



Flexible for Stability



ANNUAL REGISTRATION STATEMENTS/ANNUAL REPORT 2021
(Form 56-1 One Report)
MBK PUBLIC COMPANY LIMITED

Contents

001	Vision And Missions of MBK Public Company Limited
004	Financial Highlights
006	Message From The Board of Directors
010	The Board of Directors
012	Executive Management
014	Management
020	Shareholding Structure of MBK GROUP

PART 1: BUSINESS OPERATION AND OPERATING RESULTS

022	1. Organizational Structure and Operation of the Group of Companies
102	2. Risk Management
116	3. Business Sustainability Development
118	4. Management Discussion and Analysis (MD&A)
142	5. General Information and Other Material Facts

PART 2: CORPORATE GOVERNANCE

144	6. Corporate Governance Policy
158	7. Corporate Governance Structure and Significant Information Related to the Board of Directors, Subcommittees, Executives, Employees and Others
184	8. Report on Key Operating Results of Corporate Governance
200	9. Internal Control and Related Party Transactions

PART 3: FINANCIAL STATEMENTS

Attachments:

362	Attachment 1: Details of Directors, Executives, Controlling Persons, the Person Assigned to Take the Highest Responsibility in Accounting and Finance, the Person Assigned to Take Direct Responsibility for Accounting Supervision, the Company's Secretary
377	Attachment 2: Details of the Directors of the Subsidiaries
378	Attachment 3: Details of the Heads of the Internal Audit and Compliance Units
379	Attachment 4 Assets for Business Undertaking and Details of Asset Appraisal (Disclosed on the Website)
379	Attachment 5: Unabridged Policy and Guidelines on Corporate Governance and Unabridged Code of Business Conduct Prepared by the Company (Disclosed on the Website)
380	Attachment 6: The Report of the Subcommittees
380	The Report on the Responsibility of The Board of Directors Towards Financial Reports
381	The Report of the Executive Committee
382	The Report of the Audit Committee
384	The Report of the Compensation and Nomination Committee
386	The Report of the Good Corporate Governance Committee

The Vision:

“The country’s leading group of companies which focuses on business operations and investment with sustainable growth for generating regular returns.”

The Missions:

- 01** To focus on investment in potential business.
- 02** To generate returns for investors regularly.
- 03** To run business operations with trade partners systematically and fairly for the sake of mutual benefits.
- 04** To create the brand and image of the organization continuously.
- 05** To develop marketing continuously.
- 06** To focus on customer-centric provision of services.
- 07** To encourage and develop the human resources in accordance with business expansion and commitment.
- 08** To develop business through digitalization and innovations.
- 09** To have performance on a Good Corporate Governance’s principles.

MBK | *Just Right..*
ใช่เลย!



There're many ways to find pleasure in life,
We go the extra mile...
to find the right things for you.



Financial Highlights

Financial Highlights of MBK Public Company Limited and its subsidiaries

(Unit : Thousand Baht)

	31/12/2019	Percentage	31/12/2020	Percentage	31/12/2021	Percentage
Statement of financial position						
Total Assets	52,443,053	100.00	57,142,260	100.00	55,257,420	100.00
Total Liabilities	27,736,772	52.89	35,757,154	62.58	34,199,312	61.89
Total Shareholders' Equity	24,706,281	47.11	21,385,106	37.42	21,058,108	38.11

For the years ended 31 December

	2019	Percentage	2020	Percentage	2021	Percentage
Statement of comprehensive income						
Revenue from Rental	3,941,369	32.17	2,382,986	25.80	1,504,648	18.33
Services	493,377	4.03	825,427	8.94	890,985	10.86
Sales	2,282,550	18.63	2,471,893	26.77	2,617,702	31.89
Revenue from Hotel Operations	1,303,616	10.64	469,753	5.09	205,989	2.51
Revenue from Financial Business	2,265,708	18.50	2,485,531	26.92	2,411,234	29.38
Other Revenues	1,963,062	16.03	598,792	6.48	576,817	7.03
Total Revenues	12,249,682	100.00	9,234,382	100.00	8,207,375	100.00
Gross Profit	4,206,625	40.89	3,396,520	39.33	2,596,133	31.63
Net Profit attributable to equity holder of the Company	2,799,512	22.85	149,188	1.62	(804,475)	(9.80)

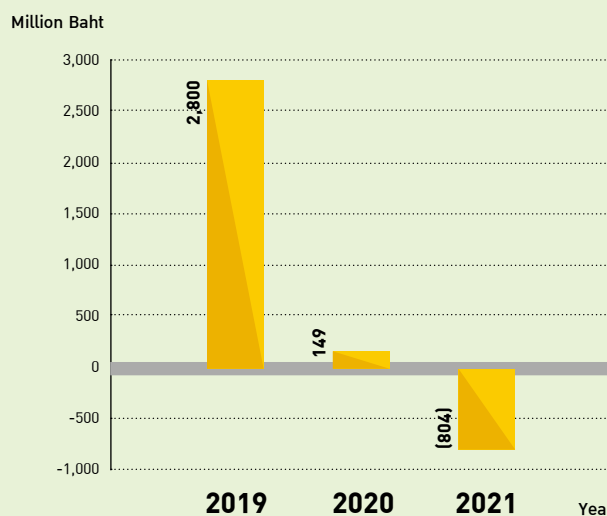
The financial ratios of MBK Public Company Limited and its subsidiaries

For the years ended 31 December

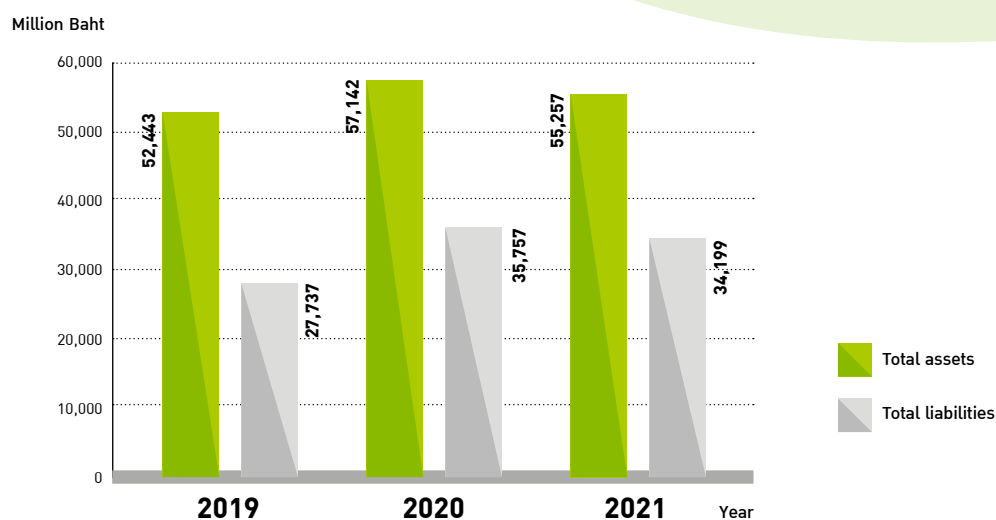
	Unit	2019	2020	2021
Net Profit / Total Revenues	%	22.85	1.62	(9.80)
Return on Average Equity ^A	%	12.07	0.66	(3.89)
Return on Average Assets	%	5.51	0.27	(1.43)
Earnings Per Share ^B	(THB)	2.12	0.11	(0.60)
Dividend Per Share	(THB)	0.80	-	-
Book Value Per Share	(THB)	18.24	15.75	14.77

Note : A Shareholders' equity represented equity attributable to the Company's shareholders (excluding equity attributable to non-controlling interest of the subsidiaries).
B Calculated from the weighted average number of ordinary shares which deducted by treasury stocks held by the Company and its subsidiaries.

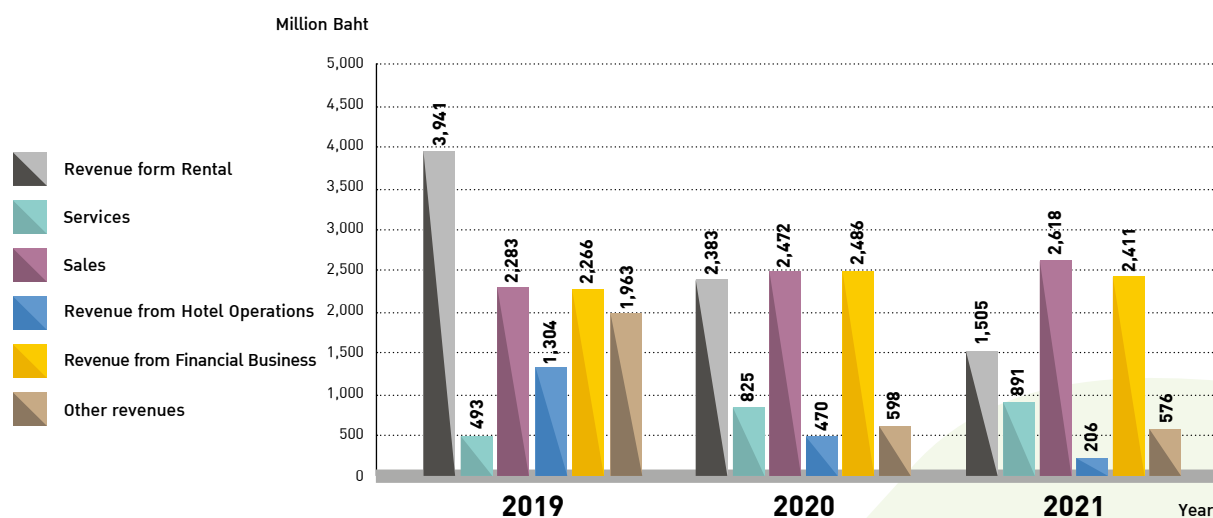
Net Profit



Total Assets & Total Liabilities



Revenue Structure of Business Group



Message from the Board of Directors



From several waves of the epidemic outbreak of the Corona Virus (COVID-19) from 2020 to late 2021, the economic recovery of both Thailand and the world was affected and slowed down. The epidemic outbreaks of the Delta variant of COVID-19 during the 3rd quarter of 2021 and the new Omicron variant in late 4th quarter, which still provoked public anxiety over living and conducting business, as well as directions of the economic recovery again. Therefore, all sectors— the public sector, the people sector, and the private sector— had to be adapted to carry on living and conducting business.

The year 2021 was another challenging year for the MBK GROUP because of the situation of such an outbreak which had an impact on conducting business, particularly the Shopping Center Business and the Hotel and Tourism Business. Therefore, the MBK GROUP had to manage and changed its strategies in order to accord with this crisis so that the business could be run continuously and open up opportunities in a new normal life to continuously generate profits for shareholders. The year 2021 performance's overall result ended on 31st December 2021, compared with the year 2020, was as follows:

The year 2021 revenue from the performance was 8,207 million Baht, a decrease of 1,027 million Baht or 11%, and the net loss from the performance was 804 million Baht, compared with the year 2020 which its net profit was 149 million Baht, because of continuous impacts of COVID-19 since March, 2020. Some establishments in business were closed up according to a lockdown measure set by the public sector such as the Shopping Center Business, the Hotel and Tourism Business, the Golf Business, and the Food Solution.


The financial position of the MBK GROUP as of 31st December 2021, if compared with the year 2020, had its major changes: Its total assets were 55,257 million Baht. Its total liabilities were 34,199 million Baht. Such total liabilities consisted of an interest bearing liability of 18,107 million Baht and a non-interest bearing liability of 16,092 million Baht. Its shareholders' equity was 21,058 million Baht. Since early 2020, the MBK GROUP has had sufficient cash in reserves in order to run business under such an epidemic situation. As of 31st December 2021, there was 4,449 million Baht in cash reserves.

The Shopping Center Business consists of MBK Center, Paradise Park and Paradise Place, the Nine Center Rama IX, and the Nine Center Tiwanon (It started operating in May, 2021.), including Siam Piwat Company Limited (SPW) (as its associate). They adjusted to expand and diversify their income and customer bases. Particularly, MBK Center renovated its rental spaces and

central areas to respond to changing situations, under the concept of "MBK MB Cool" (Max & Beyond Cool), in order to satisfy Thai people's modern life style more by improving and redecorating several aspects, employing technology and innovation to encourage running the business for the sake of modernity of both online and offline platforms, and offering various products, services, and facilities, in order to regularly meet needs and the satisfaction of different customers.

The Hotel and Tourism Business All hotels' guestrooms were renovated and their fundamental structures and facilities were improved in order to increase safety and hygiene according to standards of SHA, SHA Plus (SHA +) and SHA Extra (SHA ++) for the sake of boosting guests' confidence. Strategies such as selling guestrooms on a monthly basis and urging continuous marketing, and increasing sales channels in order to generate revenue and financial liquidity from the hotel's existing services as well as controlling costs. Moreover, part of guestrooms of Pathumwan Princess Hotel and Tinidee Hotel Bangkok Golf Club were changed to offer the Hospitel service in order to support COVID-19 patients with slight symptoms (green level) for the sake of easing the burden for the public sector and hospitals. This Hospitel service was systematically organized and standards set by the public health agency were strictly followed.

The Golf Business In 2021, performance's results of the Riverdale Golf and Country Club and the Bangkok Golf Club were better, compared with the year 2020, but were slightly lower than the year 2019. The Loch Palm Golf Course and the Red Mountain Golf Course, in 2021, were still affected by the incident of COVID-19 continuously. Therefore, their performance's results slightly improved. All golf courses were well maintained and the quality of these golf courses were also improved to be in good condition all the time. In 2021, it was an honor for the Riverdale Golf and Country Club to be chosen as the venue for the professional golf tournament called "Thailand Open 2021".



The Real Estate Business In 2021, the real estate projects were continuously developed on plots of land of the MBK GROUP itself. Examples of the already-developed real estate projects were the Quinn Condo Sukhumvit 101 Project— which is adjacent to Punnaewithi Station of BTS Sky Train; the QUARTIZ RAMA 9 Project – which is a modern and luxury residence on the potential location next to Rama IX Road and near the Nine Center, educational institutes, and leading hospitals; the Park Riverdale Project— which its residence was designed to be surrounded by gardens so that residents live close to the nature and the whole project is encircled by green areas, and the Riverdale Residence Project— which is a superb luxury villa in the style of “Elite Villa” provided with the panoramic view of the Riverdale Golf Course.

The Food Solution operates the food business, run by PRG Corporation Public Company Limited. In 2021, the change of purchasing power and consumer behavior led to a stable growth rate of the domestic rice business in an overall picture. For the foreign market, the volume of Thailand’s rice exports decreased, compared with the previous year, because of a shortage of containers. As a result, freight charges increased, causing the inability to be in price competition with competitors in the world market. Exporters then turned to focus more on the domestic marketing. The price competition increased, therefore, business had to be conducted carefully— raw material purchasing planning, sales planning, a price strategy, and consumers’ confidence building— in order to be able to compete in the market efficiently through main existing sales channels and adding new channels for the sake of the utmost effectiveness, through placing emphasis on the image of quality products.

For the Food Court Business, under the brand “Food Legends by MBK”, there is 3 food courts in total, situated in downtown areas. They are situated on the 6th floor of MBK Center, the 4th floor of Samyan Mitrtown, and the Nine Center Tiwanon (which started opening for services in May, 2021.)

The Financial Business In 2021, it had the best performance’s result in the MBK GROUP. It consists of

The credit business which its collateral is valuable real estate in a good location, with potential for commercial development and the micro credit business which its collateral is a condominium, including the credit business which its collateral is securities listed on the Stock Exchange of Thailand, with liquidity and value investment. The business is conducted by MBK Guarantee Company Limited. In 2021, its credit portfolio equaled 8,439 million Baht, a decrease of approximately 5.30% when compared with the year 2020.

The credit business for new motorcycles— which offers credit for the hire purchase of small-sized and medium-sized motorcycles— is conducted by T Leasing Company Limited. In 2021, its hire purchase portfolio equaled 6,404 million Baht, a decrease of approximately 4.32% when compared with the year 2020.

The Financial Business controlled its suitable and acceptable ratio of non-performing loans (NPL) during such a crisis by taking measures to help, relieve, or restructure debts in order to help debtors affected by the situation of COVID-19 and accord with the cooperation at the request of the public sector.

The Auction Business is run by Apple Auto Auction Company Limited (Thailand) by offering the auction services employing Japan’s assessment and examination standards of cars with an online auction system through the modernized e-Auction system which was used for the first time in the country. Moreover, the Apple Auto Trade system was developed as an intermediary between buying and selling cars. Also, the Apple E-Bidding system is another channel to add services to full services that buyers and sellers are able to participate in the auction everywhere and anytime. There is a plan to expand new a customer base more. In 2021, more than 85,000 cars were put up for auction in both Bangkok and provinces. The Auction Business had its performance’s good result.

The Corporate Supporting Center is a key unit to offer advice and support main business of the MBK GROUP because of employees of expertise and experience in diversified business, equipped with several resources such as human resources, information technology, and marketing. Technology, innovation, and applications are employed within the organization in order to develop and boost the potential and capabilities of business groups in the MBK GROUP in order to satisfy customers' needs and increase competitive advantages, as well as creating the remarkable and sustainable identity and the brand image of the MBK GROUP. Technology Gateway Company Limited and Intelligent Creative and Marketing Company Limited were established in order to take care of information technology and marketing in particular, and manage personal data to be efficient and in compliance with law.

The Good Corporate Governance
The Company's Board of Directors realize and attach significance to management according to the Good Corporate Governance in order that the MBK GROUP have secure and sustainable growth and take responsibility for both the society and stakeholders from all sectors. In 2021, the Company has achieved the assessment's result of Good Corporate Governance for listed companies as "Excellent" level or 5 stars for consecutive 6 years since 2016. Also, the Company has got 100 out of 100 marks from the assessment of holding shareholders' meetings, carried out by Thai Investors Association for 10 consecutive years since 2012.

The Social and Environmental Responsibility

The Company is fully aware of and attaches significance to the social and environmental responsibility by providing the Company's expertise and resources for creating values for the organization and the society at the same time through continuous projects and activities, together with urging employees to have consciousness and participate in public interests-oriented activities, which lead to requite the society from the social and environmental development for the sake of sustainability in all dimensions. Details are already disclosed in this Annual Report.

Although the performance's results in the year 2021 and continuously to the year 2022 of the MBK GROUP have been affected by such a crisis, the management and policies' adjustment to accord with the crisis all the time have been carried out as well as the gradually economic recovery, the Company's Board of Directors and executives have confidence that they will lead the MBK GROUP to well and securely overcome this crisis.

On behalf of the Company's Board of Directors, we would like to express our gratitude to the shareholders, customers, business partners, all stakeholders, as well as executives and employees, for trust and support well given to business performance of the MBK GROUP continuously. The MBK GROUP have confidence that the determination to run business by adapting ourselves to keep pace with changes, developing and reinforcing our strength, in order to move forward, grow, and reach the ultimate goal. We still adhere to run business based on the principle of the good and sustainable Corporate Governance for the sake of the maximum benefit for the shareholders, customers, employees, stakeholders, and Thai society.



Mr. Banterng Tantivit
Chairman



Mr. Suphadej Poonpipat
Chief Executive Officer



Mr. Suvait Theeravachirakul
President

The Board of Directors



Mr. Banterng Tantivit
Chairman



Mr. Suphadej Poonpipat
Vice Chairman
and Chairman of the Compensation
and Nomination Committee



Ms. Panit Pulsirivong
Independent Director
and Member of the Compensation
and Nomination Committee



Mr. Piyaphong Artmangkorn
Director



Mr. Suvait Theeravachirakul
Director and President



Mr. Kasama Punyagupta
Independent Director
and Chairman of the Audit Committee



Mr. Pracha Jaidee
Independent Director
and Member of the Audit Committee
and Member of the Compensation
and Nomination Committee



Mr. Suwit Rojanavanich
Independent Director
and Member of the Audit Committee



Mr. Hatchapong Phokai
Director



Mr. Atipon Tantivit
Director



Mr. Wichak Praditavanij
Director

NOTE : Mr. Wichak Praditavanij was appointed into Director on January 5, 2022.
Mr. Hatchapong Phokai resigned from Director on December 31, 2021.

Executive Management



Mr. Suvait Theeravachirakul

President and CEO
and Managing Director Financial
Business



Mr. Wichak Praditavanij

Group Managing Director 1 : MBK



Ms. Yupapun Paritranun

Senior Executive Vice President,
Internal Audit Division



Mr. Apichat Kamoltham

Senior Executive Vice President,
Legal Division



Mr. Satit Saisorn

Senior Executive Vice President,
Operation Division



Mr. Kasemsuk Chongmankhong

Managing Director Gift Business and Managing Director Auction Business and Managing Director Corporate Supporting Center and Senior Executive Vice President, Finance & Administration Division



Mr. Somphol Tripopnart

Managing Director Shopping Center Business



Mr. Pongsak Sabdasen

Senior Executive Vice President, President Office



Ms. Chaninchorn Predeeprompan

Senior Executive Vice President Human Resources Division



Mr. Wisarn Sipiyarak

Senior Executive Vice President, Leasing and Tenant Relations Division and Acting Senior Executive Vice President, Marketing Division



Mr. Sakchai Suthipipat

Executive Vice President, President Office

NOTE : Mr. Wichak Praditavanij was appointed into Group Managing Director 1 : MBK, on November 1, 2021.

Management

President Office as of December 31, 2021



Mr. Suvait Theeravachirakul
President and CEO

► Top row from left to right

Mr. Wichak Praditavanij
Group Managing Director 1 : MBK

Mr. Pongsak Sabdasen
Senior Executive Vice President,
President Office

Mr. Sakchai Suthipipat
Executive Vice President,
President Office

Mr. Wijarn Heebphorn
Assistant Senior Executive Vice
President 1, President Office

► Middle row from left to right

Ms. Chaninchorn Predeeprompan
Acting Assistant Senior Executive
Vice President 2, President Office

Ms. Praiyaporn Khaengraeng
Assistant Senior Executive Vice
President 3, President Office

Mr. Charoon Punyachattaporn
Senior Vice President, Project
Management Department

Ms. Chonlada Ngamnikulchalin
Senior Vice President, Compliance
Department & Company Secretary

► The last row from left to right

Ms. Patcharee Somnanta
Vice President, Strategic &
Operation System Management
Department

Ms. Jaroonrat Salee
Vice President 1, President Office

Mr. Sorapong Tansupalak
Vice President 3, President Office

Ms. Pittaya Inphirom
Vice President 2, President Office

NOTE : Mr. Wichak Praditavanij was appointed into Group Managing Director 1 : MBK, on November 1, 2021.

Finance & Administration Division as of December 31, 2021



► Top row from left to right

Mr. Kasemsuk Chongmankhong

Senior Executive Vice President,
Finance & Administration Division

Ms. Wanpen Rungrojchanathip

Assistant Senior Executive
Vice President 1, Finance &
Administration Division

Mr. Surapon Senachakr

Assistant Senior Executive
Vice President 2, Finance &
Administration Division

Ms. Kanchana Panyarattanakul

Senior Vice President,
Finance Department

► The last row from left to right

Mr. Jaraschai Bowornammarat

Senior Vice President,
Finance Department

Ms. Supaporn Tangkidwanitcharoen

Vice President, Procurement
and Administration Department

Mr. Boonlert Rakwijitsil

Vice President, Information
Technology Department

Mr. Kitja Sinrapavongsa

Vice President, Accounting
& Budget Department

NOTE : Ms. Kanchana Panyarattanakul Senior Vice President, Finance Department Retirement on December 31, 2021
Mr. Jaraschai Bowornammarat was appointed into Senior Vice President, Finance Department on January 4, 2022.

