long-term borrowings from financial institutions	-	-	-	-	2,257	-	2,257	-	-	-
Long-term borrowings from other companies	-	-	-	-	999	-	999	-	-	-
Bonds	-	-	-	-	3,093	-	3,093	-	3,092	-
Lease liabilities	-	-	-	-	1,063	-	1,063	-	-	-
Other non-current payables	-	-	-	-	144	-	144	-	-	-
Other non-current liabilities	-	-	-	-	27	-	27	-	-	-

Unit : Million Baht

	Consolidated financial statements									
	Carrying amounts					Fair value				
	Financial assets			Financial liabilities		Total	Level			Total
	FVTPL - mandatorily measured	FVTOCI - designated	Amortized cost	FVTPL - mandatorily measured	Amortized cost		1	2	3	
As at December 31, 2022										
Cash and cash equivalents	-	-	397	-	-	397	-	-	-	-
Trade and other current receivables	-	-	192	-	-	192	-	-	-	-
Other current financial assets	-	-	3	-	-	3	-	-	-	-
Other non-current financial assets	-	835	-	-	-	835	604	-	231	835
Investment properties	353	-	-	-	-	353	-	-	353	353
Land presented under property, plant and equipment category	-	1,657	-	-	-	1,657	-	-	1,657	1,657
Other non-current assets	-	-	102	-	-	102	-	-	-	-
Bank overdrafts from financial institutions	-	-	-	-	18	18	-	-	-	-
Short-term borrowings from financial institutions	-	-	-	-	427	427	-	-	-	-
Trade and other current payables	-	-	-	-	382	382	-	-	-	-
Contract liabilities	-	-	-	-	514	514	-	-	-	-
Short-term borrowings from other company	-	-	-	-	55	55	-	-	-	-
Short-term borrowings from related parties	-	-	-	-	158	158	-	-	-	-
Long-term borrowings from financial institutions	-	-	-	-	1,496	1,496	-	-	-	-
Long-term borrowings from other companies	-	-	-	-	845	845	-	-	-	-
Bonds	-	-	-	-	1,732	1,732	-	1,725	-	1,725
Lease liabilities	-	-	-	-	1,985	1,985	-	-	-	-
Other non-current liabilities	-	-	-	-	37	37	-	-	-	-

Unit : Million Baht

	Separate financial statements									
	Carrying amounts						Fair value			
	Financial assets		Financial liabilities		Non-financial assets and non-financial liabilities	Total	Level			
	FVTPL - mandatorily measured	FVTOCI - designated	Amortized cost	FVTPL - mandatorily measured			Amortized cost	1	2	3
As at December 31, 2023										
Cash and cash equivalents	-	-	116	-	-	116	-	-	-	-
Restricted deposit at financial institution	-	-	945	-	-	945	-	-	-	-
Trade and other current receivables	-	-	94	-	-	94	-	-	-	-
Short-term loans to subsidiaries	-	-	595	-	-	595	-	-	-	-
Other current financial assets	-	-	3	-	-	3	-	--	-	-
Other non-current financial assets	-	401	-	-	-	401	179	-	231	410
Investment properties	280	-	-	-	-	280	-	-	280	280
Other non-current assets	-	-	51	-	-	51	-	-	-	-
Short-term borrowings from financial institutions	-	-	-	-	50	50	-	-	-	-
Trade and other current payables	-	-	-	-	254	254	-	-	-	-
Contract liabilities	-	-	-	-	194	194	-	-	-	-
Long-term borrowings from financial institutions	-	-	-	-	763	763	-	-	-	-
Bonds	-	-	-	-	3,093	3,093	-	3,092	-	3,092
Lease liabilities	-	-	-	-	15	15	-	-	-	-
Other non-current payables	-	-	-	-	1	1	-	-	-	-
Other non-current liabilities	-	-	-	-	8	8	-	-	-	-