Human Resources Division as of December 31, 2021



► From left to right

Ms. Chaninchorn Predeeprompan

Senior Executive Vice President
Human Resources Division

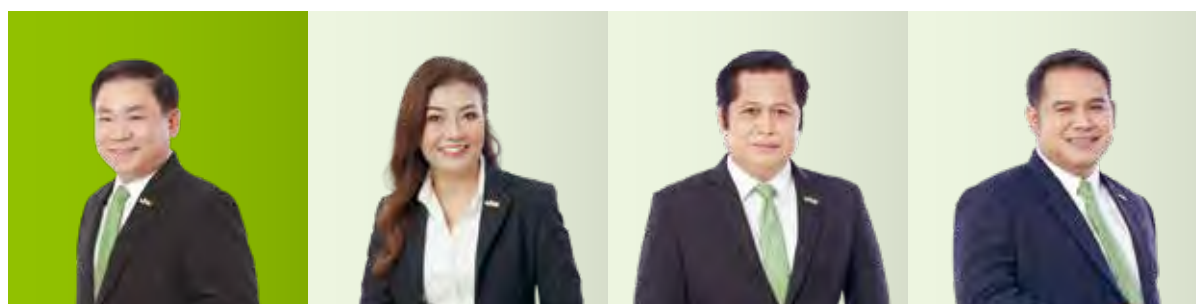
Ms. Patcharin Pintunun

Vice President, Human Resources
Management Department

Ms. Sunthruthai Limweeraphan

Vice President, Human Resources
Development Department

Operation Division as of December 31, 2021



► From left to right

Mr. Satit Saisorn

Senior Executive Vice President,
Operation Division

Ms. Orawan Chungprasirtsri

Vice President, Service Department

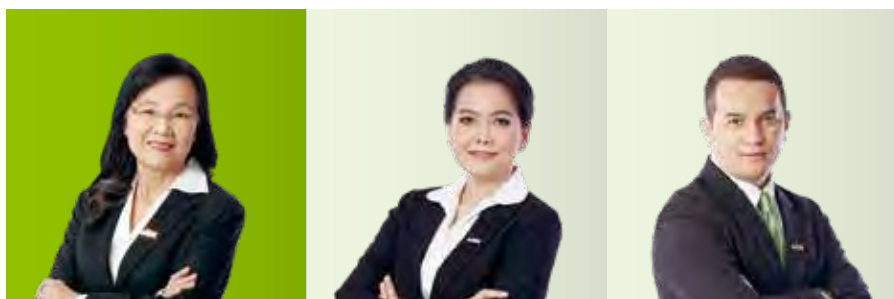
Mr. Pongwikam Wisarutchotikul

Vice President, Security
Management Department

Mr. Prayad Boonkham

Vice President, Engineering
Department

Internal Audit Division as of December 31, 2021



► From left to right

Ms. Yupapun Paritranun
Senior Executive Vice President
Internal Audit Division

Ms. Chatchamas Luengsakshi
Senior Vice President,
Internal Audit 1 Department

Mr. Vachira Fuengsri
Vice President,
Internal Audit 2 Department



► From left to right

Mr. Suvait Theeravachirakul
Acting Senior Executive Vice President,
Business Development Division

Mr. Soomboon Prasobpiboon
Assistant Senior Executive Vice President,
Business Development Division
and Acting Vice President - Business
Investment Department

Mr. Peerapon Prasertsri
Senior Vice President,
Business Development Department

NOTE : Mr. Peerapon Prasertsri was appointed into Senior Vice President, Business Development Department on August 2, 2021

Marketing Division as of December 31, 2021



► From left to right

Mr. Wisarn Sipiyarak

Acting Senior Executive Vice President, Marketing Division and Acting Vice President, Marketing Department

Ms. Supalak Tangchitseen

Assistant Senior Executive Vice President, Marketing Division

Ms. Sattakamol Worakul

Vice President, Corporate Communications Department

Mr. Keetawat Tongkian

Vice President, Digital Marketing Department and Acting Vice President, Marketing Data & Strategic Planning Department

NOTE : Ms. Supalak Tangchitseen was appointed into Assistant Senior Executive Vice President - Marketing Division on June 16, 2021
Mr. Keetawat Tongkian was appointed into Vice President - Digital Marketing Department on June 1, 2021 and Acting Vice President : Marketing Data & Strategic Planning Department on February 1, 2022

Leasing and Tenant Relations Division as of December 31, 2021



► From left to right

Mr. Wisarn Sipiyarak

Senior Executive Vice President, Leasing and Tenant Relations Division

Ms. Thitirat Prasongpol

Vice President, Leasing and Tenant Relations Department

NOTE : Ms.Thitirat Prasongpol was appointed into Vice President, Leasing and Tenant Relations Department on December 1, 2021

Legal Division as of December 31, 2021



► From left to right

Mr. Apichat Kamoltham

Senior Executive Vice President,
Legal Division

Mr. Oukrit Pitakpracha

Vice President, Case & Juristic
Person Department

Mr. Sutthilerk Bumrungchat

Vice President, Juristic Act
Department

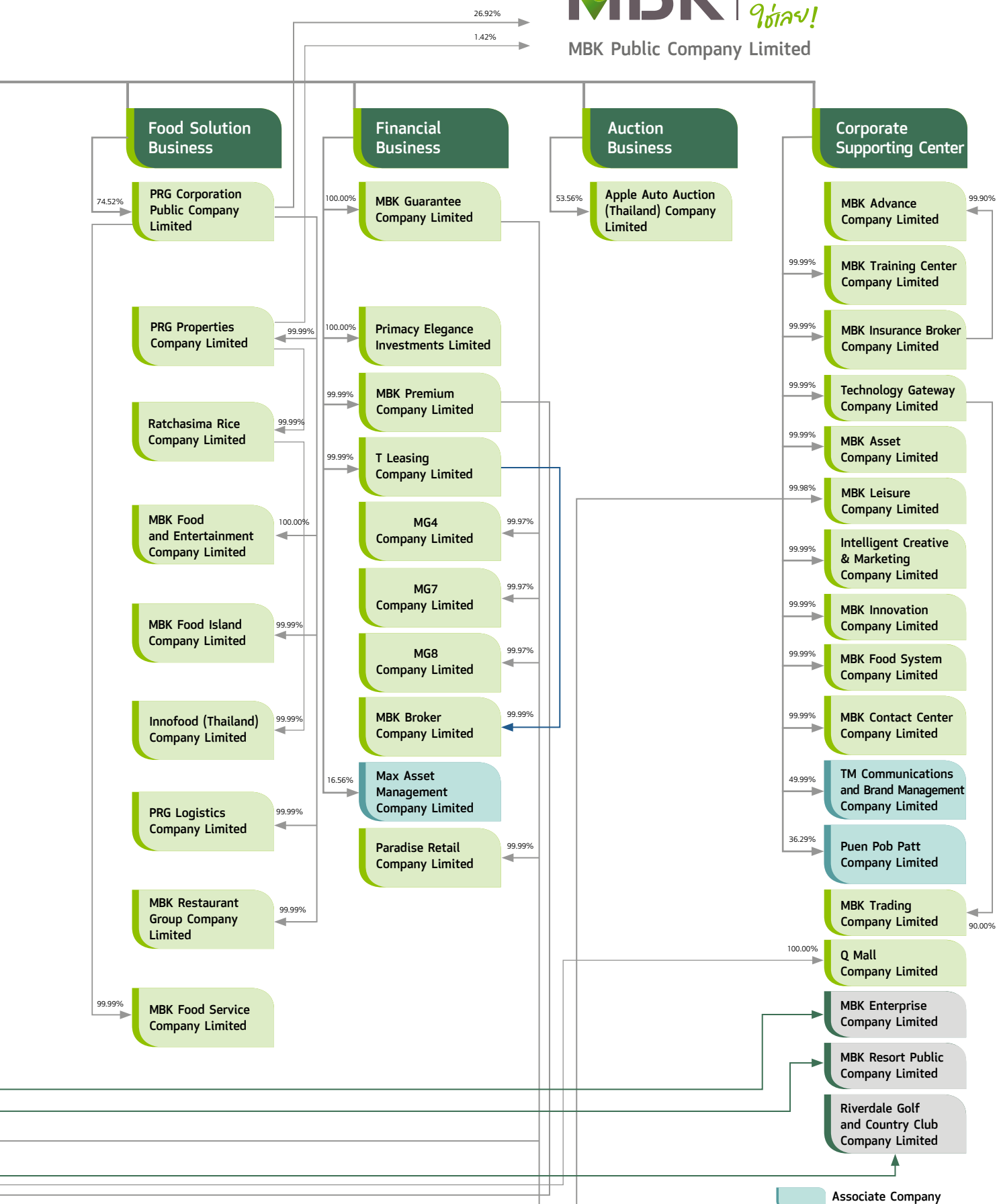
Mr. Apichat Supadej

Vice President, Financial Legal
Services Department

Shareholding Structure of MBK GROUP

December 31, 2021







1. Organizational structure and operation of the group of companies

1.1 Policy and business overview

1.1.1 The Vision and the missions in operation

The Vision

“The country’s leading group of companies which focuses on business operations and investment with sustainable growth for generating regular returns.

The Missions

- 1) To focus on investment in potential business.
- 2) To generate returns for investors regularly.
- 3) To run business operations with trade partners systematically and fairly for the sake of mutual benefits.
- 4) To create the brand and image of the organization continuously.
- 5) To develop marketing continuously.
- 6) To focus on customer-centric provision of services.
- 7) To encourage and develop the human resources in accordance with business expansion and commitment.
- 8) To develop business through digitalization and innovations.
- 9) To have performance on a Good Corporate Governance’s principles.

1.1.2 Major changes and developments

The major changes and developments relating to power to control the Company in the previous year.

- None -

The major changes and developments in the previous year

In the previous year, the business had major changes and developments as follows:

MBK Public Co., Ltd. (MBK) and its subsidiaries

Yeas 2021

- **February** MBK Shopping Center Co., Ltd. (MBK-SC), a direct subsidiary which MBK holds 99.99%, has purchase ordinary shares of Bangkok-Tokyu Department Store Co., Ltd. (Present rename to Q Mall Co., Ltd. (Q Mall)), where MBK-SC has 100% portion of shares
- **May** MBK Public Company Limited (MBK) adopted a resolution approved by the Annual General Meeting of Shareholders 2021 in order to significantly take actions as follows:
 - To decrease of the registered capital of the company from the original registered capital of THB 2,262,719,920 to new registered capital of THB 1,762,719,920 by reducing the ordinary shares reserved for the increase of registered capital under the General Mandate amount of 500,000,000 shares with a par value of THB 1 per share which have been not allocated in the whole according to the resolution EGM No.1/2020
 - To issuance of the Company's warrants to purchase ordinary shares No.2 (MBK-W2) in the amount not more than 68,259,569 units for allocation to existing shareholders of the Company in proportion to their respective shareholdings at no offering price, (zero Baht) at the ratio of 25 ordinary shares to 1 unit of warrant (any fractions resulting from the calculation based on the allocation ratio set forth shall be rounded down), with a term of not more than 3 years from the issuance date, having an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price THB 3 (the "Exercise Price").
 - To increase the registered capital of the company from the original registered capital of THB 1,762,719,920 to THB 1,832,784,733 by issuing not more than 70,064,813 new ordinary shares with a par value of THB 1 per share to reserve for the issuance of the Company's warrants to purchase original shares No.2 (MBK-W2) and to accommodate the adjustment of rights of MBK-W1 Warrants
 - To increase the registered capital of the company under the General Mandate from THB 1,832,784,733 to THB 2,332,784,733 by issuing 500,000,000 new ordinary shares with a par value of THB 1 per share
 - To allocation of newly issued ordinary shares of the Company not more than 70,064,813 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W1 Warrants, and the exercise of the MBK-W2 Warrants.
 - To allocation of newly issued ordinary shares of the company under the General Mandate of not more than 500,000,000 shares with a par value of THB 1 per share.
- **July** MBK Public Company Limited (MBK) sell shares of MBK Life Assurance Public Company Limited (MBKL), MT Service 2016 Company Limited (MTS) and TM Broker Company Limited (TM), which MBK holds 49% of each company to Thanachart Capital Public Company Limited (TCAP).

- **November** MBK Public Company Limited (MBK) adopted a resolution approved by the Extraordinary General Meeting of Shareholders No. 1/2021 in order to significantly take actions as follows:
 - To decrease of the registered capital of the company from the original registered capital of THB 2,332,784,733 to new registered capital of THB 1,832,784,733 by reducing the ordinary shares reserved for the increase of registered capital under the General Mandate amount of 500,000,000 shares with a par value of THB 1 per share which have been not allocated in the whole according to the resolution AGM 2021
 - To the offering or the allocation of the Company's warrants to purchase ordinary shares No.3 (MBK-W3) in the amount of not more than 70,260,642 units for allocation to existing shareholders of the Company in proportion to their respective shareholdings at no offering price, (zero Baht) at the ratio of 25 ordinary shares to 1 unit of warrant (any fractions resulting from the calculation based on the allocation ratio set forth shall be rounded down), with a term of not more than 3 years from the issuance date, having an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price THB 3 (the "Exercise Price").
 - To increase the registered capital of the Company from the original registered capital of THB 1,832,784,733 to THB 1,905,583,548 by issuing not more than 72,798,815 new ordinary shares with a par value of THB 1 per share to reserve for the issuance of the Company's warrants to purchase original shares of the MBK-W3 Warrants and to accommodate the adjustment of rights of the MBK-W1 Warrants and to accommodate the adjustment of rights of the MBK-W2 Warrants
 - To approved increase the registered capital of the company under the General Mandate from THB 1,905,583,548 to THB 2,405,583,548 by issuing 500,000,000 new ordinary shares with a par value of THB 1 per share
 - To allocation of newly issued ordinary shares of the Company not more than 72,798,815 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W1 Warrants, the MBK-W2 Warrants and the exercise of the MBK-W3 Warrants
 - To allocation of newly issued ordinary shares of the company under the General Mandate of not more than 500,000,000 shares with a par value of THB 1 per share

The Shopping Center Business

1) The MBK Center

In 2021, the changes and developments were made to the spaces inside the MBK Center. The changes and improvements are as follow:

- To renovate rental spaces and central areas on the 6th floor, in Zone B and Zone C, as offices and tutoring institutes, for an approximate area of 2,500 square meters.
- To renovate rental spaces of major tenants, from G floor to the 4th floor, for an approximate area of 12,000 square meters.
- To renovate rental spaces and central areas, on G floor and the 2nd floor, in order to modernize the utility's style of an approximate area of 20,000 square meters.
- To renovate areas around Open Well, from G floor to the 7th floor, both in the north and in the south, for an approximate area of 6,000 square meters.



2) The Paradise Park

In 2021, the Paradise Park renovated spaces in different zones and repaired equipment inside the shopping mall in order to provide services as well as a wider variety of products and services such as Kru Oun Sport Team, Kumo by Claywork, Good Time, Washery Laundry, The Glasses, Creed, Molly Cake, Florina, Desserts Station (Sathanee Kanom in Thai), VTM Aeon, J-Street, and Bunny Villa.

The Paradise Place Building

In 2021, the Paradise Place Building had new tenants in order to fulfil and reinforce a function of modern offices and the center of leading educational institutes in Srinakarin area such as Maru Chot, TPK Advance Starch Co., Ltd., and TPK Absolute Starch Co., Ltd. etc.

3) The Nine Center

The space development and renovation were done with the purpose of creating a variety and meeting the need of target groups of the service users. The Nine Center provided more stores—Por Kung Phao Restaurant, Ramen A, Wine Connection, Beauty Room Clinic, and healthy product stores such as Bai Miang.

4) The Nine Center Tiwanon

The year 2021 was the first year that The Nine Center Tiwanon was open for services, under the concept of the outstanding community mall which responds to the community's lifestyle as well as completing the allocation of spaces in order to support the plan to develop the area of the Riverdale District Project. This project provides the total area for services of 20,255 square meters, which is divided into rental spaces of 12,460 square meters and central areas of 7,795 square meters, with parking spaces for 550 cars. These spaces have been gradually open for services since April, depending on the length of time of stores' decoration of tenants respectively. The Nine Center Tiwanon, had the rental's occupancy rate of 85%. It also had a complete ratio of the merchandise mix, according to the set-up store management plan such as the food and beverage group, the supermarket group, fashionable product group, and the services providing group.

5) The Glas Haus Ratchada Building

In 2021, the Glas Haus Ratchada had the improvement as follows:

To improved the surrounding landscape and pruning trees and bushes around the building for the sake of neatness.

The Hotel and Tourism Business

In 2021, there were changes in various aspects as follows:

1) Pathumwan Princess Hotel

The epidemic outbreak of Corona Virus (COVID-19) all around the world made more impacts on the overall economic situation. The Hotel then added a strategy to sell guestrooms on a monthly basis, focusing on guests who came for medical treatment. They were mostly businessmen or expatriates (expats), and owners of stores situated in MBK Center. Moreover, the Hotel provided a food delivery service during the situation mentioned above. Operational strategies for various aspects were adapted and changed in order to suit the situation during the crisis by focusing on more online selling, advertising special privileges for domestic tourists which received warm welcome from Facebook, and pages Hotel Addict, and joining the “We Travel Together” Project organized by the public sector in order to urge domestic tourists to check in for services more.

Pathumwan Princess Hotel also provided the Hospitel service, in collaboration with one hospital, from September to December, and during the period that Thailand adapted measures and conditions for inbound immigration of both Thai people and foreigners in order to support fully vaccinated travelers without being quarantined for 14 days, under the Test & Go Project (T&G) which requires only 1 day in quarantine. The Hotel received warm feedback from both Thai people and foreigners. The hygiene and safety was strictly controlled and supervised according to SHA+ standards in order to make the Hotel itself as an alternative hotel within Bangkok.

The Hotel organized the Hospitel as the closed system which contagion-risk areas and safe areas were laid out and zoned clearly. A waste disposal system, a water treatment system, and all the Hotel’s staff wore Personal Protective Equipment (PPE) when entering the areas for the hygiene and safety— followed standards set by the Ministry of Public Health. Also, medical staff were kept on 24-hour standby. The Hotel’s staff were able to work voluntarily in such a period. They were provided with Covid-19 insurance, vaccination, and rapid tests periodically when each of the staff finished their services.

Moreover, the Hotel focused on marketing and public relations through online channels such as organizing promotions through www.pprincess.com and Online Travel Agent, having reviews of the Hotel carried by social media bloggers. The Hotel, together with alliances from the local wholesale market, provided product training in order to further increase new alliances.

Awards Received in 2021

- “Thailand Hotel Standard 2021 – 2023”
- “Haute Grandeur Global Hotel Awards 2021 ”
 - Best Hotel Residence in Asia
 - Best Prime Location Hotel in Asia
 - Best City Hotel in Thailand
 - Best Hotel Service in Thailand





- “Safe Travels Standards from World Travel & Tourism Council”
- “Booking.com Traveller Review Award 2021”
- “Hotel.com - Loved by Guests Awards Winner 2021”

2) Dusit Thani Krabi Beach Resort Hotel

According to the situation of the outbreak of Corona Virus (COVID-19), the Hotel changed its strategy to focus on Thai guests by participating in sales promotion events in both Thailand and foreign countries which were held by agencies, institutions, and agents in Thailand, selling through E-Commerce, and expanding its customer base through social media in order to increase its business alliances. Also, the Hotel participated in the public sector’s campaigns called “We Travel Together” and “Thai Tour Travel” (or “Tour Teaw Thai” in Thai) and sales promotion package called “Resort Credit”. All were warm welcome, particularly during weekends or long holidays.

Moreover, wellness packages were offered such as the Spa Package, the Weight Loss Package, the Muay Thai Package (or the Thai Boxing package), and the Yoga Package. All packages were accompanied by a menu of healthy food in order to support an increase in domestic and foreign customers who cared about their health. The foreign customers were offered a special discount for booking guestrooms in advance and special privilege of the charge-free cancellation of guestrooms.

Food and Beverages

Marketing strategies were changed by focusing on co-selling food and guestrooms and expanding target groups into banquets, meetings, seminars, and MICE by adding healthy food to the menu in order to meet the market’s needs.

Other Aspects

- The Hotel was certified for standards of Amazing Thailand Safety and Health Administration as SHA PLUS (SHA+) and SHA EXTRA (SHA ++) to raise its standards of public health and services in order to boost guests’ confidence in check-in.
- The Wellness program was changed to “Be Well by Dusit Thani Krabi Beach Resort” and more programs were added, leading to 7 programs in total. The programs’ periods were classified as 3-day, 5-day, 7-day, 10-day, 14-day and 21-day programs.
 - Premium Yoga Retreat
 - Premium Fitness Retreat
 - Premium Muay Thai Retreat
 - Premium Spa & Beauty Retreat
 - Premium Weight Management Retreat
 - Premium De – Stress & Relax Retreat
 - Rebrand DFit member to Premium Fitness and wellness club

Awards received in 2021

- Received the award “Amazing Thailand Safety & Health Administration: SHA+”
- Received the first award “Luxury Italian Cuisine” in Thailand from World Luxury Restaurant Awards given by Limoncello Italian Restaurant
- Received the award Limoncello Italian Restaurant - Country Winner in Italian Cuisine
- Received the first award “Luxury Spa Resort” in Asia from World Luxury Hotel Awards
- Received the certification of Thai Hotel Standard from Tourism Authority of Thailand (TAT), Thai Hotels Association (THA), and Thailand Hotel Standard Foundation in order to provide guests with services regularly and grow sustainably in the long term. Dusit Thani Krabi Beach Resort Hotel was one of 27 hotels which received the 5-star certification
- Received the award 2021 Travellers’ Choice by TripAdvisor, which was recognized and admired by hotels’ guests
- Thailand Tourism Gold Awards 2021 (Resort)
- Certified Meeting Rooms (Andaman Room 1 and Andaman Room 2) by Thailand Convention & Exhibition Bureau (TCEB)

3) Tinidee Golf Resort Phuket Hotel

In 2021, buildings and guestrooms were continuously renovated and kept in a good condition by reducing from 8 guestrooms to 4 guestrooms in Loch Palm Residence (which 4 guestrooms were sold) in order to provide services for guests and golfers who required Suite-type guestrooms. Inside the Suite, it consisted of 2 bedrooms, a living room, a dining room, a kitchen, and with/without a private pool which received warm welcome.

Moreover, online marketing was conducted by focusing on sales channels on websites and more alliances with online companies were formed by focusing on advertisements through both domestic and foreign social media channels and blogs. Also, both domestic and foreign marketing was continuously conducted with allied golfers, as well as setting up a booth in tourism promotion fairs such as Thai Teaw Thai Fair and Phuket- The Unquestionably Fantastic Island Fair, in order to stimulate the needs of domestic tourists.

From the situation of the epidemic outbreak of Corona Virus (COVID-19), the Hotel had to have measures to control and prevent such disease in order to comply with the public sector’s regulations. The Hotel was also certified for hygiene safety measures for tourists or SHA Plus (SHA+), SHA Extra (SHA++)

Moreover, the Hotel participated in the campaigns “We Travel Together” and “Thai Tour Travel” in order to promote the Thai customer group to use services more.

4) Layana Resort and Spa

In 2021, the situation of the outbreak of the Corona Virus (COVID-19) caused the Hotel to be temporarily closed up from May to October and was reopened in November. During the temporary closing, the Hotel was been





partly renovated—the Outdoor Shower and Ocean Deluxe Villas 1-2-3 were built and decorated for the sake of more convenience, beauty, and privacy, in order to meet needs of foreign guests. The Hotel's standards were also maintained and quality relaxation under safety measures were offered. In addition, operational plans were concordantly adapted to the situation of Corona Virus (COVID-19) such as focusing on the target group of Thai customers under the projects called “We Travel Together” and “Thai Tour Travel”

The renovation of 3 Beach Villas with full functions and the model of the Garden Pavilion-typed guestroom planned for the future were retarded in order not to affect costs and disturb customers who came for services.

The strategic food and beverage goal in 2021 was to maintain the excellent reputation for providing quality food and services, making acknowledgment and providing award-winning food from Chef Patrick, and improving the menu created to suit Thai guests, in order to make the guests' impression.

Awards received in 2021

- Tripadvisor Awards 2021:
 - No.1 Top Hotel for Romance in Thailand
 - No.3 Top Hotel in Thailand
 - No.5 Top Hotel for Romance in Asia
 - No.23 Top Hotel for Romance in World
 - No.25 Top Hotel in Asia

5) Tinidee Hotel Bangkok Golf Club

From the situation of the outbreak of the Corona Virus (COVID-19), the Hotel joined the public sector and communities to change the Hotel itself to be the Hospitel in order to support patients with COVID-19 who had slight symptoms (green level). This helped the Government and hospitals lighten their burden.

Tinidee Hotel Bangkok Golf Club focused on expanding a customer base of seminar groups and private companies by maintaining a customer base of existing customers in order that they came back for services. It received warm feedback. A new customer base of domestic and foreign customers was also focused on a group of golfers and a group of tourists.

Moreover, the Hotel built public relations with both public and private agencies about attending activities, including marketing during the situation of the epidemic outbreak of Corona Virus (COVID-19), for the sake of public relations of the Hotel as follows:

- To attend events organized by Tourism Authority of Thailand (TAT)
- To invite bloggers to review the Hotel and arrange tour programs in Pathum Thani.
- To attend the bicycle rally organized by Pathum Thani Provincial Office of Tourism and Sport.
- To organize a trip to cruise along Chao Phraya River and stay at the Hotel.
- To join with the Golf Organization in order to take golfers to play in golf tournaments.
- To participate in the campaign “We Travel Together.”

- To be certified for the hygiene safety measure or SHA in order to build guests' confidence for the staying.
- The sales promotion package "Hotel Credit".
- The special price for employees of MBK GROUP.

6) Tinidee Hideaway Tonsai Beach Krabi Hotel

The situation of the outbreak of the Corona Virus (COVID-19) affected the Hotel in terms of the tourist market— of both Thai people and foreigners. The Hotel then changed to focus on guests— in cooperation with the public sector— from the project called "We Travel Together." in order to publicize more domestic travels of Thai tourists. The Hotel adapted its all guidelines on the hygienic safety standards which received good feedback. Also, the price strategy was adapted to accord with the current situation.

The Golf Business

In 2021, the situation of the continuous outbreak of the Corona Virus (COVID-19) since 2020 caused income generated by the Loch Palm Golf Course (LPGC) and the Red Mountain Golf Course (RMGC)—located in Phuket— to sharply drop. These 2 golf courses controlled their costs strictly, however, the safety of their customers and employees were concerned as their first priority.

In late July, the public sector took measures and asked the Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGC)— located in Pathum Thani— to be temporarily closed up in order to prevent the epidemic transmission of the Corona Virus (COVID-19) and to be reopened in September under the strict measures to control the epidemic transmission. However, Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGC) took boosting confidence in providing services with hygienic safety following the standards of the Amazing Thailand Safety and Health Administration (SHA and SHA+) into consideration in order that the customers gained confidence and came back to consume services continuously. Moreover, they formed an alliance with All Thailand Golf Tour in order to organize a national golf tournament called "Thailand Open" between October 28th – 31st, 2021. It caused Riverdale Golf Club (RDGC) to be more famous and widely renowned.

The Real Estate Business

Due to the success of the QUINN Condo Ratchada Project, MBK-RE developed a residential condominium project called QUINN Condo Sukhumvit 101, next to BTS Station "Punnawithi" on Sukhumvit Road (Punnawithi 101). The project's main target group was the middle-class to the upper-class customers. The project's total value was over 2,000 million Baht. Moreover, MBK-RE developed the QUARITZ Project— a residential project for single houses and allocated plots of land on Rama IX Road. This project was designed for modern and luxurious houses surrounded by the nature. The project's value was over 600 million Baht and was be available for sale since the 3rd quarter of 2020.





Two residential projects in Pathum Thani comprised of the Park Riverdale Project and the Riverdale Residence Project had the total value of more than 2,500 million Baht. These 2 projects could generate revenue recognized for the Real Estate Business.

The Food Solution Business

1) The Rice Business

The situation of the continuously outbreak of the Corona Virus (COVID-19) worldwide had an impact on changes in the economy, consumers' purchasing power, and their lifestyles. This impact caused the grow rate, in an overall picture, of the domestic rice business to remain unchanged but did not suffer a severe recession, if compared with other business, because rice products were necessary for consumption. For the foreign market, Thailand's volume of rice exports decreased, if compared with the previous year, because of a shortage of containers, the sluggishness of cargo delivery in each port, and closing up of ports in some countries due to the situation of the outbreak of the COVID-19. As a result, a number of the containers were not enough for the need. Also, shipping schedules—which were changed according to the situation of the discharge of cargo in each port—highly increased sea freight rates. Therefore, the volume of Thailand' rice exports hugely decreased. From a decrease in exports, exporters and a group of rice mills turned to the domestic market more. The price competition was then fiercer. Meanwhile, the price of jasmine rice was lower than the price in 2020 because of a reduction in exports. Then, the markets of jasmine rice and fragrant rice grew because of prices resulted from the perfect competition. Therefore, the investment policy to purchase raw material in each period of time was a factor in creating the competitive advantage of each entrepreneur.

Then, PRG set business plans carefully—the plans for buying raw materials, the sale, the pricing strategy, and boosting the confidence of consumers. Its business plans were employed in order to efficiently build the competitive advantage in the market.

For its policy to be the Food Solution for the customers, PRG focused on increasing a diversity of food products in order to harmonize with its operational guidelines by maximizing efficiency of the sale and marketing through main channels with the concentration on the brand image of high quality products which were distributed under operations and trademarks of “Mah Boonkrong” and “Mah Boonkrong Plus” for both domestic and foreign markets in order to build confidence in the operations by MBK GROUP. The sales distribution was divided into 2 main channels— domestic and foreign channels— as follows:

(1) The domestic sale had 4 separate channels.

- Modern Trade— All modern retailers such as Lotus, Macro, Big C, Tops Supermarket, Max Valu, 7-eleven, and convenience stores.
- Traditional Trade— General wholesale and retail channels consisting of wholesale shops and grocery stores across the country.

- HORECA— Direct sales channel consisting of hotels, hospitals, restaurants, factories, and food service providers.
- Original Equipment Manufacturer (OEM)— To produce products under the customers’ brands for the retail business and agencies for domestic and foreign distribution.

(2) The overseas sale had 4 sales zones.

- Europe and America
- The Asian and Middle Eastern Countries
- Africa
- Australia, New Zealand and the Pacific Islands

(3) The distribution channels were divided into 2 channels as follows:

- Distribution through the Company’s distribution center in Pathum Thani, Surat Thani, and Nakhon Ratchasima.
- Direct distribution from a producer to buyers in order to reduce transportation costs.

2) The Food Court Business

The “Food Legends by MBK” Food Court

The “Food Legends by MBK” Food Court and “ImJung” Food Court, under the management of MBK Food Island Company Limited (MBK-FI), had 4 food courts situated in downtown areas and renowned shopping centers. They could be reached by BTS, MRT, and other public transportation. The two food courts were situated on G floor and the 6th floor of MBK Center and the third one was situated on the 4th floor of Samyan Mitrtown and the 1st floor of The Nine Center Tiwanon.

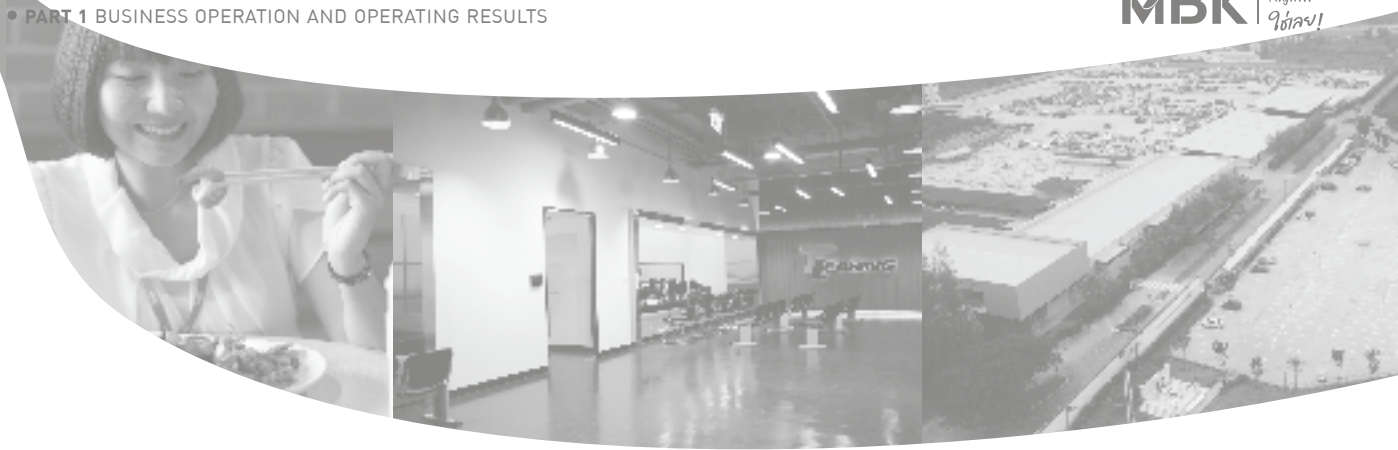
Food Legends by MBK was based on the concept of “the Capital of Street Food of Bangkok”. These 2 food courts had gathered legendary restaurants which had a variety of food choices, food’s freshness and cleanliness, and reasonable prices. The selected restaurants were in the trend and food awards given by agencies. These services were provided in order to properly satisfy both Thai and foreign customers of the shopping centers.

“ImJung” Food Court focused on the concept of “A variety of delicious taste and happily pay less”. It gathered restaurants— which food was delicious and clean and price was friendly— in order to respond to a customer group of employees and tenants in MBK Center.

In 2021, MBK-FI opened 1 more branch of “Food Legends by MBK” Food Courts. It was situated on the 1st floor of the Nine Center Tiwanon in order to meet needs of the customers who came in to consume services in this shopping center. This new food court was redesigned to be different from ordinary food courts. Apart from fulfilling the legendary taste, Food Legends by MBK still met the customers’ needs with its superior image, the landscape’s view of the golf course, and the gorgeous design which aesthetically and pleasingly encouraged dining.

Moreover, MBK-FI still maintained its services providing by rotating stores and legendary restaurants in alliance which received many awards such as Si-Yak Hong Kong Restaurant, 2-colored Hainanese Chicken Rice





Restaurant, Noodles with Raised Chicken Restaurant called Ban Kai Thong, Chutney Restaurant, and Cheng Sim Ei Dessert Shop. Customer-favorites restaurants with their regular customers and their fame for great taste which attracted interest were Eat Pot Restaurant, Hainanese Chicken Rice Restaurant called Sew Lung, and Rad Na 40 Years Restaurant. Snack shops with great taste were selected based on the quality and uniqueness for available services all the year of 2020 in order to add a variety of taste to respond to customer groups which changed according to the situation of the epidemic outbreak of the Corona Virus (COVID-19).

3) The Real Estate Business

PRG had the policy to develop the real estate by developing 77 Rai land of its warehouse in Pathum Thani, by the Chao Phraya River, to be the Riverdale Marina Project— the A-class yacht marina (or port) adjacent to the Chao Phraya River. It was the first marina by the Chao Phraya River which offered full services, managed by PRG Properties Company Limited (PRG-P). It consisted of a river yacht marina, rental spaces for keeping yachts, a yacht showroom, a yacht dock for repairing and maintenance, a center of yacht-related tools and equipment, a restaurant next to the Chao Phraya River, Marina Plaza Multi-Purpose Hall. A residential project in the future was also included and was part of the Riverdale District which was a 10 year plan. After the project was publicized, it attracted much interest of yachts' owners, business relevant to the yacht industry, and the tourism industry. It was also encouraged and promoted by the public sector. The marina and the yacht-related services will be available in 2022.

The Financial Business

In 2022, TLS had the policy to be the business entrepreneur— which offered full services of hire purchase and financial contracts— and grew continuously and sustainably.

In September, TLS reduced the Company's registered capital in order to restructure its registered capital from the previous amount of 3,500,000,000 Baht to the new amount of 2,400,000,000 Baht, by reducing 60,000,000 ordinary shares, with a par value of 10 Baht per share.

The Auction Business

The second-hand car and motorcycle auction business

AAA Parking spaces were increased in provinces in order support an increasing number of cars confiscated by sellers of the Finance Group. Nowadays, the parking spaces cover 25 provinces nationwide. In 2023, It has a plan to open an car auction venue in 1 more province, resulting that AAA will have its car auction venues in 15 provinces in total.

For the technological aspect, in 2021, AAA developed and improved its e-Auction system for the sake of increasing the efficiency of the system in order to provide both buyers and sellers with convenience of be able to put cars and motorcycles up for online and real-time auction and keep up with demand. Moreover, it also increased the competitive advantage in the business competition.

Corporate Supporting Center

In 2021, Technology Gateway Company (TGW) was established in order to provide services of information technology within MBK GROUP, by offering information technology support in order that MBK GROUP was propelled into growth efficiently.

1.1.3 Spent the raised fund

-None-

1.1.4 The Company has committed in the registration statement for securities offering and/or the approval conditions of the SEC Office (if any)

-None-

1.1.5 Company Information

Company Name	MBK Public Company Limited
Symbol	MBK
Core Business	Shopping Center and Real Estate
Company Location	444, 8 th Floor, MBK Center Building, Phayathai Road, Wang Mai, Pathumwan, Bangkok 10300
Registration Number	No. 0107537001102
Registered Capital	THB 2,405,583,548
Paid-up Capital	THB 1,761,921,389
Type of Share	Ordinary Share
Number of Paid-up Shares	1,761,921,389 Shares
Par value	THB 1.00 Per Share
Telephone	0-2853-9000
Fax.	0-2853-7000
Website	www.mbkgroup.co.th

1.2 Nature of Business

1.2.1 Income structure of Business

Revenue structure by financial statement of MBK Public Company Limited and its subsidiaries as follows;



Revenue structure by financial statement of MBK Public Company Limited and its subsidiaries

(Unit : Thousand Baht)

Product/Service	Type of business	Operated by	For the years ended 31 December					
			2019			2020		
			Revenues	%		Revenues	%	
1. Revenue from rental	- Shopping center and property for lease	MBK Public Company Limited Paradise Park Company Limited The Nine Center Company Limited Glas Haus Building Company Limited Glas Haus Ratchada Company Limited Paradise Place Suanluang Company Limited, and The Nine Tiwanon Company Limited	3,941,369	32.17		2,382,986	25.80	18.33
2. Services	- Golf	MBK Resort Public Company Limited Riverdale Golf and Country Club Company Limited, and MBK Enterprise Company Limited	493,377	4.03		825,427	8.94	10.86
	- Auction	Apple Auto Auction (Thailand) Company Limited						
3. Sales	- Processing and packaging rice	PRG Corporation Public Company Limited PRG Properties Company Limited Ratchasima Rice Company Limited PRG Logistic Company Limited, and InnoFood (Thailand) Company Limited	2,282,550	18.63		2,471,893	26.77	31.89
	- Property development	Riverdale Golf and Country Club Company Limited MBK Sukhumvit Company Limited The Nine Center Company Limited MBK Resort Public Company Limited Plan Estate Company Limited Crystal Lake Properties Company Limited MBK Realty Company Limited Glas Haus Ratchada Company Limited, and Riverdale Golf and Country Club Company Limited						
	- Food center and restaurant	MBK Food and Entertainment Company Limited MBK Food Island Company Limited MBK Food System Company Limited, and MBK Restaurant Group Company Limited						
4. Revenue from hotel operations	- Hotel	MBK Public Company Limited MBK Hotels and Resorts Company Limited Supinntharee Company Limited Lanta Land Development Company Limited MBK Resort Public Company Limited Absolute Travel Company Limited M G 1 Company Limited, and The Olympic Fitness Club Company Limited	1,303,616	10.64		469,753	5.09	2.51
5. Revenue from financial business	- Lending and debt guarantee business - Motorcycle hire purchase	MBK Guarantee Company Limited, and T Leasing Company Limited	2,265,708	18.50		2,485,531	26.92	29.38
6. Other revenues	- Interest income - Dividend income - Gain on sale of investments - Gain on sale of assets - Share of profit from investments in associates and joint venture	MBK Public Company Limited and its subsidiaries	1,963,062	16.03		598,793	6.48	7.03
Total revenues			12,249,682	100.00		9,234,383	100.00	100.00

Note:

1.2.2 Product information

The Shopping Center Business

1) The MBK Center

MBK Public Co., Ltd. (MBK) operates the MBK Center.

Products and Services

The MBK Center is an integrated shopping center under the “One Stop Shopping” concept. It is located on an area of over 23 Rai, comprising of a 20-storied office building, Pathumwan Princess Hotel building with 29 stories and an 8-storied shopping center. The MBK Center operates a retail business with more than 140,000-square-meter rental area under management of MBK Public Co., Ltd.

As of 31st December, 2021

The MBK Center Building has a total area of 270,685.57 square meters with space allocation as follows:

• Shopping center	142,985.31	Square Meters
• Office Tower	23,330.07	Square Meters
• Hotel	47,096.53	Square Meters
• Parking space	57,273.66	Square Meters

The details of areas in the MBK Center Building are as follows:

(1) Area for rent includes the following:

• Shopping center area (the MBK Center)	142,985.31	Square Meters
These areas consist of:		
• Area rented out to stores	78,284.06 ¹	Square Meters
• Central area	64,701.25	Square Meters

• Office area for rent (the MBK Tower Building)		
Area from 9 th to 20 th Floors	23,330.07	Square Meters
These areas consist of:		
• Office area for rent	15,471.52 ²	Square Meters
• Central area	7,858.55	Square Meters

(2) Area not for rent includes the following:

• Hotel area (Pathumwan Princess Hotel)	47,096.53	Square Meters.
These areas consist of:		
• The Hotel's guest rooms (29 floors)	26,127.61	Square Meters
• Central area	20,968.92	Square Meters
• Parking space	57,273.66	Square Meters

¹ In 2021 the rental area for general stores in the shopping center decreased for 2,065.68 square meters due to the renovation of the G floor to the 4th floor, Zone A, former Tokyu area, the renovation of store area on the G floor, Zone C and D, the 2nd floor, Zone A to Zone D, the 3rd floor Zone D, the 5th floor, Zone A, the walkway toward the glass elevator, and the 6th floor, Zone B to Zone D as an activity area, office, and tutoring institution.

² In 2021 the office rental area at MBK TOWER decreased for 38.71 square meters due to the cancellation of rental areas of Thanachart Bank Public Company Limited on the G Floor, Zone A. It was changed to be a shopping center area.



The area rented out by the MBK Center can be divided into two types as follows:

(1) **Area for long-term rent** with the rental period of over three years and the rental fees collected in advance is calculated approximately 14.71% of the area rented.

(2) **Area for short-term rent** with the rental period ranging from one to three years and the rental fees collected monthly is calculated approximately 85.29% of the area rented.

The Target Customers of the Shopping Center Business

(1) **Tenants renting space for their businesses in the shopping center** - These tenants include the following:

- **Anchor Tenants** include offices of tutoring centers, entertainment service providers, movie theaters, supermarket, mobile devices and accessories shops, banking center, and camera centers. MBK Center selects a variety of tenants that offer products and services that match the demands of both local and foreign customers.

Top 10 main tenants as of 31 st December, 2021	(Unit: Square Meters)
1. SF Corporate Public Company Limited	16,447.99
2. MBK Food Island Company Limited	3,719.37
3. Learn Corporation Company Limited	3,014.00
4. Thanachart Securities Public Company Limited	2,795.99
5. Thanachart Capital Public Company Limited	2,313.44
6. Thoresen Thai Agencies Public Company Limited	1,543.28
7. Department of Consular Affairs	1,515.24
8. Central Food Retail Company Limited	1,361.00
9. MICE & Communication Company Limited	636.30
10. MBK Hotel and Tourism Company Limited	624.34

- **Retail Tenants** They are retail shops. As well, these tenants have been carefully selected. The Company wants to make sure that their goods and their services are of good quality and varieties.

(2) **Customers MBK Center supports various users**— foreigners, Thai people, students, and working people.

The Marketing and Competition

The Selling and Distribution Channels of the MBK Center

MBK makes use of the direct sales approach to promote the sales of rental spaces in the MBK Center. Offers are made to target groups which are stores capable of attracting customers to use services available in the shopping center as well as helping enhance the image of the shopping center.

During the past three years, there is not any tenant in the MBK Center, who accounts for over 30% of MBK's total revenues.

The Competitive Situation of the MBK Center

In 2021, the retail industry growth is slower because of the ongoing Corona Virus (COVID-19). As a result, domestic consumers' purchasing power is under pressure causing their shopping behaviors to shift to online channels.

Therefore, under the Corona Virus (COVID-19), retailers must have to speedy adapt themselves and expand the revenue base to long-term customer groups, especially the application of technology and the development of innovations to support the retail business. So they can compete with the online market operators such as Lazada, Shopee, and JD Central. In addition, offline sales must be done in parallel with online sales as well as efficient customer services on all platforms, such as electronic payments via the internet on mobile phones (E-Payment), E-Wallets, QR Code, etc.

Nowadays, MBK Center has conducted Online to Offline marketing (O2O) or the Omni Channel. There are sales through various online channels such as MBK Center @ Lazada that allow customers to buy products 24 hours a day. It reduces restrictions on the shopping center opening hours. MBK Live Market entertains customers who like to buy products in a current popular channel. Discounts and special prices are served at home every Wednesday. MBK Center Food Hub x Robinhood Food Delivery is a food delivery service that selects famous restaurants in MBK Center. The customers can order food from various restaurants in one order. All of those create a seamless products and services shopping experience. Also, AI technology is used for the analysis of fundamental data and customer behavior. Such obtained data are used for management and business planning in order to further increase competitiveness in the retail business.

Apart from planning for support for digital-technological changes, MBK Center has emphasized the importance of listening to customers' opinions or recommendations through various channels, marketing research in order to study behavior of both Thai and foreign customers and regularly assess their satisfaction in order to find changing needs and expectations of each target group. They will be used to formulate the organization's strategies annually. For the product and service strategies, there is a process of selecting stores in order to sell products which match customers' needs and quality is reasonably related to prices. For the marketing event strategy, MBK Center organizes marketing activities for new target groups, especially Thai customers. The main target groups are people of working age and secondary target groups are students, college students, and their parents. The new activities will focus on





supporting popular tenants who are interested in customers such as the Mobile & Gadget group, tutoring institute group, stores in the fashion zone group, etc. The promotional campaigns still focus on supporting both large and SME tenants in which the receipts or bills can be used to redeem various benefits at the shopping center. In addition, the promotional campaign is also supported the tenant groups. Market collaboration between different businesses is important to expand the new customers base. The collaboration with other business partners, both in the bank and non-bank businesses, will adapt the shopping center to the current competitive conditions. Furthermore, MBK Center also pays attention to the service of its staff at all levels. Everyone in the organization is trained for a service mindset and a focus on the customer. All of the above contribute to providing a memorable experience that encourages the revisit of customers. Apart from those marketing efforts, the communication of the new image of the shopping center, “MBK Center New Episode” continues in various channels both online and offline and Out-of-Home media to have such image-changing passes to the larger consumers.

In addition to the aforementioned MBK Center has collaborated with government agencies to support the area at the shopping center as a vaccination service point for the insured person under Section 33 and the general public. The vaccines are widely distributed to the general public to create herd immunity and prevent the spread of the Corona Virus (COVID-19)

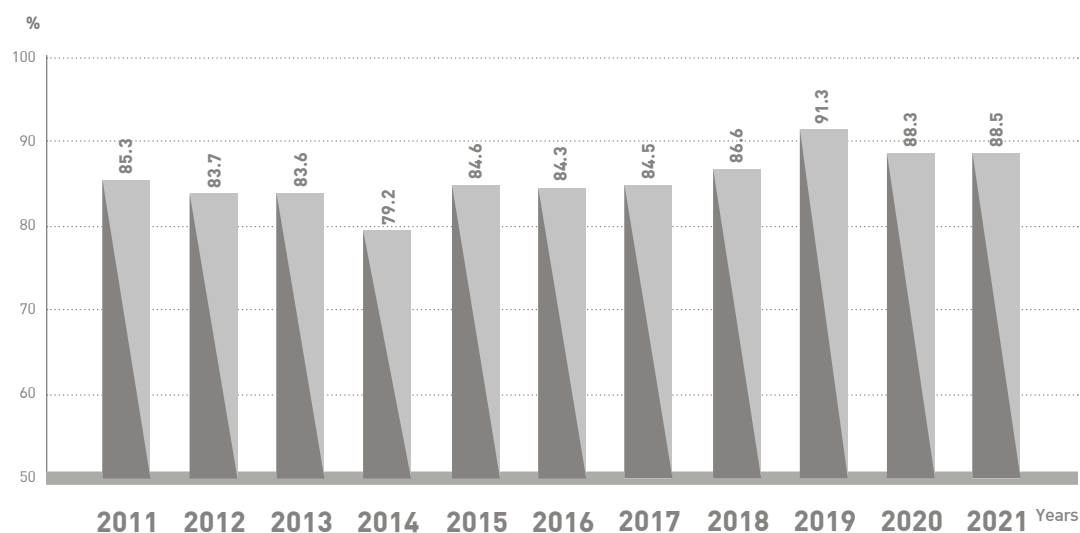
The Industry Trend and Future Competition of the MBK Center

Due to the ongoing Corona Virus (COVID-19), people’s lifestyles are changing. They are careful about spending and have more online shopping. Apart from offline stores, retail businesses must also compete with online stores. To gain a competitive advantage, therefore, retail businesses must adapt to rapidly changing circumstances by incorporating technology into offline stores to provide a new experience for customers and create a seamless connection between online and offline shopping. The integration of offline and online shopping in terms of diversity of selling, purchasing, payment, goods delivery, communication channels, and customer service supports the collection of customer data. It is known as personalized marketing because it provides easy, quick, and more targeted access to customer information.

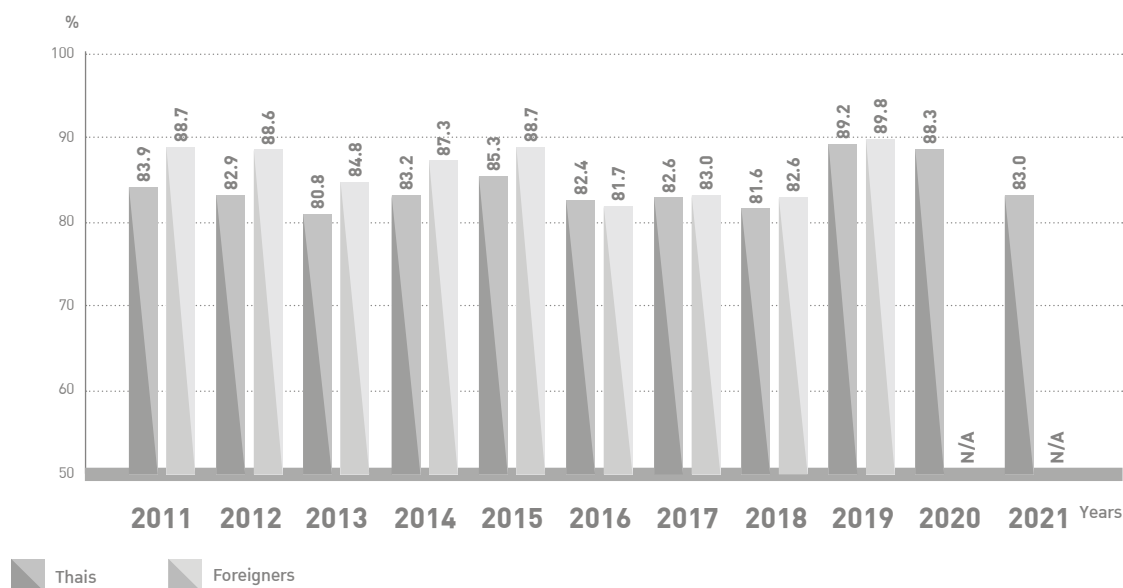
The Information on Customer Satisfaction

The MBK Center operates its business by emphasizing on continuous and sustainable growth as well as focusing on financial growth, along with providing satisfaction to customers— the tenants as well as Thai and foreign customers. The overview of satisfaction for the year 2021 showed that the tenant satisfaction was 88.5%. Thai customer satisfaction was 83.0%. The overall satisfaction was higher than 80% or at “Very satisfied” because of many improvements in terms of the improvement of providing services in order to make impressions, increasing new stores, and organizing activities which met the interest of the customers.

Tenant Satisfaction



Customer Satisfaction



Remark: Foreign customers were omitted from a survey of the customer satisfaction conducted in 2021 because of the epidemic outbreak of Corona Virus (COVID-19).

The customer satisfaction reflects the services given by various aspect of MBK Center. Listening to voices of customers allows MBK Center to use it as guidelines to establish marketing strategy in order to develop and improve the services. These will also lead to giving services in various aspects that will create the highest satisfaction and appropriately meet the tenants and the customers' demand.

The Product or Service Procurement

The procurement of products to be distributed

- None -

The environmental conflicts

- None -

The Nature of Business Operations of Other Shopping Centers

Other Shopping centers that are operated by MBK, its subsidiaries companies are as follow:

- The Paradise Park, currently operated by Paradise Park Company Limited.
- The Paradise Place Building, currently operated by Paradise Place Suanluang Company Limited.
- The Nine Center, operated by The Nine Center Company Limited.
- The Nine Center Tiwanon, operated by The Nine Tiwanon Company Limited.
- Glas Haus Ratchada Building, currently operated by Glas Haus Ratchada Company Limited

2) The Paradise Park and the Paradise Place Building

Products and Services

The Paradise Park manages a short-term and long-term rental shopping mall business which the focus is on management to earn from renting out shopping areas to entrepreneurs, earn from renting out spaces for billboards, earn from activities of new product launches and others. Paradise Place Building runs the business of spaces for rent in order to be used as offices and educational institutes.

The Paradise Park, a five-story building, located in the area of approximately 23 Rai, consists of the commercial area (stores), restaurants, education centers, offices, cinemas, and parking spaces. All are managed by Paradise Park Company Limited.

As of 31st December 2021,

The Paradise Park, with the total area of 268,052.00 square meters, is divided into

- | | | |
|-----------------------|------------|---------------|
| • The commercial area | 85,399.55 | square meters |
| • The office area | 2,940.40 | square meters |
| • The central area | 63,765.62 | square meters |
| • The parking space | 115,946.43 | square meters |

The Paradise Place Building, a four-story building with an underground floor, located in the area of approximately 8 Rai consists of the commercial area (stores), restaurants, education centers, offices, and parking spaces. All are managed by Paradise Place Suanluang Company Limited.

As of 31st December 2021,

The Paradise Place Building, with the total area of 41,810.84 square meters (Excluding the roof-deck), is divided into

- | | | |
|-----------------------|-----------|---------------|
| • The commercial area | 13,594.22 | square meters |
| • The office area | 8,145.00 | square meters |
| • The central area | 11,616.55 | square meters |
| • The parking space | 8,455.07 | square meters |

The Marketing and Competition Situation

The Selling and Distribution Channels of the Paradise Park and the Paradise Place Building

The Paradise Park finds a category of tenants by emphasizing on selecting products and stores to match its target groups of customers through the arrangement of areas according to a category of stores— the food business, fashion, banks, educational institutions, beauty clinics, jewelry, services, and other businesses. The Paradise Park will select stores which are leading brands, and the quality of their products and services are equal to or beyond a benchmark employed in such business.