Unit : Million Baht

	Separate financial statements																			
	Carrying amounts					Total	Fair value													
	Financial assets		Financial liabilities		Non-financial assets and non-financial liabilities		Level													
	FVTPL - mandatorily measured	FVTOCI - designated	Amortized cost	FVTPL - mandatorily measured			Amortized cost	1	2	3	Total									
As at December 31, 2022																				
Cash and cash equivalents	-	-	80	-	-	-	-	-	-	-	80	-	-	-	-	-	-	-	-	-
Trade and other current receivables	-	-	77	-	-	-	-	-	-	-	77	-	-	-	-	-	-	-	-	-
Short-term loans to subsidiaries	-	-	560	-	-	-	-	-	-	-	560	-	-	-	-	-	-	-	-	-
Other current financial assets	-	-	3	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-
Other non-current financial assets	-	416	-	-	-	-	-	-	-	-	416	185	-	-	-	-	-	231	416	-
Investment properties	250	-	-	-	-	-	-	-	-	-	250	-	-	-	-	-	-	250	250	-
Other non-current assets	-	-	47	-	-	-	-	-	-	-	47	-	-	-	-	-	-	-	-	-
Short-term borrowings from financial institutions	-	-	-	-	-	-	-	-	-	407	-	-	-	-	-	-	-	-	-	-
Trade and other current payables	-	-	-	-	-	-	-	-	-	96	-	-	-	-	-	-	-	-	-	-
Contract liabilities	-	-	-	-	-	-	-	-	-	250	-	-	-	-	-	-	-	-	-	-
Long-term borrowings from financial institutions	-	-	-	-	-	-	-	-	-	134	-	-	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-	-	1,732	-	-	-	-	-	-	-	1,725	-	1,725
Lease liabilities	-	-	-	-	-	-	-	-	-	16	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-	-	-	-	-	8	-	-	-	-	-	-	-	-	-	-

30. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximize shareholder value. As at December 31, 2023, the Group's and the Company's debt-to-equity ratio is 2.6:1 and 2.7:1, respectively (As at December 31, 2022 for the Group's and the Company's debt-to-equity ratio is 1.6:1 and 1.5:1, respectively).

31. DISAGGREGATION OF REVENUES

The Group and the Company derive their revenues from sales of goods and services income over time and at a point in time in the following major source or revenues consistent with the revenue information that is disclosed for each reportable segment under Thai Financial Reporting Standard No. 8 "Operating Segments" ("TFRS 8") (see Note 35) for the years ended December 31, as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Type of revenue				
Revenue from real estate sales	794	1,151	360	604
Rental and service income	81	65	79	62
Revenue from hotel operations	947	672	-	-
Revenue from sale of goods	66	68	-	-
Management fee income and other fee income	38	31	33	30
Other income	323	187	53	26
Total	2,249	2,174	525	722
Timing of revenue recognition				
At a point in time				
Revenue from real estate sales	794	1,151	360	604
Revenue from hotel operations	947	672	-	-
Revenue from sale of goods	66	68	-	-
Other income	245	50	43	18
Overtime				
Rental and services income	81	65	79	62
Management fee income and other fee income	38	31	33	30
Other income	78	137	10	8
Total Revenues	2,249	2,174	525	722

32. OTHER INCOME

Other income for the years ended December 31 are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Dividend income	21,248	10,713	11,501	10,713
Revenue from services and utilities services	34,977	32,109	-	-
Revenue from breach of contracts (see Note 20)	2,574	183	-	43
Gain on change in fair value of investment properties	31,890	-	29,440	1,450
Gain from the waiver of lease payments (see Note 23)	42,334	94,650	-	-
Gain from lease cancellation	116,055	-	-	-
Gain from change in repayment term of past outstanding rentals (see Note 23)	32,378	-	-	-
Others	41,608	49,751	12,388	13,494
Total	323,064	187,406	53,329	25,700

33. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Costs of property development projects for sales increased during the year*	2,225,482	93,974	668,742	333,469
Salary and other employee benefits	364,558	329,845	113,844	114,992
Advertising and promotion expenses	53,723	37,727	18,414	12,428
Utilities expenses	72,920	59,050	997	984
Depreciation expenses and amortization	338,379	332,290	14,345	17,805
Consultant fee	15,698	18,969	7,715	12,073
Specific business tax	30,507	39,465	11,947	20,025
Office rental	4,473	4,683	2,986	3,398
Management expenses	1,992	1,183	-	-
Commission expenses	81,192	43,811	24,001	9,833
Finance costs	397,496	311,087	140,900	92,053
Changes in costs of property development projects for sales	(557,917)	(799,513)	(240,815)	(425,111)

* Costs of property development projects for sales increased during the year 2022 are net of cost reclassified to property, plant and equipment of Baht 705 million (see Note 8).

34. BASIC LOSS PER SHARE

Basic loss per share is calculated by dividing loss for the year attributable to owners of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares held by outsiders during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
For the years ended December 31,				
Loss for the years (Thousand Baht)	(221,598)	(199,774)	(98,080)	(32,007)
Weighted average number of ordinary shares (Thousand shares)	1,066,596	1,066,596	1,066,596	1,066,596
Loss per share (Baht)	(0.2078)	(0.1873)	(0.0920)	(0.0300)

Diluted (loss) earnings per share, if any, are calculated by dividing profit or loss for the period attributable to equity holders of the Company (excluding other comprehensive income) by the sum of the weighted average number of ordinary shares in issue during the period, after adjusting the number of ordinary shares as a result of the exercise of warrants, as if the warrants had been exercised at the beginning of the earliest period reported, and the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued (see Notes 26 and 27).

The Company does not calculate the dilutive effect of warrant No.2 (CI-W2) because the average share price during the period is lower than the exercise price of the warrants.

35. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker. The chief operating decision maker has been identified as managing director. The basis that used to measure operating profit or loss of segment is same as the basis that used to measure operating profit or loss in the financial statements.

For management purposes, the Group and the Company have four reportable segments, which are real estate development, lease of office condominium units, hotel operations and sales of goods.

The revenue and profit (loss) of information by segment in the consolidated financial statements for the years ended December 31, 2023 and 2022 are as follows:

Unit : Million Baht

	Consolidated financial statements											
	For the years ended December 31,											
	Real estate development		Lease of condominium units		Hotel operations		Sales of goods		Elimination of inter-segment transactions		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
For the years ended December 31,												
Revenue from external customers	794	1,151	81	65	947	672	66	68	-	-	1,888	1,956
Inter-segment revenues	-	-	11	12	16	21	-	-	(27)	(33)	-	-
Total revenues	794	1,151	92	77	963	693	66	68	(27)	(33)	1,888	1,956
Costs of sales and services	(558)	(800)	(52)	(43)	(735)	(619)	(62)	(64)	-	-	(1,407)	(1,526)
Inter-segment costs of sales and services	(15)	(19)	(3)	(6)	(59)	(43)	-	-	77	68	-	-
Total costs of sales and services	(573)	(819)	(55)	(49)	(794)	(662)	(62)	(64)	77	68	(1,407)	(1,526)
Segment operating profit	221	332	37	28	169	31	4	4	50	35	481	430
Unallocated income and expenses												
Management fee income and other fee income											38	31
Other income											323	187
Distribution costs											(137)	(127)
Administrative expenses											(512)	(502)
Finance income											1	1
Finance costs											(397)	(311)
Income tax (income) expense											(104)	34
Non-controlling interests of the subsidiaries											85	57
Loss for the years - equity attributable to owners of the Company											(222)	(200)

Assets information by segment in the consolidated financial statements as at December 31, 2023 and 2022 are as follows:

Unit : Million Baht

Consolidated financial statements As at December 31,											
Real estate development		Lease of office condominium units		Hotel operations		Sales of goods		Elimination of inter-segment balances		Total	
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Costs of property development projects for sales											
Investment properties	6,006	4,345	-	-	-	-	-	(112)	(119)	5,894	4,226
Property, plant and equipment - net	-	-	386	354	-	-	-	(1)	(1)	385	353
Other assets	182	187	9	12	3,085	3,171	419	428	(279)	3,418	3,519
Total assets										12,820	11,153

Geographic information

The Group and the Company operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the years 2023 and 2022, the Group and the Company have no major customer with revenue of 10 percent or more of the Group's and the Company's revenues.

36. COMMITMENTS AND CONTINGENT LIABILITIES

36.1 Capital commitments

- a) As at December 31, 2023 and 2022, the Group and the Company had outstanding commitments in respect of survey, design and construction agreements to be paid in the future in relation of the Group's and the Company's projects as follows:

Unit: Million Baht

	2023	2022
The Group and the Company	322	1,387
The Company only	73	504

- b) As at December 31, 2023 and 2022, the Group and the Company had outstanding commitments in respect of its obligations to develop the land and houses and residential condominium units until completion for which contracts have been executed as follows:

Unit: Million Baht

	2023	2022
The Group and the Company	-	18
The Company only	-	18

36.2 Operating lease commitments

The Group and the Company have entered into low-value operating lease agreements in respect of the lease of office buildings and services. The terms of the agreements are generally between 1 and 5 years. Operating lease agreements are non-cancellable.

As at December 31, 2023 and 2022, the Group and the Company had commitments in respects of future minimum lease and related service payments under the above non-cancellable operating leases agreements as follows:

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Payable within				
Within 1 year	2	2	-	-
1-5 years	1	1	-	-

As at December 31, 2023 and 2022, the future minimum lease payments of the Group and the Company expected to be received under non-cancellable operating lease agreements were as follows:

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Receivable within				
Within 1 year	15	14	13	11
1-5 years	8	12	5	9

36.3 Service commitments

The Group and the Company have outstanding commitments in respect of service agreements related to commission, management fee, security services and advertising expenses. The terms of the agreements are generally between 1 and 4 years. Operating lease agreements are non-cancellable.

As at December 31, 2023 and 2022, the Group and the Company have commitments in respects of future minimum lease and related service payments under the above non-cancellable service leases contracts as follows:

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Payable within				
Within 1 year	14	16	4	4
1-5 years	1	1	-	-

36.4 Bank guarantees

As at December 31, 2023 and 2022 the Group and the Company had outstanding bank guarantees, which were issued by financial institutions on behalf of the Group and the Company, in respect of guarantees for use of electricity, other utilities and petrol station which have been pledged by cost of property development projects for sales, other non-current financial asset and property, plant and equipment (see Note 8, 11 and 14) as follows:

Unit : Million Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Guarantee for electricity use	12	12	8	9
Guarantee for utilities	51	66	2	16
Guarantee for petrol station	15	15	-	-
	78	93	10	25

37. EVENTS AFTER THE REPORTING PERIOD

37.1 On February 13, 2024, Charn Issara Residence Co., Ltd. (CIR), the Company's subsidiary, received the first drawdown of Baht 70 million under the total credit facility of Baht 200 million per loan agreement from the Company's director (the "lender") with the purpose for increasing the liquidity in the Group's operation. The loan agreement has period of 2 years with interest rate of 6.5% per annum. CIR has to pay the loan principal upon the end of contract period. However, CIR is able to pay by installment for interest on a monthly or quarterly basis if the written acknowledgment from the lender is provided. CIR has used 54,390,157 investment units in Sri panwa Hospitality Real Estate Investment Trust (the "Trust") as collateral to secure such loan (see Note 11).