The Competitive Situation of the Paradise Park and the Paradise Place Building

In 2021, the negative effects of the Corona Virus (COVID-19) affect a decline of domestic customers' purchasing power, causing a continuous direct impact on the shopping center. Consumers' lifestyles have changed such as increasing awareness of unnecessary expenses, decreasing of time and frequency in shopping centers, and increasing of online shopping services usage. As a result, the purchasing per basket and the frequency of visits decline continuously. In addition, the competition of neighboring shopping centers had been adjusted to accommodate the situation as follows:

Seacon Square Srinakarin Shopping Center in the 4th quarter opened Dong Dong Donki, with more than 2,147 square meters of sales area, in the middle zone of the B1 floor. Food products, fresh food (vegetables, fish, meat, and ready meals), alcoholic beverages, cosmetics, miscellaneous goods, sports equipment, toys and recreation, animal foods, and other products are divided into categories totaling over 30,000 types.

Mega Bangna has major strategic plans to develop various areas, including the surrounding scenery, such as adjusting the Mega Food Walk zone by combining the natural landscape, trees, and the water, like walking into a natural park with a feeling of being on vacation with photo spots. It also develops new facilities regularly.

In addition, an eight-story IKEA parking building is opened. It can hold up to 2,000 vehicles. Mega Park, a 7 Rai public park, satisfies the demand for green spaces for families. It can be used to relax and do outdoor activities. Customers are welcome to bring their dogs without charge.

The following is being built by retail competitors:

Bangkok Mall Shopping Center, a large regional mall project with a total project area of 100 Rai, is located at the Bangna intersection. The project consists of shopping center buildings, condominiums, rental residential buildings or serviced apartments, rental office buildings. The total area of the project is 873,082 square meters.

The Forestias by MQDC, the world-class largest real estate project with an area of 398 Rai, is located on Bangna-Trad Km. 7 Road. It consists of a rental office, a 4-star hotel, a 6-star boutique hotel, retail space includes restaurants, merchandise shops, community markets, and family activities area, as well as residences in the form of houses mixed with condominiums, housing for the elderly, medical complex, kindergarten, and a learning center in the forest pavilion.





The Procurement of Products or Services

The nature of the procurement of products to be distributed

-None-

3) The Nine Center

Products and Services

The Nine Center offers rental spaces within the mall, consisting of:

- | | | |
|-----------------|--------|---------------|
| • Office spaces | 9,306 | Square Meters |
| • Retail spaces | 15,110 | Square Meters |

The Marketing and Competition Conditions

The Selling and Distribution Channels of The Nine Center

Rental spaces within the Nine Center are directly offered to sell to tenants as a target group which is favored by most customers and can attract new groups of the customers to come to use services more in the shopping center.

The Competitive Situation of The Nine Center

Due to the ongoing Corona Virus (COVID-19), the domestic purchasing power has decreased. Furthermore, orders to shut down various businesses and educational institutions, and a request for cooperation from private companies to work from home directly affect sales of restaurants and stores in shopping centers and community malls continuously. Currently, customers' consumption behaviors are increasingly shifting to online shopping, forcing shopping centers and community malls to adapt in order to stay in business.

(1) The Direct Competitors

Thanya Shopping Park which is located on Sri Nakarin Road, and Market Today which is located on Krungthep Kreetha Road, are community malls like the Nine Center. They have the same style of shops and products as well as located within a radius of 3 kilometers.

(2) The Indirect Competitors

The market conditions of a nearby shopping center are as follow:

HomePro Rama IX, with an area of 26,000 square meters, is run by Home Products Center Public Co., Ltd. It is viewed as an indirect competitor of The Nine Center. Inside HomePro, it mainly focuses on selling household devices and lifestyle products. Also, "Bike Club"— a full-service bicycle shop— as well as restaurants, beverages shops are situated inside HomePro.

The Entry of New Competitors

- None -

The Internal Environment

The Nine Center is located on Rama 9 Road. To the south, it is adjacent to Rama 9 Road and Soi Rama 41 to the east. It consists of 9 buildings in 2 formats: the retail space and office space. The rental space comprises of more than 100 shops from various business operators such as restaurants for food and beverages, and services such as educational institutions, beauty salons, gyms, and financial institutions. The shopping center emphasizes on the selection of outstanding restaurants and the offer of impressive atmosphere for customers. It is used for the meeting with their friends because of its convenient location near to their offices and residential areas.

Moreover, there is an activity area designed for organizing various marketing activities in every season. These organized marketing activities attract the media's continuous attention. Besides, the Nine Center is the only community mall on Rama 9 road that greatly answers all the needs of the local people, allowing the Nine Center itself to support the customers' purchasing power in the Eastern part of Bangkok and become the new meeting point that answers to every lifestyle.

The Procurement of Products or Services

The nature of the procurement of products to be distributed

-None-

4) The Nine Center Tiwanon

Products and Services

The Nine Center Tiwanon operates the rental area business for both standard rental areas and multipurpose rental areas, consisting of:

- | | | |
|---------------|--------|---------------|
| • Rental area | 12,460 | Square Meters |
| • Common area | 7,795 | Square Meters |

The Marketing and Competition Conditions

The Selling and Distribution Channels of The Nine Center Tiwanon

The Nine Center Tiwanon's rental area employs a direct-to-tenant rental area distribution to the target tenants. It serves and convinces the nearby customers to visit as often as they want in their daily life.



The Competitive Situation of The Nine Center Tiwanon

(1) The Direct Competitors

Rest Go! Tiwanon has 2,148 square meters of retail space. The Tree, a similar community mall having the same category of goods and services, is also available in a 5-kilometer radius.

(2) The Indirect Competitors

Market conditions of nearby shopping centers are as follows:

Robinson Lifestyle Srisamarn is located in the area of the Si Rat Expressway on Si Saman Road, where shops and services focus on product groups to meet the demands of daily life such as fashion clothing, food and beverage outlets, electrical appliances, and home equipment including movie theaters, etc.

Lotus Bangkadi, located on Tiwanon Road, across from The Nine Center Tiwanon, has a retail space of 5,600 square meters. It focuses on consumer products in a 2,000 square meter hypermarket that includes only a few food and beverage outlets.

The Entry of New Competitors

- None -

The Internal Environment

The Nine Center Tiwanon is a community mall located on Tiwanon Road, Bangkadi Municipality, Pathum Thani Province. It is a part of the Riverdale District, a project on 21 Rai land. It is a two-story building with a usable area of 20,255 square meters and is divided into an upstairs open-air area of 55 shops and a multipurpose activities area, and downstairs of rental areas of one service shop. There is a community mall office and 550 parking spaces.

In 2021, The Nine Center Tiwanon has collaborated with government agencies to support the area at the shopping center as a vaccination service point for the insured person under Section 33 and the general public. The vaccines are widely distributed to the general public to create herd immunity and prevent the spread of the Corona Virus (COVID-19)

The Procurement of Products or Services

The nature of the procurement of products to be distributed

-None-

5) The Glas Haus Ratchada Building

Products and Services

The Glas Haus Ratchada Building manages “real estate leasing” business which is a leasing office building rental space of approximately 7,500 square meters. The office building is located on Ratchadaphisek Road near MRT. The Glas Haus Ratchada Building is an office building for both long-term and short-term rent. It focuses on tenants of office spaces for various business.

The Marketing and Competitive Situation

The Selling and Distribution Channels of the Glas Haus Ratchada Building

At present, the Glas Haus Ratchada Building is 63% rented. The tenants are TMBThanachart Bank and increasing retail stores which more meet the life style need of employees in the areas. Moreover, the Company developed the website in order to promote and publicize the Glas Haus Ratchada Building's details such as area sizes, example areas and advertising areas in order to access to information of people who want office building spaces in Ratchada zone.

The Competitive Situation of the Glas Haus Ratchada Building

At the moment 60% of the space within the Glas Haus Ratchada Building is occupied by TMBThanachart Bank. The new tenant will replace with an expectation for 80% to 100% of tenants in 2023. The Glas Haus Ratchada Building realizes that Ratchada Road has an increasing number of office buildings to relieve the density in the area at A level. Moreover, the communication and transportation nowadays is more convenient while there are also more shopping centers open on Ratchada Road as well as condominium buildings. Therefore, in the future, there should be more demands of rental space on this road.

The Procurement of Products or Services

The Nature of the Procurement of Products for Selling

The Glas Haus Ratchada Building has a skilled and experienced building management team to manage the building. Moreover, due to the operating of several building businesses in the group allowing the Company to negotiate the price with the service suppliers such as elevator services, security services, cleaning services, electricity system maintenance services and etc. This also gives the Company opportunities to control the quality of services to be of the quality and efficiency.

Development of innovation or technology

The Shopping Center has adapted in order to support changes in the Digital Disruption Era by having invested in and developed technological devices in several projects continuously such as

A smart parking system can issue parking tickets to users automatically. It can also automatically record the license plate and driver image including accurately calculating parking fees. This is a quick service that helps to prevent the spread of germs. There is a plan to implement this system across the companies in the MBK GROUP to increase user satisfaction and give the shopping center a modern appearance.

Customer Database & Loyalty Program system is an operating system that allows users or customers to manage promotional activities, accumulate points, redeem products, and earn discounts and rewards or other benefits on mobile phones (iOS / Android), members can use their mobile phones to redeem points for benefits.





In addition, there is also a development of the Loyalty Program through the MBK PLUS — which is used for collecting points in order that the customers have a feeling of worthiness of good value for every purchase, and can enjoy offered information, promotions, marketing events, discounts, and privileges. These important technologies are used to collect data for a customer base. The data are used to conduct marketing campaigns for specific target personalization and build relationships and engagement between the customers and every business of the MBK GROUP. Today, a number of people who have already downloaded the application MBK PLUS are more than 150,000 downloaders. In 2021, the MBK PLUS has the development of new functions so that the application is easy to use, simple, and responds to lifestyles and needs of specific target groups by allowing points gained in MBK PLUS to be redeemed for a discount on parking fees. Also, there is cooperation with store partners and leading brands for conducting promotion campaigns giving privileges which satisfy the customers' needs more.

In 2022, there is a plan to increase the number of members through a campaign to encourage downloads, as well as expand the membership database to the MBK GROUP, by encouraging participation engagement through privileges and lifestyle content. It also includes the conversion of the MBK GROUP's membership card to a digital card (MBK PLUS Visual Card) to make members even more convenient.

In addition, there are important technological developments by utilizing AI (Artificial Intelligence) technology to count the number of customers and identify the basic information of customers (Customer Profile) in real-time to analyze target customers for a target market. This will be used as a guideline for store and marketing activities development including more accurately and efficiently measuring the performance of various activities in the shopping center.

The Hotel and Tourism Business

Hotel business is managed and supervised by MBK Hotels and Tourism Company Limited (MBK-HT), operated by MBK Business Company Limited (MBK-BUS), MBK Hotel and Resorts Company Limited (MBK-HR), Supsinthanee Company Limited (SSTN), MBK Resort Public Company Limited (MBK-R), Lanta Land Development Company Limited (LLD), Absolute Travel Company Limited (ALT) and MG1 Company Limited (MG1). The Hotels which have been opened for business include the following:

1. Pathumwan Princess Hotel, in Bangkok. It has been opened for business since 1996.
2. Dusit Thani Krabi Beach Resort, in Krabi, which has been operated since early 2003, has changed its name from “Sheraton Krabi Beach Resort” to “Dusit Thani Krabi Beach Resort” since July, 2015.
3. Tinidee Hotel Ranong (former Royal Princess Ranong Hotel), in Ranong. The Hotel was already in operation before MBK acquired shares in SSTN on August 20, 2002.
4. Tinidee Inn, located in the same area as Tinidee Hotel Ranong. The Hotel has been opened since April, 2011.
5. Tinidee Golf Resort Phuket Hotel is located in Phuket. The Hotel has been opened since November, 2010.
6. Layana Hotel is located on Lantayai Island in Krabi. The Hotel had already been open before the takeover from MBK in April, 2011.
7. Tinidee Hotel Bangkok Golf Club, taken over by MBK-HT since November, 2016. It was closed for renovation and then officially opened since 1st November 2018.

8. Hideaway Tonsai Beach Krabi, around Tonsai Beach. The Hotel was officially opened on 28th December 2020.

MBK-HT was founded in 2010 to manage associated hotels and offer hotel management services to hotels in Thailand and abroad. In addition to managing associated hotels as defined above, MBK-HT has also managed a club House inside the Riverdale Golf Club, Bangkok Golf Club, the Loch Palm Golf Course and the Red Mountain Golf Course, as well as being an outsourcing provider for managing the first The Olympic Fitness Club at Pathumwan Princess Hotel which has been operated for 22 years and opening 2 more branches of The Olympic Fitness Club at Paradise Park and at Tinidee Bangkok Golf Club, there are currently 3 fitness clubs under the brand of The Olympic Club.

1) Pathumwan Princess Hotel

Products and Services

Pathumwan Princess Hotel is located in Bangkok and operated by MBK Hotels and Tourism Company Limited (“MBK-HT”). The Hotel has commenced operations since 1996. The Hotel offers services in several accommodations such as 455 guest rooms which are all non-smoking, banquet rooms, seminar rooms and ballrooms, meeting rooms and fitness centers.

The Target Group of Pathumwan Princess Hotel

From of the epidemic outbreak of Corona Virus (COVID-19) all around the world, it has had an impact in the same direction. Delay on traveling to Thailand of foreign tourists and a limited number of inbound flights caused the hotel’s customer group strategy was adjusted in 2021 as follows:

(1) The Main Customer Group consists of guests coming from domestic tourism promotion, long stay guests. A special price offer for Thai customers under the We Travel Together campaign via www.pprincess.com

(2) The Minor Customer Group consists of foreign existing guests from different countries who reside in Thailand and customers who book through special government programs such as ASQ, Test & Go, Phuket Sandbox, etc.

The Marketing and Competition

The Selling and Distribution Channels of Pathumwan Princess Hotel

The effect of the epidemic outbreak of Corona Virus (COVID-19) has adapted Pathumwan Princess Hotel’s channel of distribution to changing situations by focusing on safety and hygiene measures to build confidence for customers as follows:

- To sell directly to companies, commercial establishments and educational institutions through providing special price for guest rooms and the organization of seminars.





- To sell through local travel agencies and overseas tour operators in different regions of the world through providing special price for tour operators from several regions of Thailand in order to satisfy the need of Thai tourists, including special price for foreign tour operators in order to be prepared for selling guest rooms in advance for foreign tourists who want to go abroad at the end of the year, with the privilege of free cancellation.
- To sell through electronic media channels or website, emphasizing the Hotel's own website through providing special price exclusively for Thai tourists.
- To co-sell with the public sector's projects in order to stimulate the domestic tourism for "We Travel Together" campaign.
- To sell through leading airlines' systems.
- The package promotion named "Hotel Credit".
- To sell through press, advertisements and public relations by focusing mainly on Thai tourists, including selling monthly-based and yearly-based guest rooms, including food delivery service, Outside Catering and Food Donation Box from the Hotel's restaurants.
- To sell during tourism promotion events within the country by participating in 9 events in order to promote sales in 2021 which received satisfactory feedback.
- To sell through the Hotel's networks of Dusit International/ MBK GROUP.
- Direct sales to government agencies, public enterprises, embassies, and associations through organizing special price for guest rooms and the organization of seminars. The Hotel has provided operated in SHA, SHA Plus (SHA+), SHA Extra (SHA++) standards to comply with the policy of the Hotel and Tourism Association of Thailand by raising the standard of the Hotel's hygiene safety measures and quality service standards for building confidence in staying in the Hotel and organizing seminars.
- To increase the internet speed to support the meeting or online seminars under the government's policy to limit the number of the meeting's or seminar's attendees

The Competitive Situation of The Pathumwan Princess Hotel

From the epidemic outbreak of Corona Virus (COVID-19) occurred worldwide, including Thailand continually. The hotel business were affected in the same direction, causing a hugely decreasing number of both foreign and Thai tourists who came to travel within the country. Thai customers who organize meetings or seminars and banquets have to cancel or postpone the events. In order to maintain the financial liquidity and wait for the returning of tourists, Pathumwan Princess Hotel had to adapt itself in order to generate incomes and flexibility from the Hotel's existing services such as

- To reduce guest rooms' price in order to attract Thai tourists to stay in.
- The restaurants in the Hotel provided both take-away and food delivery services.
- To cut unnecessary costs such as some areas were temporarily closed or the operation that has operating costs higher than revenues

- To slow down some costs such as the termination of outsourcing.
- To conduct marketing more through digital channels and social media such as Facebook, Instagram, Line, Bloggers, or other online platforms.
- To generate incomes from other services in the Hotel as non-room revenues such as a cleaning service for the Company's affiliates, and a catering service for both in-site and off-site places and provide a donation box for corporates and the general public
- To allow outside guests to be able to become members of the fitness center inside the Hotel with special price, as well as providing online trainers in order to match a healthy life style of the new generation.
- To partially transform hotels as a Hospitel to accommodate low-symptom (Green level) Corona Virus (COVID-19) patients supporting the government and hospitals.

Apart from the impact of the epidemic outbreak of Corona Virus (COVID-19), the Hotel and Tourism Business had to encounter the competition of an increasing number of new hotel's guest rooms and rooms adapted as hotel-styled guest rooms in the future.

Pathumwan Princess Hotel's Industry Outlook and Competitive Situation in the Future

The impact on the industry and conditions on the future competitiveness of Pathumwan Princess Hotel in 2022 is a matter of adaptation. Based on the forecast of the Tourism Authority of Thailand, the number of tourists is declining as a result of strict procedures to enter into Thailand with fewer flights as well as the concern on the safety of traveling. So, the overall picture of Thailand's tourism after this will be completely different. Safety is a priority for tourists. The traveling budget including new traveling experiences is more concerned because most tourists will pay to fulfill their quality of life. After having strict hygiene and safety measures in the last 2 years, the hotel is aware of the demands of customers. Therefore, it pays attention to adequate hygiene standards according to SHA, SHA Plus (SHA+), SHA Extra (SHA++) to ensure guest confidence.

During the Corona Virus (COVID-19), hotel room rates at all levels were greatly reduced. The Pathumwan Princess Hotel has been preparing for the price competition and marketing as well. The strategy has been changed to focus on monthly rental in order to efficiently manage costs and maintain the market positioning including the hotel's image.

As aforementioned factors, the Hotel has to adapt its sales strategy by focusing on Thai guests or foreigners who reside mainly in the country.

The Procurement of Products or Services

The nature of the procurement of products to be distributed

-None-

2) Dusit Thani Krabi Beach Resort Hotel

Products and Services

Dusit Thani Beach Resort Hotel is located on Klong Muang Beach, in Krabi Province. The Hotel has operated since 2003 and offers an accommodation for 240 guest rooms, restaurants, the fitness club, the recreation rooms, the seminar rooms, the function rooms, and the spa.



The Target Customers of Dusit Thani Krabi Beach Resort Hotel

Because the epidemic outbreak of Corona Virus (COVID-19) worldwide caused the impact on travelling. The hotel's main customers are foreign tourists from countries where the Corona Virus COVID-19 infection rate is extremely high, preventing them from traveling to Thailand. It had an impact on the Hotel's change of target group in 2021 as follows:

(1) Main Customer Group was Thai guests coming from the domestic traveling campaign called, We Travel Together and Thai Tour Travel through hotel websites and various social media.

(2) Minor Customer Group was tourists from the European Continent, the United Kingdom, Scandinavia, Germany— all who resided in Thailand, seminar groups from public agencies, and companies in Thailand which organized tours to bring officials and employees as an incentive group. This incentive group was mainly a Thai customer group, as well as a wedding group who regularly came to use the services.

The Marketing and Competitive Situation

The Selling and Distribution Channels of The Dusit Thani Krabi Beach Resort Hotel

The impact resulted from the epidemic outbreak of Corona Virus (COVID-19) changed Dusit Thani Krabi Beach Resort's distribution channels according to the situation the focus is shifted to the Thai tourist market as follows:

- To sell directly to companies and commercial establishments by providing special price for guest rooms and the organization of seminars.
- To sell through local travel agents and overseas tour operators in different regions of the world by providing special price for travel agents in different regions of Thailand in order to meet the need of Thai tourists, together with special price for tour operators in foreign countries in order to be prepared for selling guest rooms for foreign tourists who had needs and could go abroad by offering special price if they booked guest rooms in long advance, as well as providing special right to cancel the bookings free of charge.
- To sell through electronic media channels or websites, emphasizing the Hotel's own website through offering special price for Thai tourists in particular.
- To offer co-selling with the public sector's campaign "We Travel Together" in order to encourage the domestic travelling and Thai Tour Travel
- To sell through leading airlines' systems.
- To sell through press, advertisements and public relations by focusing mainly on Thai customer group and food delivery service provided by the Hotel's restaurants.
- To sell during tourism promotion events in the country through the participation in 9 events in order to promote the sales in 2021.

- To sell through the Hotel's network channels such as those of the Dusit International.
- To have joint-promotions with the travel agencies.
- To have package with the other hotels in the Group.
- To propose sale through affiliated companies.
- To provide packages proposed to sell through websites of the Hotel and online companies.

The Competitive Situation of The Dusit Thani Krabi Beach Resort Hotel

The Corona Virus (COVID-19) has spread around the world, causing a decrease in the number of foreign tourists. To maintain financial liquidity while waiting for foreign tourists to return, the hotel focuses on domestic tourism marketing by participating in government campaigns, marketing through the Tourism Authority of Thailand, and selling room and restaurant vouchers through an online marketing channel.

The Hotel still focused on the marketing seriously and continuously, communicate and providing further information in order to make guests recognize the Hotel's service standards— which were the same as international standards— and more improved facilities by has utilizing SHA, SHA+, SHA++ standards. It built confidence in public health safety measures combined with the hotel's quality service standards for staying and organizing meetings and seminars. It responded to the tourists' lifestyle. The hotel has added an IG SPOT for tourists as well as providing drone photography services to create new experiences.

In 2021, tourists' behavior towards guestroom reservation changed. Their reservation in advance was less. Last minute reservation was more. The Hotel had to adapt its strategic plan to better follow up the short term bookings and provide sales packages through electronic media or websites more. In order to maintain the financial liquidity and wait for tourists to come back, Dusit Thani Krabi Beach Resort Hotel adapted itself by employing guidelines in order to generate incomes and flexibility of the Hotel's existing services such as

- To reduce guest rooms' price in order to attract Thai tourists
- Restaurants in the Hotel provided take-away and food delivery services
- Some service areas were partly closed in order to reduce operational costs
- To slow down some kinds of expenses such as the termination of outsourcing
- To more conduct marketing through digital channels and social media such as Facebook, Instagram, Line, Bloggers, Influencers, or other online platforms
- To generate incomes from other services in the Hotel as the non-room revenue such as on-site and off-site catering services according to measures to prevent the outbreak of Corona Virus (COVID-19)
- To allow outsiders to be members of the fitness center inside the Hotel with special price
- To generate incomes from providing hotels in Krabi with a laundry service

Moreover, the Hotel still focused on increasing revenues gained from organizing more functions by improving decoration styles and preparing the functions to meet the needs of the guests. The Hotel received good feedback.





Dusit Thani Krabi Beach Resort Hotel's Industry Outlook and Competitive Situation in the Future

From the situation of the outbreak of Corona Virus (COVID-19), causing a decreased number of tourists. The impacts on a tendency towards the industry and the competition's situation in the future of Dusit Thani Krabi Beach Resort Hotel are as follows:

- Small hotels around Krabi or Ao Nang Bay are open and an increase in famous hotels in Krabi such as Banyan Tree Hotel including room and restaurant price competition leads to higher competition automatically.
- The overall global economy after the epidemic outbreak of Corona Virus (COVID-19) results in the change of tourists' travelling behavior which make less travels overseas.
- After the epidemic outbreak of Corona Virus (COVID-19) is relieved and allowing foreign tourists to travel to Thailand, it is anticipated that Dusit Thani Krabi Beach Resort Hotel has to be one of top hotels where guests choose to stay in.

The travel demand of tourists is still there, but it will be a concern on cost and safety. This issue is aware, so the hotel has organized an all-inclusive package and wellness package to allow the possibility of cost control. A creative travel package for an opportunity to enjoy the local experiences is also available. In addition, the hotel has sought more business partners for future business expansion.

The Procurement of Products or Services

The nature of the procurement of products to be distributed

-None-

3) Tinidee Golf Resort Phuket Hotel

Products and Services

Tinidee Golf Resort Phuket Hotel is a 3-star hotel and located within Loch Palm Golf Course and Red Mountain Golf Course in Phuket Province. The Hotel is operated by MBK-HT which is only 40 minutes from Phuket International Airport and 15.30 minutes from Patong Beach. It is surrounded by beautiful scenery and fresh atmosphere and with 24-hour security. The Hotel's Centric Life is club house that offers a fitness center, a swimming pool, and a bar for selling a variety of snacks and beverages. The Hotel guests can use services provided in the fitness and the swimming free of charge. The outside customers can use these services by paying for a fee on a daily/ monthly/ and yearly basis.

The Target Customers of Tinidee Golf Resort Phuket Hotel

(1) **The main customers** are Thai customers from the domestic tourism campaign including the long-stay customers and golfers who receive a special price offer.

(2) **The minor Customers** are from government agencies, state enterprises, independent organizations, students and parents from various international schools, including foreigners living in Thailand, and customers who book for special government programs such as ASQ, Test & Go, Phuket Sandbox, etc.

The Marketing and Competitive Situation

The Selling and Distribution Channels of the Tinidee Golf Resort Phuket Hotel

From the epidemic situation outbreak of Corona Virus (COVID-19) changed the sales channel of Tinidee Golf Resort Phuket Hotel in order to follow the situation and to correspond the situation by focusing on hygiene and safety to build confidence for customers as follows:

- To sell directly to companies, commercial establishments, schools and educational institutions.
- To sell through local travel agencies and overseas tour operators in different regions of the world by providing the special price for travel agencies in regions of Thailand in order to meet the need of Thai tourists, as well as the special price for foreign tour operators which booked guest rooms in advance in order to be prepared for foreign tourists who wanted to go abroad in the last quarter of the year.
- To sell through electronic media or websites, particularly the Hotel's website as well as the social media by providing the special price for Thai tourists exclusively.
- To offer co-selling with the public sector's campaign "We Travel Together" in order to promote the domestic travelling.
- To sell through leading airlines' systems.
- To sell through press, advertisements and public relations by mainly focusing on the Thai tourist market.
- To sell during domestic tourist promotion events by joining 16 events in order to promote the sales in 2021.
- To be certified for the hygiene safety measure or SHA, SHA+, SHA++ in order to build guests' confidence.
- To have measures to control the epidemic outbreak of Corona Virus (COVID-19) according to the public sector's regulations.
- To sell through the Hotel's network channels, such as those of the MBK-HT Group.
- To sell through partners.
- To sell as a package with a golf club.
- To sell through golf agencies.
- To sell in Group Series with tour companies.