On the same day, Issara Junfa Co., Ltd. (ISJ), another subsidiary of the Company, entered into the loan agreement with CIR for total credit facility of Baht 200 million with the purpose for increasing the liquidity of ISJ's operation and ISJ had made the first drawdown of Baht 70 million. The loan agreement has period of 2 years with interest rate of 7.0% per annum. ISJ has to pay the loan principal upon the end of contract period. However, ISJ is able to pay by installment for interest on a monthly or quarterly basis if the written acknowledgment from CIR is provided.

37.2 On February 29, 2024, the Company's board of directors' meeting No. 2/2024 passed the resolutions to approve the following matters to propose to the next Annual General Meeting of the Company's Shareholders for 2024:

- (1) Approved to decrease the registered capital of the Company from Baht 1,909.26 million to Baht 1,333.24 million by canceling 576.02 million ordinary shares that with a par value of Baht 1 each in order for the Company to increase the capital, to be reversed the exercise of convertible debenture holders, divided into:
 - Share increase to be reversed the exercise of convertible bonds by 256.04 million ordinary shares.
 - Share increase by allocation to existing shareholders the proportion to their existing shareholding (Right Offering) by 319.98 million ordinary shares.
- (2) Approved to increase the registered capital of the Company from Baht 1,333.24 million to Baht 1,653.22 million by issuing 319.98 million new ordinary shares at a par value of Baht 1 each in order for the Company to increase the capital via general mandate.
- (3) Approve the allotment of the registered capital of the Company via general mandate in amount of Baht 319.98 million new ordinary shares at a par value of Baht 1 each, divided into:
 - Share increase by allocation to existing shareholders the proportion to their existing shareholding (Right Offering) by 213.32 million ordinary shares.
 - Share increase via private placement from the existing Company's authorized capital by 106.66 million ordinary shares.
- (4) Approve a facility in additional issuance of bonds of Baht 1,000.00 million to compensate facility which the Company will issue and offer bonds in December 2023 of Baht 950.00 million for the purpose of project expansion and repayment of bonds to be due in the future.

37.3 On January 25, 2024 and February 20, 2024, C.I.N. Estate Co., Ltd. (CIN), the Company's subsidiary, issued the promissory notes amounting to Baht 7 million and Baht 5 million, respectively, in order to borrow from the Company. CIN has received the loan drawdowns totaling Baht 12 million.

38. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been authorized for issue by the Board of Directors of the Company on February 29, 2024.



The Issara Chiang Mai Project

Attachment 1

Details of directors, executives who have control power of the company Assigned person to take the highest responsibility in accounting and finance and company secretary

(Please see details on the page 11)

Subsidiaries and directors

Company name	Director								
	Charn Issara Residence Co., LTD.	Charn Issara Vipaphol Co., LTD.	C.I.N. Estate Co., LTD.	Issara United Co., LTD.	Issara United Development Co., LTD.	Sri Panwa Management Co., LTD.	Issara Junfa Co., LTD.	Charn Issara REIT Management Co., LTD.	Issara Developme Company Limited
1. Mr. Songkran Issara	X	X	X	/	/	X	X	/	/
2. Ditawat Issara	/		/	//	//	/	/		/
3. Mr. Vorasit Issara	//	/		/	/	//	//	X	/
4. Mrs. Wilai Intagool								/, //	
5. Mr. Surapong Srethabhakdi		//							
6. Ms. Supaporn Srethbhakdi		/							
7. Mr. Kampol Srethbhakdi		/							
8. Mrs. Teeraporn Srijaroenwong	/		/, //	/	/	/	/	/	/
9. Mrs. Linda Prasertsom			/, //				/		
10. Ms. Pranee Worrachokpeerat			/	/	/				/
11. Mr. Polpat Karnasuta			/						
12. Mr. Apichart Rakchang			/						
13. Mr. Pasan Swasdiburi			/, //						
14. Mr. Yuttana Kuvaranuncharoen				//	/		/		
15. Mrs. Orapun Aroonrungsikul		//		//	//				/
16. Mr. Boonkeit Chokwattana				X	X				
17. Mr. Boonchai Chokwattana				/	/				
18. Mrs. Thipaporn Chokwattana				/	/				
19. Mrs. Suwanna Areekul				//	//				
20. Mrs. Siriwan Wongariyakawee				//	//				
21. Mrs. Ramida Russell Maneesathien				/	/				
22. Mrs. Kittayaporn Chaithavornthein				/	/				
23. Mr. Wang Lei							/		
24. Mr. Yu Jia							/		
25. Mr. Chern Fang							/		
26. Mr. Simon Landy								/	
27. Mr. Kalind Surawongse Bunnag								/	
28. Mr. Krit Hongianva			/						

Remark : X = Chairperson
 XX = Audit Committee
 / = Director
 // = Management

Attachment 3

Internal Audit Head

Internal Audit



Name : Ronnachai Sukrot

Education : Bachelor of Business Administration, Accounting,
Kasetsart University

Training Program : 2011 : Internal Auditing Certified Program (IACP)
: The Institute of Internal Auditors of Thailand (IIAT)
• 2008: Skill for new Auditor-In-Charge
• 2007: Adding Value Using Risk-Base Auditing

Professional career for the past five years

: 2015-Present Vice President – Internal Audit Head
Charn Issara Development Public Company Limited

Compliance team lead



Name : Narakorn Boonbumrung

Education : Master of Science, Management Technology,
National Institute of Development Administration

Training Program : Risk Management 20/2022, Chulalongkorn University

Professional career for the past five years

: 2019-Present Company secretary and Compliance
Charn Issara Development Public Company Limited

Assets used in business and details of property appraisal items

The Company and its subsidiaries have provided an annual appraisal of investment properties for accounting records as of 31 December 2023, with details as follows:

(1) Assessed assets and estimated price according to the assessor report

- Commercial and office suites in Chan Issara Tower, Rama IV Road, Suriwong Subdistrict, Bang Rak District, Bangkok, total of 4 units, total of area is approximately 1,040.01 square meters. The market value estimated according to the income approach method is 109,900,000 baht.

Owned by Charn Issara Development Public Company Limited.

The main assessor is Mr.Sitthiong Patcharachirakarn (Ordinary primary assessor number Sor Mor. 532), Mr.Thanadol Narkrat (Ordinary primary assessor number Sor Mor. 124) and Mr. Akekachai Pleanpho (Ordinary primary assessor number Vor Tor. 132), certified by the Securities and Exchange Commission.

The appraisers of the property are Agency for Real Estate Affairs Company Limited, an appraisal company. Value of capital market assets on the list approved by the Securities and Exchange Commission.

Date of property appraisal report November 1st, 2023.

- Commercial and office suites in the Charn Issara Tower II, New Petchburi Road, Bang Kapi Subdistrict, Huai Khwang District, Bangkok, total of 41 units, total of are is 2,538.48 square meters. The market value estimated according to the income approach method is 159,400,000 baht.

Owned by Charn Issara Development Public Company Limited.

The main assessor is Mr.Sitthiong Patcharachirakarn (Ordinary primary assessor number Sor Mor. 532), Mr.Thanadol Narkrat (Ordinary primary assessor number Sor Mor. 124) and Mr. Akekachai Pleanpho (Ordinary primary assessor number Vor Tor. 132), certified by the Securities and Exchange Commission.

The appraisers of the property are Agency for Real Estate Affairs Company Limited, an appraisal company. Value of capital market assets on the list approved by the Securities and Exchange Commission.

Date of property appraisal report November 2nd, 2023.

- Residential units in the Catherine Court across the street within the Kensington Place Khao Yai project, Tha Ma Prang-Wang Nam Khiao Road (Nor.Mor.3052), Wang Kra Tha Subdistrict, Pak Chong District, Nakhon Ratchasima Province, 1 unit total of area is approximately 151.41 square meters, the appraised market value under the market approach method is 10,340,000 baht.