- To sell through activity organizers promoting kinds of exercise such as walking clubs, running clubs, and bicycle clubs in Phuket.
- To sell monthly stay both for the hotel and Loch Palm Residence

The Competitive Situation of the Tinidee Golf Resort Phuket Hotel

For a trend and marketing competition in hotels in Phuket, customers tended to mostly make online reservations because they could find and choose hotels with a reasonable price. The Hotel then aimed to offer a lot of promotions on its website. Mostly, customers still preferred seaside locations. Entrepreneurs provided their condominiums, apartments, or their own houses for daily rent like a hotel but their prices were cheaper than the hotels' prices, also provided customers with facilities. Therefore, the Hotel had to target customers who mainly liked to play golf or tour groups having a package already included with safety and trust in order to enhance its competitive potential.

In 2021, the government creates a Phuket Sandbox project starting in July causing the number of foreign tourists to increase a certain number. The Hotel still conducted the marketing continuously, together with providing additional information in order to make guests be informed of occupancy measures and to provide services by utilizing hygiene safety measures combined with the Hotel's measures to provide quality services in order to build guests' confidence in staying in and have communication with the guests to be informed that the cleanliness was place as the Hotel's first priority.

The Industry's Outlook and Competitive Situation of the Tinidee Golf Resort Phuket Hotel in the Future

The impacts on the industry's outlook and the competitive situation in the future of the Tinidee Golf Resort Phuket Hotel as follows:

- A policy to cut the price of the Hotel's competitors—leads to a higher competition automatically, particularly during the epidemic outbreak of Corona Virus (COVID-19). The guest rooms' prices of the hotels at every level reduced. The Hotel's competitors unanimously change the pricing. The Hotel then prepares itself for the change of competitive pricing and the preparation of other promotions such as giving special discounts for Thai tourists, providing co-promotions with golf courses together with rooms. It participates with the government in stimulating tourism through the We Travel Together, Thai Tour Travel, and Phuket Sandbox, which helps to stimulate tourism in Phuket, and receives a good response.
- A decreasing number of flights and the time table of flights bound to Phuket because of the epidemic outbreak of Corona Virus (COVID-19) which causes inconvenience of travelling.
- Continuous growth of budget hotels has an effect on a decreasing number of tourists staying in the Hotel because the public sector does not have a policy to control a number of newly constructed hotels and small entrepreneurs have modified their rooms in condominiums to be daily rented accommodations more.

The Procurement of Products or Services

The nature of the procurement of products to be distributed

- To offer miscellaneous and necessary items for sale in a Mini Mart for inexpensive prices.
- To prepare for a contract hospital to consult and take care of customers who have Corona Virus (COVID-19) infected to be sent to the hospital according to the customers' request.

4) Layana Resort and Spa

Products and Services

Layana Resort and Spa is operated by MBK Hotels and Tourism Company Limited (MBK-HT). The Hotel is located on Phra Ae Beach, Koh Lanta Island, Krabi Province and it is on an area of 17 Rai. Layana Resort and Spa is a 5-star boutique seaside resort surrounding by tropical greenery nature and panoramic views of the mountains and the sea can be seen. It consists of 57 guest rooms in 6 room types— Garden Pavillon, Grand Garden Pavillon, Terrace Suite, Ocean Deluxe Villa, Beach Villa and La Maison.

The Target Customers of the Layana Resort and Spa

The Corona Virus (COVID-19) has spread around the world, causing the main hotel customers, foreign tourists, to be unable to enter Thailand as well as flight cancellation. As a result, the group of hotel customers in 2021 changed as follows:

(1) The main Customers consist of guests coming from domestic tourism campaign booking through We Travel Together.

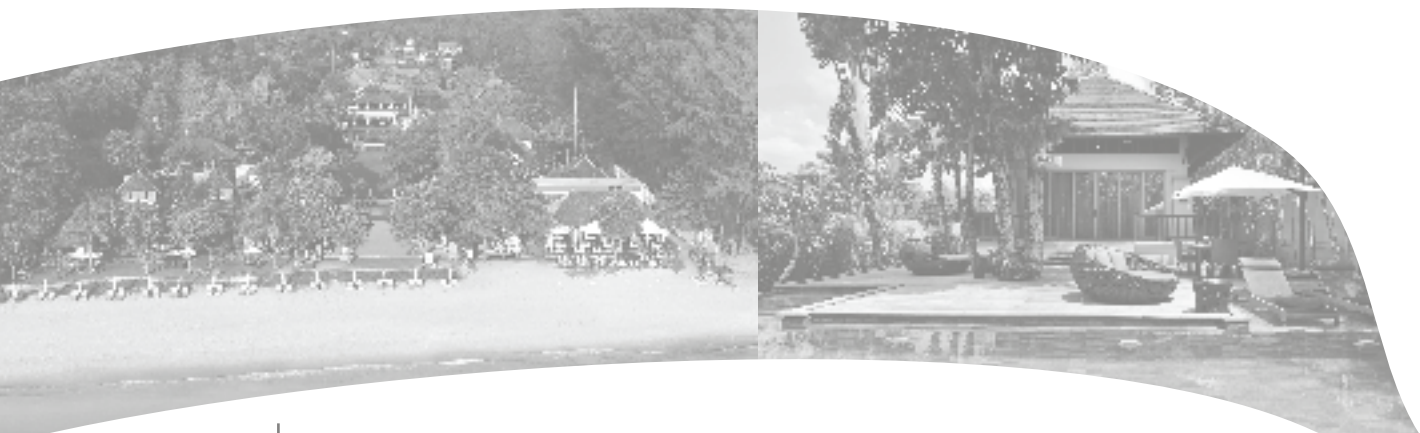
(2) The minor Customers are customers traveling in groups and foreigners residing in Thailand booking through the website and various wholesaling packages who travel during the low season.

In 2021, the Hotel then focused on the Thai customer group and foreigners who resided in Thailand. Most of them are a family traveling, so the hotel has changed the policy from formerly the guest must be over 18 years old to welcome children of all ages.

The Marketing and Competitive Situation

The Selling and Distribution Channels of the Layana Resort and Spa

- To sell via travel agencies in regions around the world, both in the country and foreign countries with special room rate promotion
- To sell through websites, particularly the Hotel's website, or social media channels by Bloggers and Influencers.





- To sell through representative agents in other countries such as U.K., Germany, Switzerland and Australia by offering the special price for bookings in advance.
- To sell packages with affiliated hotels.
- To offer special packages for customers who come back repeatedly.
- To provide additional packages such as the Spa Package and Local Tour Package
- To participate in the campaign We Travel Together and Thai Tour Travel
- The promotion called “Resort Credit.”
- The pick-up service for the airport free of charge.
- To market and sell vouchers for hotel rooms, spas, and restaurants online including issuing room vouchers, spas, and restaurants for hotels in Bangkok and other provinces
- To have the hotels being certified with SHA, SHA+, SHA++ to raise the standard of public health safety measures together with the hotel’s quality standard service to build guests’ confidence.

The Competitive Situation of the Layana Resort and Spa

In 2021, the epidemic outbreak of Corona Virus (COVID-19) worldwide caused the world’s sluggish economy both domestically and internationally. In most foreign countries, there was a measure to cease travels. Moreover, Thailand’s public sector had a policy to stay in quarantine in case that foreigners traveled or Thai person inbound, and significantly decrease of flights impacting on a decreased number of guests and the performance’s results of hotels nationwide. Therefore, the strategy was adapted to focus on the Thai customer market and employees of MBK GROUP, as well as offering sales through electronic media websites and the social media. In addition, there has been an adjustment to generate revenue and liquidity from the services available in hotels such as room rate reductions, closing some service areas to reduce operational costs, and human resource management for maximum efficiency, etc.

Layana Resort and Spa’s Industry Outlook and Competitive Situation in the Future

Layana Resort and Spa Hotel, the Hotel is 5-star hotel with its outstanding feature for providing services beyond expectation in order to make guests’ impression. Foreign guests were always mainly focused on.

Therefore, in 2021, since foreign tourists cannot enter Thailand, the Hotel focuses on the Thai customer market and changing the policy of age’s limitation for staying in which led to more tourists who came with their families. The pick-up free service between the airport and the Hotel was also which gave impression to Thai guest very much.

For the tendency in 2022, it is the year which the Hotel has to encounter the challenge of guest rooms’ price in which the higher price cannot be raised. Therefore, the operational strategy must be adjusted in order to satisfy the need of the domestic market as well as managing costs and expenses in order to be align with this unstable situation.

The Procurement of Products or Services

The nature of the procurement of products to be distributed

Goods and products in the Gallery which include trading and consignment.

5) Tinidee Hotel Bangkok Golf Club

Products or Services

Tinidee Hotel Bangkok Golf Club is a 3.5-star hotel. It has been opened since November 2018 and managed by MBK Hotel and Tourism Company Limited (MBK-HT). It is situated inside Bangkok Golf Club, adjacent to Riverdale Golf Club, in Pathum Thani. It takes only 25 minutes from Don Muang Airport. The Hotel provides various styles of 128 guest rooms, including meeting rooms, function rooms, massage parlors, restaurants and a 5-star fitness club.

Tinidee Hotel Bangkok Golf Club is surrounded by its beautiful landscapes and fresh atmospheres as well as the 24-hour security system. The Hotel has provided D Health Massage for the massage service, The 5-star Olympic Fitness— with full exercise equipment, a saline swimming pool, dancing classes, steam sauna rooms, badminton courts, and tennis courts— as well as the beverage bar named @Lobby and a variety of food at Café Nidee. The Hotel focuses on providing the services of meetings and seminars which can hold up to 500 guests, as well as indoor and outdoor functions and weddings within budget that the guests want.

The Target Customers of the Tinidee Hotel Bangkok Golf Club

(1) **The major customers** are the seminar customers from government agencies, private companies, tour operators focusing on guests and golfers from abroad, and private companies in Pathum Thani which welcome customers from provinces and overseas.

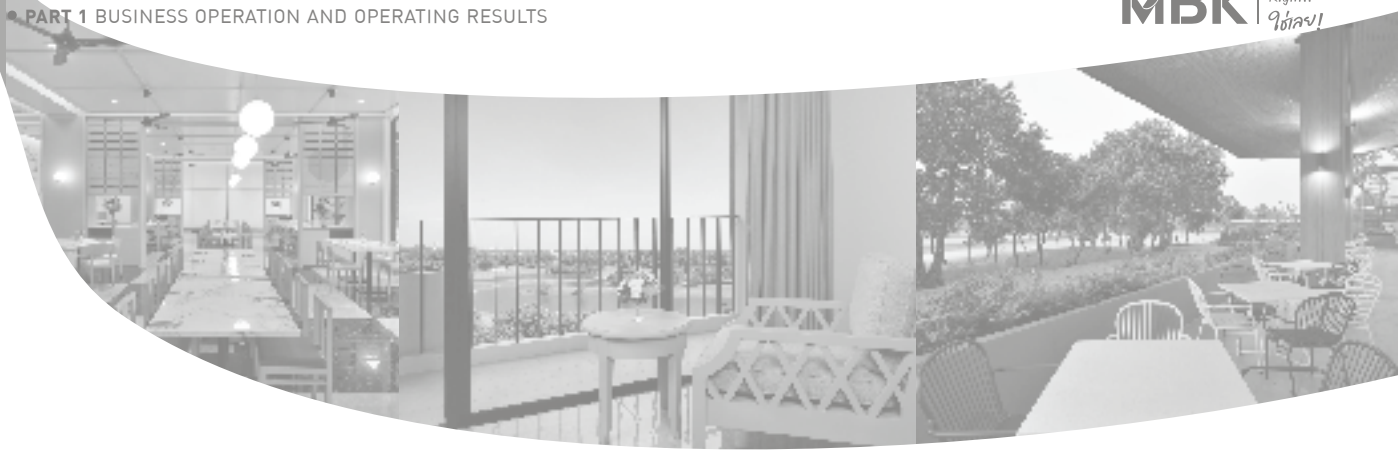
(2) **The minor customers** are customers who want to have welcome parties, functions, small-sized and medium-sized weddings, guests who directly make self-reservation and through the websites, domestic golfers, and tourist their stay at the Hotel preparing for leaving for Don Muang Airport.

The Market and Competitive Situation

The Selling and Distribution Channels of the Tinidee Hotel Bangkok Golf Club

- To offer direct sales to public agencies and private companies with special prices for hotel accommodation and seminar room





- To offer sales through domestic and foreign golf tour operators from regions around the world with special prices for tour companies in different regions in Thailand to meet the demands of Thai tourists and special prices for foreign tour companies to prepare for the sale of hotel accommodation for foreign tourists who wish to travel to Thailand
- To participate in government promotional campaigns, We Travel Together and Thai Tour Travel for domestic tourists
- To do the marketing through the Tourism Authority of Thailand and tourism in Pathum Thani Province including marketing and promoting the hotel with Riverdale Marina
- To have an online marketing channel to sell vouchers for hotel accommodation, spas, and restaurants including issue room vouchers, restaurants, and spas at hotels in Bangkok and other provinces
- To have hotel space rental for filming
- To have the hotels being certified with SHA, and SHA+ from the Hotel and Tourism Association of Thailand raising the standard of public health safety measures together with the hotel's standard quality services to build the confidence of the stay and seminars
- To offer sales through the electronic media or websites, focusing on the Hotel's website and the social media.
- To offer sales through publications, the advertising media, and public relations.
- To offer sales in tourism promotion fairs.
- To offer sales through channels of the Hotel's network of MBK-HT.
- To offer sales as co-packages with the golf club service, fitness and massages for health.
- To offer sales as group series to tour operators.
- To offer the monthly stay

The Competitive Situation of Tinidee the Hotel Bangkok Golf Club

Due to the Corona Virus (COVID-19), the number of foreign tourists especially Korean visiting Thailand is greatly reduced. Thai customers who organize seminars and banquets have to cancel or postpone the events. Tinidee Hotel Bangkok Golf Club has adjusted to generate revenue and maintain liquidity from the services available in the hotel such as:

- To focus on the sales strategy to satisfy the need of customers or within their budget as they satisfy with. Packages can be adapted for the customers' greatest impression.
- To focus on the quality and standards of services and the convenience of parking spaces.
- A variety of room types— which are decorated with modernity— can be chosen.
- To organize beautiful and modernized function styles, focusing on services and food flavor.

- To provide D Health Massage— the massage service with the place and atmosphere full of a convenient— as the service of the 5-star traditional message for the 3-star pricing, focusing on the professional message under a relaxing, serene, and private atmosphere.
- To provide The Olympic Fitness Club as the largest and most complete fitness center in Pathum Thani where can support a lot of customers. Professional services for doing exercise are provided in terms of personnel and equipment.
- To adjust the room rate to attract Thai tourists including creating special room rates for monthly and temporary stay (Workcation) and increasing the service model of the restaurant in the hotel to provide take-away food and delivery service.
- To collaborate with contract hospitals in the preparation of Hospitel for Corona Virus (COVID-19)

The Outlook and Competitive Situation in the Future of the Tinidee Hotel Bangkok Golf Club

Tourism Authority of Thailand (TAT) has promoted travelling in communities in primary and secondary provinces. Pathum Thani is one of the secondary provinces which TAT has promoted such as historical trips and health-related trips. Many learning centers are located in Pathum Thani, where the Hotel takes part of this promotion.

The Procurement of Products or Services

The nature of the procurement of products to be distributed

- None-

6) Tinidee Hideaway Tonsai Beach Krabi Hotel

Products or Services

Tinidee Hideaway Tonsai Beach Krabi Hotel, having a total area of 57 Rai is operated by MBK Hotels and Tourism Co., Ltd. (MBK-HT). It is divided into 40 Rai of agricultural land and 17 Rai of hotel area. There are 3 types of guest rooms which are: villa with a sea view from the balcony for 16 units; friends and family room for 2 units; and dormitory for male or female (total of 16 beds) for 2 units. There is a restaurant and a swimming pool.

The Target Customers of the Tinidee Hideaway Tonsai Beach Krabi Hotel

(1) **The major customers** are Thai tourists who like natural travel, sea, adventure, taking the photo, and wellness.





(2) **The minor customers** are companies that do business in Krabi, and stopover foreign tourists traveling to Phang Nga, Phuket, Krabi, Surat Thani, and Nakhon Si Thammarat.

The Market and Competitive Situation

The Selling and Distribution Channels of the Tinidee Hideaway Tonsai Beach Krabi Hotel

- Selling at various tourism fairs
- Selling through domestic and overseas travel agencies
- Selling through electronic media or websites, focusing on the hotel's website
- Selling through business partners for example the banks' credit card
- Marketing through various social media, influencer and blogger
- Selling through intermediaries such as Thai Hotels Association tourism business association
- Participate in government promotional campaigns, We Travel Together and Thai Tour Travel, to support domestic tourists
- Having a marketing channel to sell accommodation vouchers online, including issuing accommodation vouchers in Bangkok and other provinces
- Having certified standard of SHA, SHA+, and SHA++

The Competitive Situation of the Tinidee Hideaway Tonsai Beach Krabi Hotel

Tinidee Hideaway Tonsai Beach Krabi is a small hotel in Krabi Province, which is well known to Thais and foreigners who like natural travel, sea, islands such as Phi Phi Island, Hong Island, Poda Island, Rok Island, Ha Island, and Thale Waek. Adventure activities such as rock climbing, trekking, and cave and lagoon exploring, including enjoying nature and wildlife are available during the stay. Customers can also kayaking to enjoy the beauty of the bioluminescent plankton in the sea at night. All activities are accompanied by professional tour guides. The beach in front of the hotel and the agricultural area of a large coconut farm at the back of the hotel are great places for activities and photography.

Since the Corona Virus (COVID-19) and the Thai and international economy has not yet recovered, customers cancel their reservations. In 2021 the hotel has temporarily closed during the monsoon season between August and October, resulting in the decline of tourists and the target did not achieve. The hotel's location is at Ton Sai Beach. It likes an island and can be accessed by water only. Therefore, many challenging factors are causing the hotel to adjust its strategies as follows:

- Collaborate with Krabi Tourism Business Association to push for the runway expansion at Krabi Airport, to provide opportunities for having one more airline as a choice for customers or service users

- Construction on expanding highway No. 4 from Chumphon to Krabi as 4 traffic lanes had been completed. It makes car traveling more convenient as an option to reduce travel costs.
- Krabi tourism benefits from government policies that promote health destinations.

The Outlook and Competitive Situation in the Future of the Tinidee Hideaway Tonsai Beach Krabi Hotel

Currently, there are many new hotels and accommodations in Krabi with a variety of different levels. Those affect the current competitive market share. The competitors in this area have an advantage in the delivery services between hotels and various ports. They also offer the tourists with sea and islands tour programs. The hotel's strategy has adjusted as follows:

- Recruiting business partners and local long-tail boat operators to facilitate customers
- Focusing on quality and standards of international services
- Promoting, publicizing, and making promotional programs to reach specific customer groups

The Procurement of Products or Services

The nature of the procurement of products to be distributed

- None-

Development of innovation or technology

In 2021, the hotel and tourism business group has studied and began to install solar panels at Pathumwan Princess Hotel which is in collaboration with MBK Center. Currently, Tinidee Hotel Bangkok Golf Club and Tinidee Hideaway Tonsai Beach Krabi have been installed solar panels and created an “autonomous mobile robot kills Corona Virus (COVID-19)” with UVC light. It is an integration of autonomous robot technology and UVC light sterilizing technology to reduce the risk of the Corona Virus (COVID-19) spreading in both the hotel rooms and seminar rooms, both of which contain numerous touchpoints. Those activities created confidence to customers and staff.

The Golf Business

Products and Services

The golf business is operated by MBK Resort Public Company Limited (MBK-R) and Riverdale Golf and Country Club Company Limited (RDGCC) and MBK Enterprise Company Limited (MBK-EP). The detail of business is as follows:





The golf business in Phuket province is operated by MBK Resort Public Company Limited (MBK-R), an indirect subsidiary which MBK holds 72.99%. MBK-R has two golf courses which are currently operating open for golf business. They include the Loch Palm Golf Course (Loch Palm Golf Course: LPGC) and the Red Mountain Golf Course (Red Mountain Golf Course: RMGC) and are located in Kathu district, Phuket province.

Loch Palm Golf Course (LPGC) has opened since 1993 and MBK GROUP has operated it from 2002 until now. Red Mountain Golf Course (RMGC) is developed and built by MBK-R and it was officially opened in 2008.

Loch Palm Golf Course (LPGC) is a standard golf course with 18 holes, par 71, on an area of about 500 Rai. It has been specially designed, taking into consideration the unique characteristics of its landscape. It includes a large lake and a long line of fresh green palm trees which are the main elements of the golf course. For the convenience of golfers who need a warm-up before playing a round, there is a driving range located in the same area.

Red Mountain Golf Course (RMGC) is MBK-R's second golf. It is a new standard golf course with 18 holes, par 72 on an area of over 600 Rai which is adjacent to the Loch Palm Golf Course (LPGC) golf course. Red Mountain Golf Course (RMGC)'s clubhouse equipped with full amenities is located at the foot of the hill where golfers can have a clear view of the whole landscapes. In addition, it provides golfers with golf driving ranges and other facilities including putting greens for practicing, which are well maintained and look like the real ones. The driving ranges and available facilities enable golfers to enjoy the game more than before.

For golf business in Pathum Thani Province, there are two golf courses in service, namely River Dale Golf Club (RDGC) and Bangkok Golf Club (BKGC), located in Amphur Muang Pathum Thani, Pathum Thani Province.

Riverdale Golf Club (RDGC) opened in June 2010 under the management of Riverdale Golf and Country Club Company Limited. It is a standard golf course with 18 holes, par 72 on an area of 346 Rai. The incredible design replicates the terrain of the hills all across the field to challenge the golfers' skills. In some holes, the tee level and the green field have a difference of over 10 meters, making golfers feel like they are playing on a mountain course. This can not be experienced at any golf course in Bangkok and its vicinity. From the luxury-designed clubhouse with full facilities, golfers can take in the breathtaking scenery of the entire golf course, as though looking down from a hill. Golfers can practice their swings on a real grass driving range and shift/putt practice greens that are the same speed as the real field provide the golfers' readiness before the play.

Bangkok Golf Club (BKGC) is under the management of MBK Enterprise Company Limited (MBK-EP), located next to Riverdale Golf Club (RDGC). It is a golf course with 18 holes, par 72 open to both Day Golf and Night Golf. It is a famous golf course for a long time which was previously organized professional golf tournaments at the national level and the Asian Tour level. It provides various facilities in full to support the service users. Although the course is not very long, Bangkok Golf Club (BKGC) is designed to be entertaining and challenging. The fast green speed, which is faster than on other golf courses, makes a difference and makes for a very challenging golf game. Furthermore, it has reasonable service fees for the typical golfers, making it a popular choice for golfers of all skill levels.

In 2021 the golf business renewed the reciprocal agreement with leading golf courses in foreign countries. The new contracts made MBK GROUP's golf business to have business alliances with different 13 golf courses as follows:

1. Montgomerie Links, Vietnam
2. Mount Lawley Golf Club, Australia
3. Tanah Merah Country Club, Singapore
4. Singapore Island Country Club, Singapore
5. Orchid Country Club, Singapore
6. Bintan Lagoon Resort, Indonesia
7. Macau Golf & Country Club, Macau SAR of the People's Republic of China
8. The Royal Selangor Golf Club, Malaysia
9. Kota Permai Golf Club, Malaysia
10. Seletar Country Club, Singapore
11. Ostravice Golf Club, Czech Republic
12. Links2Golf, Canada
13. Mission Hills Golf Club, China

Moreover, the Golf Business has become an alliance with Links2Golf, which has more than 700 golf courses in North America, Asia, Australia, New Zealand, and 53 other countries designed by golf legends Nicklaus, Dye, and Norman.

From such alliances, the golf business has a connection more than 700 golf courses around the world, resulting in an increase in revenues from golf members under the provisions of a reciprocal agreement. Furthermore, the members also receive the privileges from our business alliances. We have planned to further expand the number of international alliances in order to increase the number of golfers visiting the course.

The Group of the Customers of the Golf Business

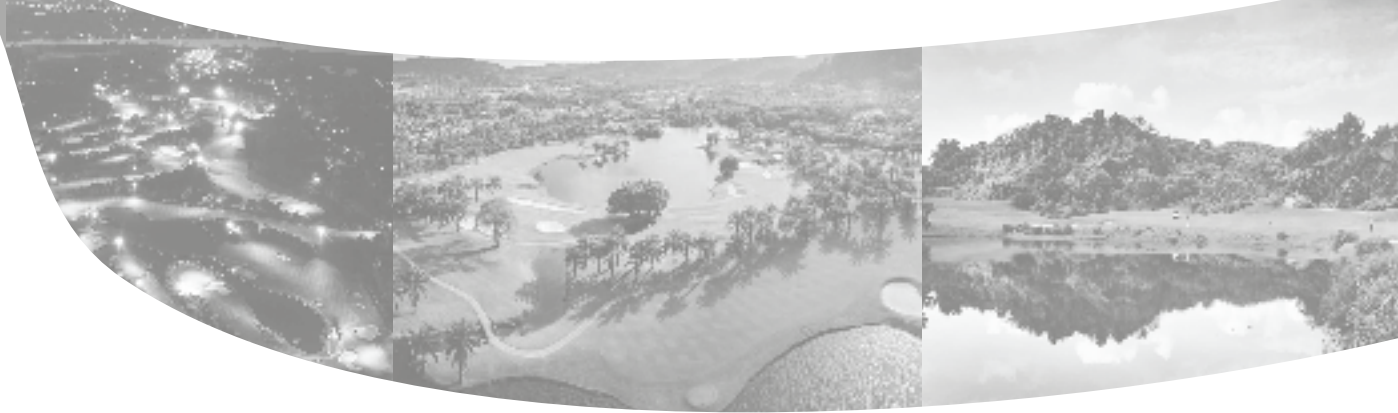
(1) Loch Palm Golf Course (LPGC) and Red Mountain Golf Course (RMGC)'s distribution channels are divided by customer groups into two categories as follows:

• Overseas Customers

Most foreign customers of Loch Palm Golf Course (LPGC) and Red Mountain Golf Course (RMGC) are tourists from the European continent, the Asian continent, and Australia. The distribution channels are as follows:

- Through travel agencies which are both domestic and international representative agents of Loch Palm Golf Course (LPGC) and Red Mountain Golf Course (RMGC).
- Through the electronic media such as the website called www.mbkgroup.com or e-mails and Facebook.
- Members of golf partnership under the provisions of a reciprocal agreement.
- Other affiliated companies from other businesses that share their customer database in order to expand their customer base.