Owned by Charn Issara Development Public Company Limited.

The main appraiser is Mr.Anan Suantaisong (Ordinary primary assessor number Sor Mor. 881) and Mr. Akekachai Pleanpho (Ordinary primary assessor number Vor Tor. 132), certified by the Securities and Exchange Commission.

The appraisers of the property are Agency for Real Estate Affairs Company Limited, an appraisal company. Value of capital market assets on the list approved by the Securities and Exchange Commission.

Date of property appraisal report November 3th, 2023.

- Commercial and office suites in the Charn Issara Tower II, New Petchburi Road, Bang Kapi Subdistrict, Huai Khwang District, Bangkok, total of 4 units, the total of area is approximately 432.45 square meters, the market value estimated according to the income approach method is 28,200,000 baht

Owned by Charn Issara Viphaphon Company Limited.

The main assessors Mr.Atsadrng Kaosungnern (Ordinary primary assessor number Sor Mor. 312) and Mr. Sharan Jindanon (Ordinary primary assessor number Vor Tor. 442) and Mr. Akekachai Pleanpho (Ordinary primary assessor number Vor Tor. 132), certified by the Securities and Exchange Commission.

The appraisers of the property are Agency for Real Estate Affairs Company Limited, an appraisal company. Value of capital market assets on the list approved by the Securities and Exchange Commission.

Date of property appraisal report November 17th, 2023.

- Commercial suites in ISSI Condo Suksawat, Suksawat Road, Bang Pakok Subdistrict, Ratburana District Bangkok, 1 unit, total of area is approximately 280.29 square meters (including 3 private parking spaces), the market value based on the income approach method is 25,790,000 baht

Owned by C.I.N Estate Company Limited.

The main appraiser is Mr.Anan Suantaisong (Ordinary primary assessor number Sor Mor. 881) and Mr. Akekachai Pleanpho (Ordinary primary assessor number Vor Tor. 132), certified by the Securities and Exchange Commission.

The appraisers of the property are Agency for Real Estate Affairs Company Limited, an appraisal company. Value of capital market assets on the list approved by the Securities and Exchange Commission.

Date of property appraisal report November 3th, 2023.

- Commercial suites and condominium units in the Issara Ladprao, Lad Phrao Road, Chomphon Sub-district, Chatuchak District, Bangkok, total 2 units, the total of area is approximately 563.07 square meters, the market value assessed according to the market approach method and income approach method is 52,800,000 baht.

Owned by C.I.N Estate Company Limited.

The main appraiser is Mr.Anan Suantaisong (Ordinary primary assessor number Sor Mor. 881) and Mr. Akekachai Pleanpho (Ordinary primary assessor number Vor Tor. 132), certified by the Securities and Exchange Commission.

The appraisers of the property are Agency for Real Estate Affairs Company Limited, an appraisal company. Value of capital market assets on the list approved by the Securities and Exchange Commission.

Date of property appraisal report November 3th, 2023.

- (2) Objectives for appraisal of property is for public purposes in accounting records.

Corporate Governance Policy and Guidelines and Code of Conduct

Corporate Governance Policy and Guidelines of Code of Conduct Board of Directors Charter The remuneration committee charter The Risk committee charter and The Anti-corruption compliance policy

- 5.1 Principles of Good corporate Governance
- 5.2 Code of Conduct and Business Ethics
- 5.3 Board of Directors Charter
- 5.4 Nomination and Remuneration committee charter
- 5.5 Risk Committee charter
- 5.6 Audit Committee Charter
- 5.7 Anti-Corruption compliance policy

The Company has disclosed information on the Company's website at https://investor-th.arnissara.com/cg_principle.html

or



LIVE EXCELLENCE



CHARN
ISSARA

บริษัท ชาญอิสสระ ดีเวลลอปเม้นท์ จำกัด (มหาชน)
Charn Issara Development Public Company Limited

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