From the epidemic outbreak of Corona Virus (COVID-19) caused foreign customers to be unable to come to the country in order to use services.



• Domestic Customers

Most domestic customer target groups consist of foreigners who are living in Phuket and adjacent provinces and domestic tourists. Moreover, there are customers who are members and non-members visiting the golf courses on their own. There are 6 types of membership as follows:

- Permanent individual membership (only at LPGC)
- Permanent juristic person membership (only at LPGC)
- Annual membership for local residents (only at LPGC)
- Annual membership for civil servants (only at LPGC)
- 30-year membership for the house owner within Loch Palm Golf Course (LPGC) & Red Mountain Golf Course (RMGC) projects
- One-year and two-year short-term membership

Moreover the Golf Course can support the competition of the associations, the companies or the institutes which arrange the golf competition.

(2) The distribution channels of the Riverdale Golf Club (RDGC) are similar to those of Loch Palm Golf Course (LPGC) and Red Mountain Golf Course (RMGC). There are 2 types as follows:

• Overseas Customers

The majority of Riverdale Golf Club (RDGC)'s customers are from the Asian continent, particularly the Japanese tourists, which use the following distribution channels;

- Travel agencies of Riverdale Golf Club (RDGC).
- Through the electronic media such as the website called www.mbkgolf.com or e-mails, Facebook and LINE Official Account.
- Members of golf partnership under the provisions of a reciprocal agreement.
- Other affiliated companies from other businesses that shared their customer database in order to expand their customer base.

From the epidemic outbreak of Corona Virus (COVID-19) caused foreign customers to be unable to come to the country in order to use services.

- **Domestic Customers**

Most of the customers live in Bangkok and the vicinity including Thais and foreigners, so the Loyalty Program is offered to this special group of customers. Customers who use the golf course regularly will be offered a Riverdale Golf Card membership, which provides special discounts for services fees and meals for cardholders. Furthermore, some customers come in groups of 20 - 80 people including large groups of more than 100 people, so the golf course will be closed for the competition. These groups of customers generate high revenue to Riverdale Golf Club (RDGC) for up to 20 percent of total golf course revenue.

(3) The distribution channels of the Bangkok Golf Club (BKGC) are similar to those of Riverdale Golf Club (RDGC). There are 2 types as follows:

- **Overseas Customers**

Most overseas customers of Bangkok Golf Club (BKGC) are tourists from the Asian continent, particularly the Korean golfers. The distribution channels to sell are as follows:

- Through travel agencies which are representative agent of Bangkok Golf Club (BKGC).
- Through the electronic media such as the website called www.mbk golf.com or e-mails, Facebook and LINE Official Account

From the epidemic outbreak of Corona Virus (COVID-19) caused foreign customers to be unable to come to the country in order to use services.

- **Domestic Customers**

Most of the customers live in Bangkok and the vicinity including Thais and foreigners. This group of customers would like to play golf with a limited budget and it is the largest customer group in the golf business, so the golf course has a lot of customers. In addition, some customers come in small groups and large groups, so the field will be closed for the competition. Besides, there is an office working customers group who come to play Night Golf after work, which is also the main revenue to the golf course. For Thai and foreign customers residing in Thailand, the golf course provides the Loyalty Program for the customers who use the service regularly. It is recommended to apply for MBK Golf Card membership to receive special discounts on services fees and meals for the cardholder to increase the number of golfers to use the services even more.





As well, Loch Palm Golf Course (LPGC), Red Mountain Golf Course (RMGC), Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGCC) occasionally organize seasonal promotion activities and tournaments for associations and clubs in general.

The golf business has a future goal to be the most popular golf course in the country for golfers of all levels. The services will be upgraded to meet international standards with the development of various facilities to create the highest satisfaction for the service users.

The Marketing and Competitive Situation

Due to the Corona Virus (COVID-19) from 2020 to 2021, the number of golfers using the golf courses was declining. However, golf sport is supported by government policy, Phuket Sandbox, to stimulate tourism, it received good attention and response from the domestic and international golfers who must travel under conditions and requirements under the safety and hygiene standards. All four golf courses are prepared to strictly comply with the standards of the Ministry of Tourism and Sports and the Ministry of Health. In addition, the government has measures to support the expenses on travel, accommodation, and golfing activities to encourage traveling and reservation. It will be promoted as a good recreational and tourism activity.

The Competitive Situation of the Golf Business

During the Corona Virus (COVID-19) all over the world, all four golf courses have ensured golfers with measures to manage golf courses with the universal prevention with the D-M-H-T-T-A preventive measures as prescribed by the Ministry of Public Health.

(1) Phuket

In 2021, the overall situation of the Golf Business still slowed down like the situation in 2020. It was predicted that the situation would continuously sluggish in 2022 because foreign golfers are likely to decrease according to the epidemic outbreak of Corona Virus (COVID-19) which has been an pandemic situation all over the world. This caused golf courses in the area to focus on local golfers in Phuket instead by using a price strategy for local golfers.

Loch Palm Golf Course (LPGC) and Red Mountain Golf Course (RMGC) also have advantage over the competitors in Phuket, which are the locations of the golf course as they are located near the central area and Patong Beach— a significant tourist attraction of Phuket. Moreover, both golf courses have large areas allowing potential for the development of various components. As a result, the golf courses are always novelty, beautiful and have the view of natural scenery.

Red Mountain Golf Course (RMGC) and Loch Palm Golf Course (LPGC) have received good feedback from both Thai and foreign golfers due to the features of the course, which was designed to challenge, accompanying with the beauty of the landscape. This also includes a regular maintenance of the golf course and well-equipped facilities. Within a short period of time, Red Mountain Golf Course (RMGC) and Loch Palm Golf Course (LPGC) are considered the leading golf courses of Thailand and received many awards given by Trip advisor, Asian Golf Award, HAPA, Thailand Best Golf Courses, Best of Thailand Awards Voted by Chinese Tourists, IAGTO, IGOLF Charter. These two golf courses are recognized by both foreign and Thai golfers as ones of the best golf courses recommended as the must-visit golf courses if they travel to Phuket.

(2) Bangkok and Its Surrounding Provinces

In 2021, Riverdale Golf Club (RDGC) had been opened for 11 years and business competitions were increasing, by both new golf courses and other golf courses that renovated their layout to be more interesting and challenging. Marketing events with fees as incentives were organized. There were also nearly-opened golf courses nearby. Golfers then had a variety of choices to pick, but Riverdale Golf Club (RDGC) still held the advantages in terms of location, which is not far from the center of Bangkok. Traveling is convenient and does not take a long time. The golf course layout is beautifully designed and unique from every golf course in Bangkok and the vicinity. There is a luxurious clubhouse, beautiful scenery, full facilities, and superior services such as a lighting system for the early morning and late evening golf playing, etc.

In addition, the course has a collaboration with All Thailand Golf to establish a new National Golf Center in Pathum Thani Pathum Thani Province as a training center for golfers of all levels. It was also an honor to host the 2021 Thailand Open professional golf event, Thailand's oldest and largest professional men's golf tournament with the royal trophy. The course has been widely known by golfers that *"If you have a chance, you must come and play golf at Riverdale Golf Club (RDGC) at least once."*

For Bangkok Golf Club (BKGC) golf course, there has been a continual improvement of the field conditions to attract new and old customers, including renovation of the clubhouse interior as well as various facilities, and the installation of a brighter Night Golf lighting system.

Golf Business's Industry Outlook and Competitive Situation in the Future

(1) Phuket

According to the epidemic outbreak of Corona Virus (COVID-19), both golf courses of MBK-R— formerly focused mainly on tourists— have to adapt themselves because of today's situation. They have turned to focus on local golfers and domestic golfers more.



For the competitors in the future, no new golf courses are constructed. Competitors turn to co-operate with the golf courses in Phuket in order to stimulate golfers to come for the service more. However, both golf courses have adapted their strategies in order to support more local and domestic golfers and continuously run marketing for foreign golfers. The marketing has been done through the partner and distributor in order that a number of golfers will reach the goal through fee types, value and an online booking system.

(2) Bangkok and its Surrounding Provinces

Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGC) aims primarily at Thai and foreigner customers that operate their business or work in Thailand, as they are located near the center of Bangkok. Moreover, tourist groups that come to play golf and customers that book Tee-Time are potential customer groups for increasing Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGC)'s income in the future. Thus, the future of Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGC)'s industry trend and competitive situation mainly depend on domestic factors and impacts such as the epidemic outbreak of Corona Virus (COVID-19) domestic economic condition and political issues.

In the future, new golf courses will be opened around surrounding provinces. The market is highly competitive due to new golf courses, existing golf courses that are renovated, and the density of competitors in the same area. However, Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGC) are still competitive for its outstanding design, easy access and good service, with the clear target groups that can provide a variety of marketing types. Marketing plans are prepared to increase distribution channels to sell through agencies such as tour and travel agencies. They also emphasize organizing competitions both in groups and tournaments, which are still on high demand.

The Procurement of Products or Services

The nature of the procurement of products to be distributed

-None-

Development of innovation or technology

-None-

The Real Estate Business

The Real Estate Business has operated the business as follows:

1) Property Development for Sale Business

Products and Services

MBK Real Estate Company Limited (MBK-RE) operates business by developing vacant land for sale, which is a single home residential project that is divided into 2 types: pre-built houses and built-to-order houses. For the benefit of the company's products or services, trends or living behaviors, as well as technology or innovation, have been regularly analyzed. It will be used in real estate development projects.

The Target Customer of Property Development for Sale Business

- The house buyer group who needs the first house. This group has upper-middle and above income. This group needs a house located in the Central Business District (CBD) or community areas.
- The house buyer group who needs the second house upcountry for the leisure purpose. This group has middle to high income.
- The investor group who buys houses for the purpose of renting them out.

The Marketing and Competitive Situation

The Selling and Distribution Channels of the Property Development for Sale Business

The distribution channels of MBK-RE to sell property development consists of the following:

- Through MBK-RE and PST's direct sales teams.
- Through sales agents.
- To provide advertisements, public relations activities, and sales promotion campaigns through a combination of online and offline channels in order to create and expand distribution channels and disseminate information to customers so that they recognize and have an acknowledgement of the products more.

The Competitive Situation of the Property Development for Sale Business

Due to the Corona Virus (COVID-19), low-rise housing has a faster growth rate than high-rise housing. The change of behaviors for work from home reduces interpersonal meetings and commuting. As a result, the customers require additional living space in the house. The demand for a second house in the city has decreased. So, the number of people buying houses in the suburbs is increasing. In addition, in 2021, the demand in the high-rise housing market both domestically and internationally has significantly decreased, and the supply of high-rise housing sales in 2021 will decline from 2020, which is concentrated among the major real estate developers.

The Real Estate Business focuses on developing projects in both potential horizontal and vertical locations in order to respond to customers' changing needs by emphasizing from middle to high target groups as well as regularly studying and developing residences and services in order to meet the needs of consumers whose behavior change according to the social context and environment such as the use of technology applied to residences and services, the emphasis on improving products and services based on the developed data base in order to increase various options and offer customers convenience and satisfaction.

Property Development for Sale Business's Industry Outlook and Competitive Situation in the Future

In 2022, the real estate market will continue to be affected by the Corona Virus (COVID-19). Due to the impact of the epidemic, the real estate market is likely to slow down in the first quarter affecting no growth in demand. Buyers are being careful with their purchases, and financial institutions are being cautious with their lending. Furthermore, international demand has yet to reach Thailand. It is expected that the government will have various economic stimulus measures to drive the economy including the Bank of Thailand's LTV loosening measures to stimulate the real estate industry. If the above effects can be controlled to an acceptable risk level, it is expected that the real estate business may return to grow in late 2022. In comparison to 2021, it will be gradually recovered in 2023 following the economic situation. The real estate business group has always monitored and evaluated the risks of the situation to adapt to the unforeseen circumstances that may arise and satisfy the customers' demands.



2) The Property Management Business

Products and Services

Property Management Business is operated by Plan Estate Company Limited (PST). It is engaged in the business of managing properties as follows:

- To look after and maintain the properties under its management, making sure that they are in good conditions and ready for sale.
- To provide services, including improvement and renovations of the properties.
- Coordination with financial institutions in applying for loans for the buyers of the properties.
- To act as a sales agent of financial institution for their foreclosed properties.

At the present, PST have more roles in operating the real estate business by giving services in management and managing the real estate efficiently both in continuously developing project, property maintenance, marketing and selling to increase the real estate value that are in the Company's care. In addition, in the operation of PST, technology has been used to develop the working system to satisfy the customers' demands.

The Target Customer of the Property Management Business

(1) The key customer Most of PST's customers are those of financial institutions.

(2) The target groups of PST consist of the following:

- Members of the general public who purchase the properties for residential purpose or for their own use.
- Retail investors who purchase the properties and renting them out for a return.
- Retail investors who purchase the properties for the purpose of renovating them and re-selling them to others.
- Big-scale investors who purchase the properties for further development.
- Debtors who are entitled to buy back the foreclosed properties.

The Marketing and Competitive Situation

The selling and distribution channels of the Property Management Business

The distribution channels of PST's property management business consist of the following:

- Through PST's sales teams.
- Through auction activities.
- Through media such as magazines, printed materials, PST's website, brochures or leaflets.
- Through real estate brokers.
- Through establishment of portfolios of properties offered to investors.
- Through cooperation with financial institutions and banks in setting up booths to promote sales and give information about the properties to prospective buyers of new and second-hand houses.

The Competition in the Property Management Business

PST's potential in property management is stronger than those of its competitors as it maintains the properties under its management in good condition. In addition, its services include negotiation with those trespassing on the property foreclosed by the financial institutions, which is the main problem encountered by the financial institutions.

For the project selling management business, PST has started this business in 2006. The business is highly competitive with many operators. However, PST has adopted an effective strategic plan, in terms of providing knowledge and expertise for personnel regularly. PST has also changed strategies for the market situations appropriately such as the use of information technology for the operations, as well as creating a property database which PST provides management and sale services. These are used for the data analysis of trends in second-hand property in each location in the future. It is anticipated that this business will generate good returns for PST.

The Property Management Business's Industry Outlook and Competitive Situation in the Future

A second-hand real estate trend for the year 2022 shows that there are opportunities and great choices because a domestic Non-Performing Loan (NPL) still at a high level because it is affected by the epidemic outbreak of Corona Virus (COVID-19). This is an opportunity for the property management business which will have a higher number of second-hand property that can be further managed in order to add value to the property prepared for sale in the market. However, the country's economic situation of the property management business in 2022 remains stable. This may be a risk factor to have an effect on purchasing power in the market as well.

In view of the above situations, the competition is expected to remain intense. Both financial institutions and brokers in the private sector need to improve their marketing strategies and the quality of their services. As well, they should continuously organize sales promotion activities.

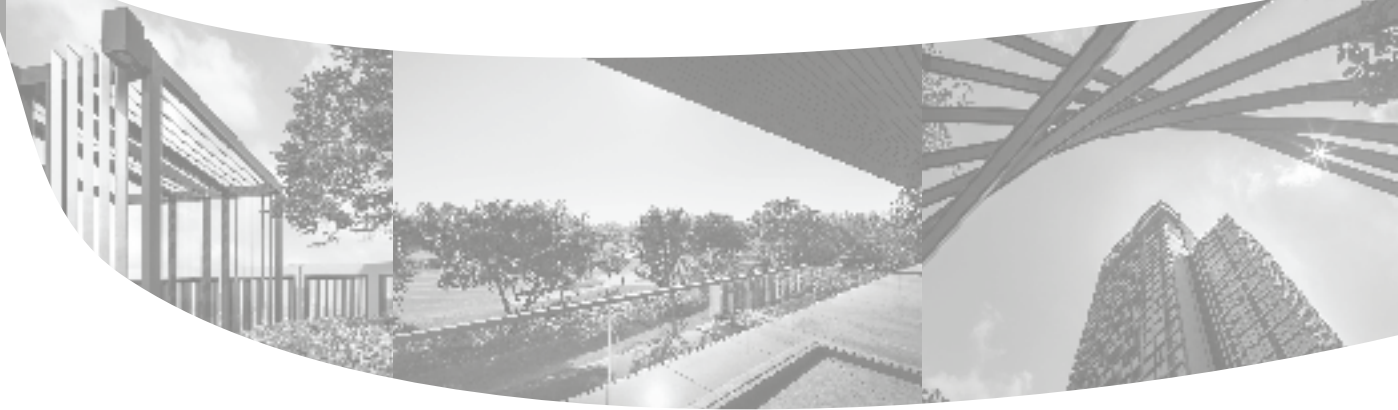
3) The Property Appraisal and Advisory Service Business

Products and Services

The business is operated by Plan Appraisal Company Limited (PAS), available as follows:

- To appraise the value of residential properties for projects.
- To appraise the value of properties in general, such as houses, apartments, and hotels.
- To give advice on valuation and use of properties, taking into account the legal constraints.
- To conduct feasibility studies of property development projects.
- To give opinions on the management of foreclosed properties for sale.





The Target Customer of Property Appraisal and Advisory Service Business

- Financial institutions.
- Property development operators or real estate developers.
- The general public.

The Marketing and Competitive Situation

The Selling and Distribution Channels of the Property Appraisal and Advisory Service Business

PAS has distribution channels for its property valuation and advisory business as follows:

- For financial institutions, PAS offers its services directly to their property valuation department or collateral office.
- For property development operators or real estate developers, PAS offers its services through websites and through its letter of introduction.

The property appraisal and advisory service business's industry outlook and competitive situation in the future

The property appraisal business varies in the same direction of the economic situations. In 2022, banks' credit giving tends to have caution because of an impact of the epidemic outbreak of Corona Virus (COVID-19) which will affect the growth of credit for small and medium enterprises. Particularly, it is predicted that the home credit will affect the possibly slowed down market of the property appraisal business. However, under industrial circumstances in 2022, PAS focuses on expanding a diversity of the customer base of the property appraisal business for the growth in the future.

The Procurement of Products or Services

The nature of the procurement of products to be distributed

-None-

Development of innovation or technology

Currently, technology is being used for services work and developing residential projects to facilitate customers. Due to the Corona Virus (COVID-19), traveling and interpersonal meetings are decreasing. Therefore, the Company has presented the project through 360-degree virtual reality for customers to virtual visit the project before deciding to visit the actual project. The customers can immediately request for information or make arrangements to visit the project via social media, and the Line Official of the Company. For the space design concepts, it is critical to concentrate on the customers' demands. The Company has implemented IoT (Internet of Thing) to facilitate the living in some projects, such as controlling the electrical system, electrical appliances in the room, or face detection to recognize the owner's face as they pass through various points of the project to improve security and privacy for

the residents. In addition, applications to support after-sales services have been developed. They facilitate the owner's information, payment services and payment status tracking, common area reservation, and repair notification, including notification within the project.

The Food Solution Business

The Food Solution Business is operated by PRG Corporation Public Company Limited (PRG) and its subsidiary. Their main business includes producing and selling rice and other related products both in the local and overseas markets, as well as operating the restaurant and food court business and property development business. The details about their products and distribution channels are as follows:

Products and Services

The Main Product – The Rice Business

The main product of PRG is rice in plastic packaging, in the package size of 200 grams to 1,000 kilograms, under the trademarks of “Mah Boonkrong Rice”, “Mah Boonkrong Plus Rice” and “Jasmine Gold Rice”. In 2016, PRG has increased the product distribution under the trademarks of “Pun Suk Rice” (Sharing the Happiness Rice) and “Mah Boonkrong Organic Rice” which their details are as follows:

- Jasmine rice is the rice that has won plates of award for the production of quality packaged rice more than 15 years and it is the first Company in Thailand that has been awarded the standard certificate (with a picture of hands together in a praying position inside a square), and the excellent standard certificate (with a picture of hands together in a praying position with a star— ★), Granted by the Department of Internal Trade, the Ministry of Commerce. This can assure that every bag of Mah Boonkrong Jasmine Rice always holds the constant standards. Jasmine rice can be divided into several types as follows:
 - Jasmine Rice 100%, consisting of new 100% jasmine rice.
 - Jasmine Rice 5%, consisting of 95% whole grain jasmine rice and 5% broken jasmine rice.
 - Jasmine Rice 10%, consisting of 90% whole grain jasmine rice and 10% broken jasmine rice.
 - Jasmine Rice 100% — Jasmine Gold— is extra quality jasmine rice packed in a vacuum bag.
 - Noppakhun Aromatic Brown Rice is 100% brown jasmine rice that is packed in a vacuum bag.
 - Brown jasmine rice 10% (organic brown jasmine rice 10%)
 - Brown jasmine rice 5% (organic brown jasmine rice 5%)
- Tip Fragrant Rice is a mixture of 70% of 100% jasmine rice and 30% of 100% white rice.
- Fragrant rice 100% — a combination of Jasmine rice 20% and Patum fragrant rice 80%
- Patum Fragrant Rice 100% is the fragrant rice that is developed from Jasmine rice's species.
- White Rice 100%
- White Rice 15%
- Pun Suk Rice, is available for both white rice and jasmine rice.



Rice-Style
สุขภาพดี



มาบุญครอง
with love and care

- Mah Boonkrong Plus is Thai jasmine rice with nutritive value from vegetables and grains and no additives. 5 types of Mahboonkrong Plus are as follows:
 - Grains Rice
 - Five-Color Rice
 - Quinoa Fragrant Rice
 - Riceberry is a new species of jasmine rice, the cross-bred species of black rice and jasmine rice. It contains protein 2 times more than jasmine rice and high antioxidants— anthocyanin, beta-carotene, gamma oryzanol, vitamin E, tannin, zinc, and folate— but a low level of sugar.
 - 4 Hearty Rice is suitable for anyone who likes healthy food for a good health or begins to eat brown rice. It consists of 100% jasmine rice which is a specially selected grade, 100% brown jasmine rice, 100% riceberry, and red brown jasmine rice. It is an excellent cross-bred species which provide utmost nutritious benefits under a special formula of Mah Boonkrong rice. Therefore, already cooked rice has its constant quality and looks delicious.
- Mah Boonkrong Organic Rice is chemical-free rice and receives international standards— U.S.'s National Organic Program (NOP) and EU's organic agriculture standards. It can be divided into 3 types as follows:
 - Organic Jasmine rice is jasmine special grade-selected rice 100%
 - Organic Jasmine Brown Rice is jasmine brown rice 100%
 - Organic Riceberry is riceberry brown rice 100%
- Organic Rice Bran Oil, in capsule form, named “Mah Boonkrong Plus” is produced from fresh organic rice bran which is cold pressed immediately within 24 hours after being milled. Specific oil extractors are used, the oil is pure, fragrant, fresh, long kept, not rancid, and containing all nutrients. It ensures that the rice bran oil is free of chemical contamination and its organic agriculture standards are certified by the International Federation of Organic Agriculture Movements (IFOAM).
- Pure Rice Bran Oil “INNO FOOD” is produced from fresh rice bran and rice germ by a cold press method. The rice bran oil's quality is the best. Also, the oil press factory is clean in accordance with the standards.

The By-products

The by-products are broken milled-rice, white rice bran, and rice rejection which is broken rice resulting from an improvement process of rice quality. It is used to mix with other rice species for a formula for inferior grades as required. Moreover, broken milled-rice which is small is sold to animal feed manufacturers in order to produce animal food.

The Main Product— the Food Court Business

MBK-FI— which is PRG's subsidiary— operates the Food Court Business under trade names of “Food Legends by MBK” and “ImJung” Food Court. It runs 4 food courts which two food courts are located on G floor and the 6th floor of MBK Center, is located on the 4th floor of Samyan Mitrtown and is located on the 1st floor of The Nine Center Tiwanon

Main Product – Property Development Business

PRG-P operates a marina business under the name Riverdale Marina, the 77 Rai area development in Pathum Thani Province as a comprehensive marina project, the first A-class of the Chao Phraya River. The main products are the rental port and boat services including rental space for boat showrooms, restaurants, and activities areas for water tourism.

PRG's Subsidiaries

(1) PRG Properties Company Limited (PRG-P) (PRG holds 99.99% of its paid-up capital)

The previous name of PRG-P was PRG Granary Company Limited (“PRG-G”). PRG-P offers a rental service of warehouses and land to PRG, MBK GROUP, and other companies which are situated close to the location of PRG in Pathum Thani. PRG-P has a policy to develop land in order to work on a 77 Rai real estate project for a term of 5-10 years in order to increase the value of properties and generate incomes for the business such as renting pieces of land out for warehouses and providing a dock for ships to dock and be stored. Annual and monthly contracts are made. The fees are charged according to the amount of storage’s spaces or area spaces.

Nowadays, the project’s land development has begun and has a plan to provide docking and storing services for ships in 2022 which is part of the project’s land development called Riverdale Marina.

(2) Ratchasima Rice Company Limited (RR) (PRG-P holds 99.99% of its paid-up capital.)

RR was established on 2nd June 1997, approved and promoted by Board of Investment (BOI) to hand over the best quality selection of rice from PRG. The Company is the manufacturer and distributor of milled rice that is packed bags for the local market under “Mah Boonkrong” trademark.

Nowadays, RR is the major producer to improve the quality of jasmine rice, Fragrant rice, White rice, Healthy rice —so that the rice is bag-packaged for PRG and other domestic and international buyers. Moreover, RR has also conducted business of buying rice for PRG and ordinary people.

RR produces rice for health which consists of Jasmine Brown Rice, Organic Jasmine Brown Rice, Organic Jasmine rice, Riceberry, Organic Riceberry, 4 Hearty Rice, Quinoa Fragrant Rice, Grains Rice and Five-Color Rice.

(3) PRG Logistics Company Limited (PRG-L) (PRG holds 99.99% of its paid-up capital.)

PRG-L formerly is Simapac Company Limited (SMP) runs business of the inventory’s management, the distribution of products, and renting out its factory’s buildings to the Group’s affiliates.

(4) MBK Food and Entertainment Company Limited (MBK-FE) (PRG holds 99.00% of its paid-up capital.)

MBK-FE conducts space rental and food-and-beverage selling-related equipment business. Its business includes rental spaces with long-term and short-term contracts and catering service of providing food and beverages in shopping centers, flea markets and event areas both in Bangkok and its peripheral areas.





(5) MBK Food Island Company Limited (MBK-FI) (PRG holds 99.99% of its paid-up capital.)

MBK-FI conducts the Food Court Business under the trade names of “Food Legends by MBK” and “ImJung” Food Court, with a total of 4 food courts which are situated in downtown areas and well-known shopping malls. They can be reached by the Bangkok Mass Transit System (BTS or the Sky Train), the Metropolitan Rapid Transit (MRT), and other public transportation. The two food courts are situated on the G floor and 6th floor of MBK Center and is situated on the 4th floor of Samyan Mitrtown and is located on the 1st floor of The Nine Center Tiwanon.

(6) MBK Restaurant Group Company Limited (MBK-RG) (PRG holds 99.99% of its paid-up capital.)

MBK-RG conducts the business of trading in raw materials and food products.

(7) INNO FOOD Thailand Company Limited (INF) (RR holds 99.99% of its paid-up capital.)

INF conducts the space and equipment rental business for the sale of food and beverages.

(8) MBK Food Service Company Limited (MBK-FSV) (PRG holds 99.99% of its paid-up capital.)

MBK-FSV conducts the business of the procurement of raw materials for food preparation and the distribution of products in order to support the Group’s business.

The Marketing and Competitive Situation

The Selling and Distribution Channels of the Food Business

(1) Domestic Selling : PRG distributes rice packed in bag under the trademarks “Mah boonkrong” “Mah Boonkrong Plus” and “Pun Suk Rice” in Bangkok and its surrounding areas. At approximate 55% is the distribution of rice in Bangkok and its surrounding areas, and the remaining 45% is distributed in other areas around the country.

PRG divided channels of distribution into 3 channels, which are:

- **Traditional Wholesale and Retail Stores.** PRG has the sales volume for approximately 53% of the total sales volume of rice in the country. In 2021, PRG had expansion to more areas in regions by focusing on more distribution in the North, the East, and the West, and focusing on wholesale and retail stores in the regions which are semi-local supermarkets in order to distribute PRG’s packaged rice to consumers throughout all areas.
- **Modern wholesale and retail stores, a supermarket network and co-operatives.** PRG has a sales volume for approximately 34% of all the rice distributed in the whole country. At present, products are distributed by PRG through department stores, cooperatives, and convenient stores in every area, even if in convenient stores in petrol stations. The expansion of more branches is planned to follow the expansion of department stores nationwide. Moreover, PRG increases its distribution channel in order to meet the consumers’ changing lifestyles through an online channel together with modern retails chains. Its goal is aimed to have expansion in all online channels which are accessible.
- **Direct sales, HORECA** PRG has sales volume of 13% of all the rice distributed in the whole country by distributing to a network of restaurants, industrial factories, hotels, hospitals, and educational institutions, and etc. In 2021, PRG focused on more expanding its business to industrial

factories in order to replace the contracting of the Hotel and Restaurant Business.

(2) Export: In the past year, PRG continued to export to main customers and a number of customers were increased. In 2021, the export volume of rice was approximately 29% of the Company's whole sales volume of rice.

(3) Original Equipment Manufacturer (OEM) PRG expanded its market by being the Original Equipment Manufacturer to produce more products under the customers' brands for domestic distribution and export markets. It is operated by Ratchasima Rice Co., Ltd. with the focus of the expansion aimed to more retail business on all scale and agencies. In addition, unbranded rice products are also produced for distribution in front of the factory to customers in the surrounding area, small group shops, hotels, and restaurants.

The Market Condition of the Food Business

As a result of the epidemic outbreak of Corona Virus (COVID-19), the economy slowdown, purchasing power decreased. Also, a shortage of containers caused the increase of shipping cost and the competitive potential for pricing in this situation to be disadvantageous for Thai entrepreneurs. Therefore, apart from price-focused competition, Thai entrepreneurs tried to offer a variety of products, quality, and services mainly in order to create differentiation in the competition and promote sales volumes of each entrepreneur.

For the domestic market, because export volumes did not reach the set goal, exporters, and rice mills turned to focus more on the domestic market. Supply in the market has increased particularly in the jasmine rice category leading the selling price to drop by more than 10% compared to the year 2020 from an overall picture of the market, there was no growth rate and rice consumption per person decreased each year, as well consumers' decreased purchasing power. Therefore, domestic competition is very aggressive, each entrepreneur fully tried to keep a market share by using pricing competition, a variety of products to respond to the market's situations, and sales promotion events as main factors.

The Competitive Potential of the Food Business

From the changing society in the era of digital technology and internet, building confidence in the trademark of Mah Boonkrong in order to respond to the world's movements, the policy of PRG has to emphasize the use of information technology to help the management system in order to raise the performance standards at every level and to add more value to the business and consumers. Sales strategies are then a combination of online and offline channels (Omni-Channel) and in-depth information used for the thorough analysis of buying behavior in order to develop new products which more satisfy the consumers' needs. They are important factors for creating the trademark to be differentiate itself from other trademarks. Also, it emphasizes consumers to be aware of the potential and image of the trademark which PRG wants to convey good things to the consumers— the safety quality from the first step of the process to the end users, a diversity, convenience, performance's transparency and accountability, and sharing— as happiness giving to other people.

Nowadays, it can be mentioned that Mah Boonkrong rice maintains its popularity among consumers, having a good growth rate, and consumers' trust in the products of PRG which is the first packaged rice producer who pioneered the market since 1984 and has gained a reputation up until this time. PRG was the first company in Thailand that received the excellent standard certification (with a picture of hands together in a praying position with a star) for packaged jasmine rice in plastic bags, certified by the Department of Internal Trade (DIT), the Ministry of Commerce. Therefore, PRG has the potential to be the leading distributor who has a market share of the domestic market consistently.

There is a policy to focus on creating a system and regulations of work performance which have standards, transparency, and accountability— all are major factors leading to the quality products and services. Strategies in every aspect are adjusted and employed in order to catch up with the market's changes by concentrating on satisfying the need of consumers in time which is a key factor of the organization.

The Industrial Trend of the Market of Rice Packed in Plastic Bags

A result of the ongoing epidemic outbreak of Corona Virus (COVID-19), it has had an impact on the economic situation, consumers' changing behavior, climate and volumes of planting each type of rice of rice farmers. All factors will affect the market's demand-supply in 2022. Therefore, for the competition of rice packed in plastic bags in the domestic market is increasing, several entrepreneurs are going to focus on adapting their competitive strategies to offer products which satisfy the market needs, prices, and the quality; as well as focusing on using technologies to be employed in communication about the trademark in order to reach consumers more.

Moreover, a health-concerned trend is continuously increasing because of the change of today's environment and the epidemic outbreak of Corona Virus (COVID-19). Consumers' behavior tends to have concern for the health more. Therefore, types and design of products that are accessible to the changing behavior, adjusting marketing events, a variety of products to match lifestyle of the consumers, and approaches to reach the consumers through distribution channels in order to create and have access to the consumers as much as possible— all issues are opportunities and obstacles for the entrepreneurs to formulate operational strategies in order to respond to the consumers' needs and create differences in products for the sake of business survival and being a leader.

The Procurement of Product or Services

The nature of the procurement of products to be distributed

(1) PRG Corporation Public Company Limited

The Head Office is located at 88 Moo 2, Tiwanont Road, Bangkadee, Mueng, Pathum Thani, 12000.

(2) PRG Properties Company Limited

The Head Office is located at 88 Moo 2, Tiwanont Road, Bangkadee, Mueng, Pathum Thani, 12000. PRG provides services of renting out the Company's properties and developing the real estate.

(3) Ratchasima Rice Company Limited

The plant's location is at 109 Moo 14 Mitraparp Road 199th KM., Tumbol Lardbuakhow, Amphur Sikhiu, Nakorn Ratchasima 30340. There is improvement in the quality and the packing of rice into bags with the capacity of 120,000 tons per year.

The Raw Materials and Suppliers

At present, PRG has closed down rice mill business and maintained only the quality improvement of rice and rice packing warehouses, therefore primary raw materials are then changed into rice and brown rice, which can be divided into main categories as follows:

- In-season rice or Napee rice is rice that derived from polished or milled Napee paddy rice which can be planted during May-October and can be harvested as well as distributed to the market from December to February. Napee paddy rice has very good taste. In consuming, when Napee rice is milled into rice, when cooked, it becomes soft and not wet. It is good for storage as it has low moist content. The rice's feature is heavy (rice with harvest age of 120 days or more, counting from the seedling cultivation). It is the most popular for domestic consumption.
- Off-season rice or Naprungrice comes from milled or polished off-season paddy rice which is cultivated off-season from the normal rice growing period. This rice can be cultivated all year which is 2-3 times a year and can be cultivated on both lowland and areas that have irrigation. Off-season paddy rice has high moist content, it has to be baked to dry. The rice feature is light (rice with harvest age of 90-120 days, counting from the seedling cultivation). Once cooked, it will have a light aroma and the rice is quite firm.
- Jasmine rice is rice that derived from polished or milled jasmine in-season rice, which is grown on the area that has sandy soil such as in the northeastern and northern areas. The distinctive characteristic is that after cooked, it will be soft and tender, with soft fragrant aroma and beautiful grain, which is mouth-watering.

- Patum Thani rice is rice that derived from polished or milled Patum Thani rice, which is grown all year long. Its distinctive characteristic is that after cooked, it will be fragrant, soft and tender, and mouth-watering.

Source of in-season and off-season rice are all over the country but mainly comes from rice mill in the central region such as Nakhon Sawan, Phichit, Phitsanulok, Suphanburi, Phra Nakhon Si Ayutthaya and etc. However, the source of Jasmine rice comes from the northeast region such as Buriram, Ubon Ratchathani, Khon Kaen, Roi Et, Sisaket, Maha Sarakham and etc.; as well as rice mill in the central region which is mentioned earlier.

Since rice is an agricultural product, which generally agricultural products' fluctuation in prices is high. Moreover, the nature of rice is a seasonal product, that is in-season rice during December and February is the high yield harvest interval, the price is then lower than other periods. However, as a result from government's rice pledging project, the rice price tends to rise higher than the previous year.

To purchase the rice, the quality of rice must be checked such as the amount of moisture, the length of the grain, rice yield, level of milling, purity degree, cooking properties. The jasmine rice has to be checked for its DNA in order to find the adulteration of other rice types.

To purchase the rice, PRG purchases rice directly from the rice mill and purchases through the agents who can certify the standards. The Company has always researched and analyzed rice situations in order to reduce price risks and prevent the shortage of raw materials that are used in production.

Commercial sales of raw materials

PRG has studied the trends and the market price of rice in different periods and made a projection based on market price statistics each year if there is an increase or decrease trend or demand. If an appraisal reveals that the Company has a chance to profit, it will proceed to order to keep as stock for further distribution.

Development of innovation or technology

PRG has a policy of expanding distribution channels and product variety to provide a full range of food solutions, including innovative products and a variety of packaging options. An implemented "Valve Lock" invention for early season jasmine rice packaged in bags to maintain quality as much as possible before the product is delivered to the consumer. The "Valve Lock" is a one-way degassing valve innovation that regulates the density of air in the bag. By controlling pressure in the bag, it allows the inside air to escape while preventing outside air from entering. This innovation transforms ordinary bagged rice into bagged rice that retains its aroma and freshness for a longer time. It delays the growth of moths, allowing consumers to enjoy aroma, silky, and sticky jasmine rice throughout the year.





The Financial Business

Products and Services

The Financial Business is operated by MBK's subsidiaries— MBK Guarantee Company Limited (MBK-G), T Leasing Company Limited (TLS). It can be classified into:

(1) General loans are operated by MBK Guarantee Co., Ltd. (MBK-G)

Which its main business consists of a retail loan with collateral as a condominium (or a condominium loan) and a business loan with collateral as property (or asset finance)— which is in a good location, has liquidity, is on market demand— including a business loans with collateral as listed securities on the Stock Exchange of Thailand (SET) which have liquidity and good value investing.

(2) The motorcycle hire purchase and others are operated by T Leasing Company Limited (TLS).

Their main business is to give new motorcycle hire purchase— small bikes and medium bikes— as well as after-sales services such as registration renewal, insurance to protect assets and prevent risk that may arise from using the assets bought under hire purchase agreements. Customers for small bikes are individuals living in service areas, have low-to-middle income, and use motorcycles to do business or as their mainly transportation or part in his occupation, while customers for medium bikes are individuals having middle income, and using motorcycles in order to satisfy their own life style.

The Marketing and Competitive Situation

The Marketing Situation of the Financial Business

The competition in the financial system for MBK-G is not only among commercial banks but also non-banks. The competition has become more intense in line with the increasing credit demands. The company has made efforts to differentiate its services, aiming at catering to the needs of certain groups of customers that commercial banks cannot cover such as foreigners with high income and purchasing power. They want to investment in properties. Other customers also include entrepreneurs who are in need of quick bridging loans to expand their business or continue its operations. The Company sets prices that not only generate a good return but are also competitive in the market.

In regard to the competition in hire purchase of motorcycles, this business remains highly competitive. TLS needs to develop its products and services continuously in order to increase coverage areas of customer services, as well as improving the fastness of credit approval in order to keep up with today's competition.

The competition in the Financial Business's industry outlook and competitive situation in the future

According to the epidemic outbreak of Corona Virus (COVID-19) which has affected various countries worldwide and has had an impact on the economy in wide areas, including Thailand. The market trends of the Thai motorcycle industry are affected by the pressure of consumers' purchasing power, especially the foundation group. In 2021, it is estimated that the number of new motorcycle registrations in the country will be approximately 4 – 1.61 million units, representing a 6% growth over 2020 (Data reference from the Department of Land Transport.)

However, the competition in the motorcycle hire purchase business is quite high. 9 - 10 major creditors have more than 80% of the market share. The creditors will compete in the fast credit approval, convenience, can provide services thoroughly, and provide the after-sale service which encourage customers' convenience and satisfaction for the sake of market share. Additionally, TLS has a strong point in fast credit approval, and TLS aims to continually improve its online credit approval system.

In regard to the business loans with properties as securities, MBK-G develops a procedure and process of fast credit approval with regard to customers' needs as their main priority and increase the flexibility in designing appropriate credit limits and credit conditions to meet customers' needs more in order that the Company can compete in the business and maintain the Company's customer base through providing services with understanding and care.

For the whole picture of the competition in business, new competitors begin to increase in the market because this business makes a high profit and has a tendency to grow. MBK-G sets a goal to maintain its existing customer base, make these customers receive the services again, recommend other people to receive the services, offer more credit through expanding its customer base of foreign customers who want to invest in assets in Thailand such as condominiums through the channels of real estate operators, agents and real estate agents. As for short term credit, the strategy is to give credit with valuable and marketable properties as securities. However, financial institutes cannot give credit to every customer and this is considered as a limitation.

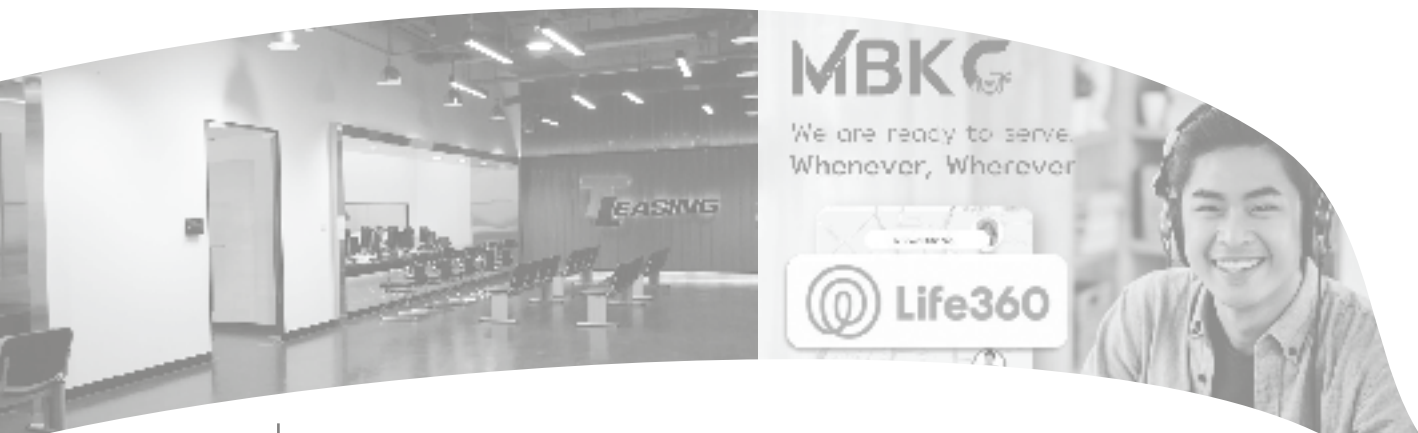
The Procurement of Products or Services

The nature of the procurement of products to be distributed

-None-

Development of innovation or technology

MBK-G has started to use technology to collect real estate bids and offer information on the website which serves as a real estate collection announcement medium. A large amount of data is collected in a short period of time at a low cost to analyze the overview of the secondary real estate market and price trend. The data will be analyzed for opportunities to offer credit solutions that are suitable for the needs of customers.





TLS intends to develop an online approval system continuously by applying a scoring system to analyze customers and incorporating new technology to enhance the service. Customers will be satisfied with the convenience to be able to meet various demands. Apart from motorcycle hire purchase loans, new financial products are being developed to satisfy the demands of existing and new customers of TLS.

The Auction Business

The Auction Business is run by Apple Auto Auction (Thailand) Company Limited (AAA) which operates the business of auction, retention, and transport vehicles by employing the standards of assessment and checking the vehicle's conditions from Japan.

The Used-Car Auction Business

Apple Auto Auction (Thailand) Company Limited (AAA) runs the used-car and used-motorcycle auction from different parties such as financial institutions, insurance companies, car rental companies, second hand car dealers and car users. AAA's revenue comes from commission from mainly auctions of cars and motorcycles and operation fees from buyers which are charged at the rate specified in the Company. In 2021, more than 85,000 cars were placed into auction. In addition to car auction, AAA has placed the motorcycle auction into the auction business since June 2010, both in Bangkok and other provinces. At present, AAA has implemented the most modern online auction program which can be used through computers and mobile phones with a mobile application to the country's first. The program provides the video and the audio in real time from the auction places so that the users feel like being there in the auction places. The stock and product management system is also developed so that sellers can manage the product data faster and more accurately that time and cost is saved through the AAA's system.

AAA is sets a goal to be Thailand's number one asset auction company, which follows the Company's set strategies by developing the organization in various aspects in order to accomplish the established goal.

Products and Services

Apple Auto Auction (Thailand) Company Limited (AAA) is an agent to put vehicles in auction for cars and motorcycles, which had been passed the conditions check and compile the profiling of the vehicles and store them in garages. When receiving an order from an auctioneer, the vehicle will be placed into auction and the auctioneer may announce prices to start the auction. When a bidder wins a bid, the auctioneer will collect money and deliver it to the seller on schedule and act as a coordinator in delivering and alienating the vehicle. AAA will receive the management fees from the seller at the rate as specified by the Company.

The Marketing and Competitive Situation

The second-hand car and motorcycle auction business

The competition in the car and motorcycle auction business is not severe but continuously carries because of the limited amount of seized vehicles from financial institutions and rental companies. As a result, auction companies must constantly recruit vehicles into the auction yard. Furthermore, new operators are constantly entering the vehicle auction business, particularly large firms with foreign investors that believe Thailand has potential growth in the automobile industry. As a result, auctioneers must unify their service plans and increase the efficiency of E-Auction auctions to compete with their competitors and respond to partner services at all times.

The Procurement of Products or Services

The nature of the procurement of products to be distributed

(1) From the financial institution

More than 70% of the auctioned vehicles of the Company come from financial institutions. The hire purchaser provides only a small percentage of the auctioned vehicles to the Company. Therefore, AAA's strategy is to maintain the same partners that provided auctioned vehicles, while also expanding its new customer base which are the leasing companies, car rental companies, and general public.

(2) From the car rental company

It is a business group that continually provides the vehicles for auction, even on the crisis of the Corona Virus (COVID-19) that affects the reduction of vehicle numbers compared to the normal situation. However, car rental companies still have a steady supply of vehicles.

(3) From the car dealer

The car dealer constantly provides demo cars to the auction company.

(4) From the insurance company

It is considered as another partner that delivers vehicles from accident claims or other types of vehicles for the auction.

(5) From the large company

Most of them are cars used in the company's business or provided to employees. Under the company's policies, upon the specific usage time, the vehicles will be sent to the auction company.

(6) From the general public

The general public (End User) that needs to sell cars or motorcycles can use the service through the vehicle auction system of the auction company.





Development of innovation or technology

Modern technology is applied for the operation of the auction business by having the E-Auction system to facilitate buyers to use the service anywhere and anytime. A modern vehicle inspection system automatically connects data to relevant departments to increase the speed and efficiency of the operation as well as a cashless payment system to make the services of the business to be modern and efficient.

Corporate Supporting Center

Products and Services

The Corporate Supporting Center that serves as the consulting and business support unit for the Group's main business operations. With employees of various types of business expertise and experience, the Corporate Supporting Center provides support through companies as follows:

MBK Training Center Company Limited (MBK-TC)

It officially started operating in 2011 with its objectives to provide consultation on human resource development planning as well as training and seminar in order to prepare personnel for the expansion of the MBK GROUP's business.

Intelligent Creative & Marketing Company Limited (ICM)

It officially started operating in 2015, formerly is MBK Club Company limited and in 2021 rename to Intelligent Creative & Marketing Company Limited with its objective to provide services of managing privileges for member card holders of companies under the MBK GROUP.

MBK Contact Center Company Limited (MBK-CC)

It officially started operating in 2019, with its objectives to provide services of giving information, receiving notification of problems about public utility, receiving complaints or suggestions for service-aimed facilities, and taking reservations for products or services.

MBK Trading Company Limited (MBK-TD)

It provides services on the importation, purchase, and sale of equipment and appliances which focus on services provided within the MBK GROUP.

TM Communications and Brand Management Company Limited (TMCB)

Officially operated in 2020, it provides services on public relations, advertisement, advertising design, and production and installation of advertising media.

Technology Gateway Company Limited (TGW)

Officially operated in 2021, it provides information technology services within the MBK GROUP.

The Marketing and Competitive Situation

Due to its nature, the Corporate Supporting Center emphasizes providing services in internal management of the organization in transfer pricing and reflecting the actual costs of business operations. Thus, no comparison of the competition condition is made and there is no industry to reference the business operation capability of the Corporate Supporting Center.

The Procurement of Products or Services.

The nature of the procurement of products to be distributed

- None -

Development of innovation or technology

The Corporate Supporting Center focuses on educating employees at all levels within MBK GROUP to be aware of the importance of digital technology and applying technology through training and workshops. In addition, Technology Gateway Company Limited is a company that supports the adoption of the modern necessary technology for the work from home in the Corona Virus (COVID-19). It enables MBK GROUP to efficiently adjust their work on time.

In this regard, the Corporate Supporting Center has applied the information technology system to the operation process to reduce the use of paper in the long run as follows:

- Digitization is the process of transforming paper data or hard copy into digital data.
- Digitalization is the usage of digital information or information contained in the system to modify the work process by using digital technology.
- Digital Transformation is the process of creating a new business model or improving the core business. MBK GROUP realizes and supports enhancing Digital Transformation knowledge to employees in the group as well.

Assets used in business undertaking

The detail assets used in business undertaking to disclosed in attachment 4. Please refer to the details at www.mbkgroup.co.th



The Undelivered Products or Services

The Shopping Center Business, the Hotel and Tourism Business, the Golf Business, the Food Solution Business, the Financial Business, Auction Business and the Corporate Supporting Center have no undelivered products or services.

For the Real Estate Business, some jobs are undelivered, which are as follows:

As of 31st December 2021, Subsidiaries had obligations to deliver products to buyers of houses and condominiums as specified in the sale contract. The obligations were separated into each project, as follows:

No.	Name of Project	Location	House to be delivered	
			No. of Unit (Unit)	Sales value (Million Baht)
1	Quinn Sukhumvit 101 Condo Project*	Sukhumvit Rd., Bangkok	10	66.95
2	Quartz Project **	Rama 9 Rd., Bangkok	3	206.99
3	Park Riverdale Project ***	Bangkadee, Pathum Thani	3	46.30
4	The Riverdale Residence Project***	Bangkadee, Pathum Thani	10	301.67
Total			26	621.91

Remarks

* The project of Subsidiary (MBK Sukhumvit Company Limited)

** The project of Subsidiary (The Nine Center Company Limited)

*** The project of Subsidiary (Riverdale Golf and Country Club Company Limited)



1.3 Shareholding Structure

1.3.1 Shareholding structure of the group of companies

Policy on operational organization within the group of companies as follows;

MBK GROUP consists of 8 main businesses as follows:

1) Shopping Center Business

operated by MBK and MBK's subsidiaries:

- The Nine Center Company Limited (TNC)
- Paradise Park Company Limited (PDP)
- Paradise Place Suanluang Company Limited (PDPL)
- Glas Haus Ratchada Company Limited (GHR)
- The Nine Tiwanon Company Limited (TNCT) etc.

2) Hotel and Tourism Business

operated by MBK's subsidiaries:

- MBK Hotel and Tourism Company Limited (MBK-HT)
- MBK Hotel and Resort Company Limited (MBK-HR)
- MBK Business Company Limited (MBK-BUS)
- Lanta Land Development Company Limited (LLD)
- Absolute Travel Company Limited (ALT) etc.

3) Golf Business

operated by MBK's subsidiaries:

- MBK Resort Public Company Limited (MBK-R)
- Riverdale Golf and Country Club Company Limited (RDGCC)
- MBK Enterprise Company Limited (MBK-EP) etc.

4) Real Estate Business

operated by MBK's subsidiaries:

- MBK Real Estate Company Limited (MBK-RE)
- Plan Estate Company Limited (PST)
- Plan Appraisal Company Limited (PAS)
- Crystal Lake Properties Company Limited (CLP) etc.

5) Food Solution Business

operated by MBK's subsidiaries:

PRG Corporation Public Company Limited (PRG) and PRG's subsidiaries:

- PRG Properties Company Limited (PRG-P)
- Ratchasima Rice Company Limited (RR)
- PRG Logistics Company Limited (PRG-L)
- MBK Food Island Company Limited (MBK-FI) etc.

6) Financial Business

operated by MBK's subsidiaries:

- MBK Guarantee Company Limited (MBK-G)
- T Leasing Company Limited (TLS) etc.

7) Auction Business

operated by MBK's subsidiaries:

- Apple Auto Auction (Thailand) Company Limited (AAA)

8) Corporate Supporting Center

operated by MBK's subsidiaries:

- MBK Training Center Company Limited (MBK-TC)
- MBK Contact Center Company Limited (MBK-CC)
- Technology Gateway Company Limited (TGW)
- Intelligent Creative & Marketing Company Limited (ICM) etc.

All eight business divisions of MBK GROUP have a clear business operation policy and management that each company needs to conduct and be responsible for.

Shareholding Structure

The related details are given on Page 020-021

Juristic persons which company holds greater than or equal to 10% as of December 31, 2021

Type of business	Name of company	Headquarters	Telephone Number	Fax Number	Main business	Registered capital (Baht)	Paid-up capital (Baht)	Direct share-holding (%)	Indirect share-holding (%)
Shopping center	1. MBK Shopping Center Company Limited	Bangkok	0-2853-9000	0-2853-7000	Investment	1,000,000,000	1,000,000,000	100.00	-
	2. Paradise Park Company Limited	Bangkok	0-2780-1000	0-2780-1122	Shopping center and property for lease	700,000,000	700,000,000	-	100.00 ¹
	3. Paradise Retail Company Limited	Bangkok	0-2780-1000	0-2780-1122	Dormant	37,500,000	37,500,000	-	100.00 ⁵
	4. Paradise Place Suanluang Company Limited	Bangkok	0-2780-1000	0-2780-1122	Shopping center and property for lease	4,050,000,000	4,050,000,000	-	99.99 ⁷
	5. Glas Haus Building Company Limited	Bangkok	Head Office 0-2853-9000	Head Office 0-2853-7000	Dormant	195,000,000	195,000,000	-	100.00 ⁵
	6. Glas Haus Ratchada Company Limited	Bangkok	Head Office 0-2853-9000	Head Office 0-2853-7000	Property for lease	270,875,000	270,875,000	100.00	-
	7. MBK Smart Force Security Guard Company Limited	Bangkok	Branch 0-2693-9388-9	Branch 0-2693-9388-9 Ext. 108	Security service	1,000,000	1,000,000	99.97	-
	8. The Nine Center Company Limited	Bangkok	Head Office 0-2853-9000	Head Office 0-2853-7000	Shopping center, property for lease and real estate	3,000,000,000	3,000,000,000	-	100.00 ⁴
	9. MBK Center Company Limited	Bangkok	Branch 0-2056-7999	Branch 0-2056-7998	Car park rental	2,000,000	2,000,000	99.99	-
	10. MBK Square Company Limited	Bangkok	0-2853-9000	0-2853-7000	Property management service	100,000,000	100,000,000	100.00	-
	11. MBK Online Company Limited	Bangkok	Head Office 0-2853-9000	Head Office 0-2853-7000	Online selling	1,000,000	1,000,000	99.97	-
	12. The Nine Tiwanon Company Limited	Bangkok	Branch 0-2853-7070-7,7079	Branch 0-2853-7078	Shopping center	500,000,000	500,000,000	-	99.70 ¹
	13. MBK Property Company Limited	Bangkok	Head Office 0-2853-9000	0-2853-7000	Property for lease	355,000,000	355,000,000	100.00	-
	14. X-Gen Premium Company Limited	Bangkok	0-2853-9000	0-2853-7000	Property for lease	90,000,000	90,000,000	100.00	-
	15. Sam Pwat Company Limited	Bangkok	0-2658-1000 - 19	0-2658-1020 - 1	Shopping center and property for lease	274,000,000	274,000,000	48.71	-

Type of business	Name of company	Headquarters	Telephone Number	Fax Number	Main business	Registered capital (Baht)	Paid-up capital (Baht)	Direct share-holding (%)	Indirect share-holding (%)
Hotel and tourism	16. MBK Hotels and Tourism Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-2216-3700	Head Office 0-2853-7000 Branch 0-2048-4622	Hotel management and travel	130,000,000	130,000,000	100.00	-
	17. MBK Business Company Limited	Bangkok	0-2216-3700-29	0-2216-3730	Personnel management service	240,000,000	240,000,000	100.00	-
	18. MBK Hotels and Resorts Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-7562-8000	Head Office 0-2853-7000 Branch 0-7562-8048	Hotel	2,200,000,000	2,200,000,000	100.00	-
	19. Supsinthanee Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-7782-6003, 0-7788-0600-2	Head Office 0-2853-7000 Branch 0-7783-5239, 0-7788-0611	Hotel (Cease operation)	505,325,000	505,325,000	100.00	-
	20. Lanta Land Development Company Limited	Bangkok	Head Office 0-2853-9000 Branch at Krabi 0-7560-7100	Head Office 0-2853-7000 Branch at Krabi 0-7560-7199	Hotel	340,000,000	340,000,000	100.00	-
	21. MBK Capital Company Limited	Bangkok	0-2853-9000	0-2853-7000	Land rental	5,000,000	5,000,000	-	99.99 ⁹
	22. Absolute Travel Company Limited	Bangkok	0-2147-5858	-	Hotel	125,000,000	125,000,000	-	99.99 ⁸
	23. M G 1 Company Limited	Bangkok	0-2853-9000	0-2853-7000	Hotel	550,000,000	550,000,000	100.00	-
	24. The Olympic Fitness Club Company Limited	Bangkok	0-2216-3700 Ext. 20805	-	Fitness center	120,000,000	120,000,000	-	99.97 ⁸
	25. C L P Management Company Limited	Bangkok	0-7631-1929	-	Property management service	2,000,000	500,000	-	72.99 ¹³
Golf	26. Paemala Spa Company Limited	Bangkok	0-2048-7038, 0-2048-7034, 0-2216-3700 Ext. 18	-	Property for lease	5,000,000	5,000,000	-	25.00 ⁸
	27. DMS Property Investment Private Limited	Republic of Maldives	0-2853-9000	0-2853-7000	Dormant	6,013,130	6,013,130	-	35.00 ⁹
	28. Rehapply Plus Company Limited	Bangkok	0-2853-9000	0-2853-7000	Hospital	5,000,000	5,000,000	-	50.00 ⁸
	29. Riverdale Golf and Country Club Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-2501-2789, 0-2084-2222	Head Office 0-2853-7000 Branch 0-2501-1833	Golf course and real estate	4,000,000,000	4,000,000,000	100.00	-
	30. MBK Resort Public Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-7632-1929, 0-2084-2222	Head Office 0-2853-7000 Branch 0-7632-1927-8	Golf course, hotel and real estate	200,000,000	160,000,000	-	74.05 ^{40/11}
	31. Phuket Loch Palm Golf Club Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-7632-1929	Head Office 0-2853-7000 Branch 0-7632-1927-8	Dormant	2,000,000	2,000,000	-	72.99 ¹²
	32. Nasset Property Fund1	Bangkok	-	-	Property Fund (The Fund mature and dissolution on 31 August 2015)	13,656,192	13,656,192	-	72.45 ¹²
	33. MBK Enterprise Company Limited	Bangkok	0-2853-9000	0-2853-7000	Golf course and property for lease	2,454,000,000	2,454,000,000	100.00	-
	34. MBK Golf Management Company Limited	Bangkok	0-2853-9000	0-2853-7000	Personnel management services	5,000,000	5,000,000	-	100.00 ⁴⁰
	35. Lam Luk Ka Golf and Country Club Company Limited	Pathum Thani	0-2995-2300-4	0-2995-2305	Golf course	1,308,600,000	1,308,600,000	46.96	-

Type of business	Name of company	Headquarters	Telephone Number	Fax Number	Main business	Registered capital (Baht)	Paid-up capital (Baht)	Direct share-holding (%)	Indirect share-holding (%)
Real Estate	36. MBK Real Estate Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-2022-0000, 0-2084-3333	Head Office 0-2853-7000 Branch 0-2022-0002	Property management service	1,000,000,000	1,000,000,000	100.00	-
	37. Plan Estate Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-2022-0008, 0-2084-3333	Head Office 0-2853-7000 Branch 0-2022-0009	Real estate and property management service	200,000,000	200,000,000	-	72.99 ¹²
	38. Crystal Lake Properties Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-7632-1929	Head Office 0-2853-7000 Branch 0-7632-1927 - 8	Real estate	8,000,000	8,000,000	-	72.99 ¹²
	39. Plan Appraisal Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-2022-0003, 0-2084-3333	Head Office 0-2853-7000 Branch 0-2022-0005	Survey and appraisal services	15,000,000	15,000,000	-	72.99 ¹⁴
	40. Lan Bangna Company Limited	Bangkok	Head Office 0-2853-9000	Head Office 0-2853-7000	Dormant	5,000,000	5,000,000	-	72.99 ¹⁴
	41. Kathu Land Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	4,000,000	4,000,000	-	70.36 ⁸
	42. MBK Residence Company Limited	Bangkok	0-2853-9000	0-2853-7000	Real estate	105,000,000	105,000,000	-	100.00 ⁴
	43. MBK Sukhumvit Company Limited	Bangkok	0-2853-9000	0-2853-7000	Real estate	800,000,000	800,000,000	-	100.00 ¹⁸
	44. MBK Realty Company Limited	Bangkok	0-2853-9000	0-2853-7000	Real estate	71,200,000	71,200,000	-	69.00 ¹⁸
	45. MBK Charan Company Limited	Bangkok	0-2853-9000	0-2853-7000	Real estate	550,000,000	550,000,000	-	-
	46. M G 6 Company Limited	Bangkok	0-2853-9000	0-2853-7000	Real estate	1,000,000	1,000,000	100.00	99.97 ¹⁸
	47. Tantara Gallery Company Limited	Bangkok	Head Office 0-2216-3700	Head Office 0-2216-3730	Space rental	2,500,000	2,500,000	-	99.99 ¹⁸
Food Solution	48. PRG Corporation Public Company Limited (Formerly known as "Patum Rice Mill and Granary Public Company Limited")	Pathum Thani	0-2501-2175, 0-2084-8888	0-2501-2176	Processing and packaging rice	810,000,000	600,000,000	74.52	-
	49. PRG Properties Company Limited	Pathum Thani	0-2501-2175, 0-2084-8888	0-2501-2176	Warehouse and land rental, and transportation	250,000,000	250,000,000	-	74.52 ¹⁵
	50. Ratchisima Rice Company Limited	Pathum Thani	08-1265-4085, 08-1265-3706, 08-1265-3670	-	Distributor and improving the quality of rice and factory building rental	75,000,000	75,000,000	-	74.52 ¹⁵
	51. PRG Logistics Company Limited (Formerly known as "Sima Pac Company Limited")	Pathum Thani	0-2501-2175, 0-2084-8888	0-2501-2176	Factory building rental and transportation	10,000,000	10,000,000	-	74.52 ¹⁵
	52. Innofood (Thailand) Company Limited	Pathum Thani	0-2084-8888	-	Space rental with restaurant's supplies (cease operation)	5,000,000	5,000,000	-	74.52 ¹⁹
	53. MBK Food and Entertainment Company Limited	Bangkok	0-2084-8888	-	Dormant	350,000,000	350,000,000	-	74.52 ¹⁵
	54. MBK Food Island Company Limited	Bangkok	0-2048-0146, 0-2084-8888	-	Food center	300,000,000	300,000,000	-	74.52 ¹⁵
	55. MBK Restaurant Group Company Limited	Bangkok	0-2084-8888	-	Dormant	16,875,000	16,875,000	-	74.52 ¹⁵
	56. MBK Food Service Company Limited	Bangkok	0-2084-8888	-	Dormant	105,000,000	105,000,000	-	74.52 ¹⁵
Financial	57. MBK Guarantee Company Limited	Bangkok	0-2853-7878	0-2853-7879	Lending	2,400,000,000	2,400,000,000	100.00	-
	58. Primacy Elegance Investments Limited	British Virgin Island Contact center:	Contact to office 0-2853-9000	Contact to office 0-2853-7000	Investment	2,218,000	110,900	100.00	-
	59. MBK Premium Company Limited	Bangkok	0-2853-9000	0-2853-7000	Leasing and hire purchase	132,079,830	132,079,830	100.00	-
	60. T Leasing Company Limited	Bangkok	0-2852-2555	0-21182607	Motorcycle hire purchase	2,400,000,000	2,400,000,000	100.00	-
	61. M G 3 Company Limited	Bangkok	0-2853-9000	0-2853-7000	Held property foreclosed	5,000,000	5,000,000	-	99.97 ⁵
	62. M G 4 Company Limited	Bangkok	0-2853-9000	0-2853-7000	Held property foreclosed	1,000,000	1,000,000	-	99.97 ⁵
	63. M G 7 Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	1,000,000	1,000,000	-	99.97 ⁵
	64. M G 8 Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	1,000,000	1,000,000	-	99.97 ⁵
	65. MBK Broker Company Limited	Bangkok	0-2852-2519	-	Insurance broker	3,550,000,000	3,550,000,000	-	99.99 ¹⁰
	66. Max Asset Management Company Limited	Bangkok	0-2217-8000 Ext. 1021, 0-2613-6000	0-2613-6050	Asset management	40,000,030	40,000,030	16.56	-

Type of business	Name of company	Headquarters	Telephone Number	Fax Number	Main business	Registered capital (Baht)	Paid-up capital (Baht)	Direct share-holding (%)	Indirect share-holding (%)
Auction	67. Apple Auto Auction (Thailand) Company Limited	Bangkok	Head Office 0-2853-9000 Branch 0-2399-2299, 0-2084-5555	Head Office 0-2853-7000 Branch 0-2399-2244, 0-2399-2120	Auction	90,000,000	90,000,000	53.56	-
Corporate Supporting Center	68. MBK Advanced Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	1,000,000	1,000,000	-	99.89 ¹⁷
	69. MBK Insurance Broker Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	2,000,000	2,000,000	99.99	-
	70. MBK Training Center Company	Bangkok	0-2853-9000	0-2853-7000	Training service to affiliates	3,000,000	3,000,000	99.99	-
	71. Technology Gateway Company Limited (Formerly known as "MBK Service Solution Company Limited")	Bangkok	0-2853-9000	0-2853-7000	IT Service to affiliates	37,500,000	37,500,000	100.00	-
	72. MBK Asset Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	75,000,000	75,000,000	100.00	-
	73. MBK Leisure Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	37,500,000	37,500,000	-	100.00 ¹⁸
	74. Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	Bangkok	0-2853-9000	0-2853-7000	The provision of services of CRM loyalty program	5,000,000	5,000,000	99.99	-
	75. MBK Food System Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	720,000,000	720,000,000	99.99	-
	76. MBK Innovation Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	4,000,000	4,000,000	99.99	-
	77. MBK Contact Center Company Limited	Bangkok	0-2853-9000	0-2853-7000, 0-2118-2607	Call Center	5,000,000	5,000,000	99.99	-
	78. MBK Trading Company Limited	Bangkok	0-2853-9000	0-2853-7000	Inventory trading	5,000,000	5,000,000	-	90.00 ²
	79. Q Mall Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	12,000,000	12,000,000	-	99.99 ¹
	80. Puen Pob Paet Company Limited	Bangkok	0-2853-9000	0-2853-7000	Dormant	1,000,000	1,000,000	36.29	-
	81. TM Communications and Brand Management Company Limited	Bangkok	0-2853-9000	0-2853-7000	Provision services for publication, design, produce and install advertising media	5,000,000	5,000,000	50.00	-

Note :

- /1 Held by MBK Shopping Center Company Limited
 /2 Held by Technology Gateway Company Limited
 (Formerly known as "MBK Service Solution Company Limited")
 /3 Held by Paradise Park Company Limited
 /4 Held by Riverdale Golf and Country Club Company Limited
 /5 Held by MBK Guarantee Company Limited
 /6 Held by MBK Business Company Limited
 /7 Held by The Nine Center Company Limited
 /8 Held by MBK Hotels and Tourism Company Limited
 /9 Held by MBK Hotels and Resorts Company Limited
 /10 Held by T Leasing Company Limited
 /11 Held by MBK Premium Company Limited
 /12 Held by MBK Resort Public Company Limited
 /13 Held by Crystal Lake Properties Company Limited
 /14 Held by Plan Estate Company Limited
 /15 Held by PRG Corporation Company Limited
 (Formerly known as "Patum Rice Mill and Granary Public Company Limited")
 /16 Held by PRG Properties Company Limited
 /17 Held by MBK Insurance Broker Company Limited
 /18 Held by MBK Real Estate Company Limited
 /19 Held by Ratchasima Rice Company Limited
 /20 Held by MBK Enterprise Company Limited

1.3.2 Person with a potential conflict of interest holds shares of a subsidiary or associated company at an amount exceeding 10 percent of the voting shares

-None-

1.3.3 Relationship with major shareholders' business

The Company does not operate core business to a reliance against other businesses of the major shareholder materially

1.3.4 Shareholders

List of major shareholders

A name list of top 10 largest shareholders as of October 28, 2021 (The date set a list of names on the shareholders' registration, who are entitled to attend the EGM No. 1/2021 of shareholders' meeting and entitled to receive of the MBK-W3 Warrants (Record Date))

The Company's shareholders - who hold shares exceeding 0.5% of its paid-up capital - are 26 shareholders or 76.117% of its paid-up capital. The Company's shareholders - who hold shares not exceeding 0.5% of its paid-up capital but not less than 100 shares of its paid-up capital - are 7,155 shareholders or 23.882% of its paid-up capital, while shareholders who hold less than 100 shares are 848 shareholders or 0.001% of its paid-up capital. The Company's total shareholders are 8,029 in total. The top ten shareholders of MBK Public Company Limited are as follows:

No.	Name	A Number of shares*	%
1	PRG Corporation Public Company Limited	474,249,530	26.999
	PRG Granary Company Limited	25,000,000	1.423
		499,249,530	28.423
2	Thanachart Capital Public Company Limited	379,947,739	21.631
	Thanachart S PV 1 Company Limited	30,895,764	1.759
		410,843,503	23.390
3	Thai NVDR Company Limited	115,308,162	6.565
4	MORGAN STANLEY&CO.INTERNATIONAL PLC	40,336,300	2.296
5	Mr. Parinya Tianvorn	34,000,000	1.936
6	STATE STREET BANK AND TRUST COMPANY	27,477,564	1.564
7	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	23,291,758	1.326
8	DBS BANK LTD	20,972,721	1.194
9	Ms. Natteera Boonsri	20,698,900	1.178
10	The Foundation for Thailand Promotion	20,182,000	1.149
	Total	1,212,360,438	69.021

Notes : *A number of shares include the shares held by the related parties according to section 258 of Securities and Exchange Act (No. 4) B.E. 2551

Major shareholders whose behaviors materially influence the management policy making or the Company's operation

None –

1.4 Amounts of registered capital and paid-up capital

1.4.1 Registered capital and paid-up capital

As of December 31st, 2021, MBK had authorized capital of 2,405,583,548 Baht and paid-up capital of 1,761,921,389 Baht which were 1,761,921,389 issued shares of the Company, with a par value of 1 Baht per share.

1.4.2 Other types of stocks with rights or conditions different from ordinary shares

-None-

1.4.3 The Company has shares or convertible securities as an underlying securities for issuance of investment units of mutual funds for foreign investors (Thai Trust Fund)

-None-

1.5 Issuance of other securities

1.5.1 Warrant

Warrants to purchase ordinary shares of MBK Public Company Limited No.1 (MBK-W1)

Number of Warrants Issued	67,792,116 units
Price Per Unit	0.00 (Zero) Baht (Free of Charge)
Warrant Issuance Date	November 23, 2020
Warrant Maturity Date	November 15, 2023
Term of Warrants	2 years 11 months and 24 days since the issuance date of the warrants
Exercise Ratio	1 unit of warrants will be entitled to purchase 1 new ordinary share (It is subject to change later according to conditions concerning the rights adjustment).
Exercise Price	3.00 Baht per share (at the par value of 1.00 Baht) (It is subject to change later according to conditions concerning the rights adjustment)
Exercise Date	The warrant holders will be entitled to exercise their rights under the warrants on every 15 th of January, February, March, April, May, June, July, August, September, October, November, and December of every year throughout the term of the warrants ("the Exercise Date"). In case that the exercise date is the Company's holiday, such exercise date will be postponed to the next working day. The first exercise date will be on January 15, 2021 and the last exercise date will be on the date of 2 years 11 months and 24 days which will be on November 15, 2023 ("the Last Exercise Date"). In case that the last exercise date is on the Company's holiday, such last exercise date will be postponed to the next working day

Notification Period for the Intention to Exercise the Warrants

The warrant holders who wishes to exercise their rights to purchase the Company's ordinary shares will deliver the notification of the intention to exercise the warrants between 9.30 am and 3.30 pm within 5 working days prior to each exercise date ("Notification Period"), except for the last exercise date in which its notification period is between 9.30 am and 3.30 pm within 15 working days prior to the last exercise date ("the Last Notification Period").

Number of New Ordinary Shares Reserved for the Exercise of Warrants

67,792,116 shares (at the par value of 1.00 Baht)

As of December 31, 2021

Number of unexercised warrants 33,052,989 unit

Number of remaining shares reserved 35,217,118 shares

Warrants to purchase ordinary shares of MBK Public Company Limited No.2 (MBK-W2)

Number of Warrants Issued 68,254,651 unit

Price Per Unit 0.00 (Zero) Baht (Free of Charge)

Warrant Issuance Date June 1, 2021

Warrant Maturity Date May 15, 2024

Term of Warrants 2 years 11 months and 15 days since the issuance date of the warrants

Exercise Ratio 1 unit of warrants will be entitled to purchase 1 new ordinary share (It is subject to change later according to conditions concerning the rights adjustment).

Exercise Price 3.00 Baht per share (at the par value of 1.00 Baht) (It is subject to change later according to conditions concerning the rights adjustment)

Exercise Date The warrant holders will be entitled to exercise their rights under the warrants on every 15th of January, February, March, April, May, June, July, August, September, October, November, and December of every year throughout the term of the warrants ("the Exercise Date"). In case that the exercise date is the Company's holiday, such exercise date will be postponed to the next working day. The first exercise date will be on July 15, 2021 and the last exercise date will be on the date of 2 years 11 months and 15 days which will be on May 15, 2024 ("the Last Exercise Date"). In case that the last exercise date is on the Company's holiday, such last exercise date will be postponed to the next working day.

Notification Period for the Intention to Exercise the Warrants

The warrant holders who wishes to exercise their rights to purchase the Company's ordinary shares will deliver the notification of the intention to exercise the warrants between 9.30 am and 3.30 pm within 5 working days prior to each exercise date ("Notification Period"), except for the last exercise date in which its notification period is between 9.30 am and 3.30 pm within 15 days prior to the last exercise date ("the Last Notification Period").

Number of New Ordinary Shares Reserved for the Exercise of Warrants

68,254,651 shares (at the par value of 1.00 Baht)

As of December 31, 2021

Number of unexercised warrants	36,921,827 unit
Number of remaining shares reserved	38,174,677 shares

The warrants to purchase ordinary shares of MBK Public Company Limited No.3

Number of Warrants Issued	70,206,017 unit
Price Per Unit	0.00 (Zero) Baht (Free of Charge)
Warrant Issuance Date	November 30, 2021
Warrant Maturity Date	November 15, 2024
Term of Warrants	2 years 11 months and 16 days since the issuance date of the warrants
Exercise Ratio	1 unit of warrants will be entitled to purchase 1 new ordinary share (It is subject to change later according to conditions concerning the rights adjustment).
Exercise Price	3.00 Baht per share (at the par value of 1.00 Baht) (It is subject to change later according to conditions concerning the rights adjustment)
Exercise Date	The warrant holders will be entitled to exercise their rights under the warrants on every 15 th of January, February, March, April, May, June, July, August, September, October, November, and December of every year throughout the term of the warrants (“the Exercise Date”). In case that the exercise date is the Company’s holiday, such exercise date will be postponed to the next working day. The first exercise date will be on January 17, 2022 (postponed from January 15, 2022 as such date is not a Business Day) and the last exercise date will be on the date of 2 years 11 months and 16 days which will be on November 15, 2024 (“the Last Exercise Date”). And in the event, the last Exercise Date does not fall a Business Day of Company, such date shall be moved to a Business Day prior to such exercise date.
Notification Period for the Intention to Exercise the Warrants	The warrant holders who wishes to exercise their rights to purchase the Company’s ordinary shares will deliver the notification of the intention to exercise the warrants between 9.30 am and 3.30 pm within 5 working days prior to each exercise date (“Notification Period”), except for the last exercise date in which its notification period is between 9.30 am and 3.30 pm within 15 business days prior to the last exercise date (“the Last Notification Period”).
Number of New Ordinary Shares Reserved for the Exercise of Warrants	70,206,017 shares (at the par value of 1.00 Baht)
As of December 31, 2021	
Number of unexercised warrants	70,206,017 unit
Number of remaining shares reserved	70,206,017 shares

1.5.2 Debt securities

Bonds (Information as of December 31, 2021)

Key features of the bonds

- 1) **The bond of MBK Public Company Limited No. 1/2012 maturity date is due in 2022**

The bond's type	A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value	Not more than 220,000 unit calculated as the total value not exceeding 220,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 4.93% per year
The bond's issuance date	July 24, 2012
The bond's Maturity date	July 24, 2022
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	CIMB Thai Bank Public Company Limited
- 2) **The bond of MBK Public Company Limited No. 2/2012 maturity date is due in 2022**

The bond's type	A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value	Not more than 194,000 unit calculated as the total value not exceeding 194,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 4.70 % per year
The bond's issuance date	September 7, 2012
The bond's Maturity date	September 7, 2022
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	Bank of Ayudhya Public Company Limited
- 3) **The bond of MBK Public Company Limited No. 3/2012 maturity date is due in 2022**

The bond's type	A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value	Not more than 630,000 unit calculated as the total value not exceeding 630,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 4.72 % per year
The bond's issuance date	September 20, 2012
The bond's Maturity date	September 20, 2022
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	Bank of Ayudhya Public Company Limited
- 4) **The bond of MBK Public Company Limited No. 4/2012 maturity date is due in 2027**

The bond's type	A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value	Not more than 1,500,000 unit calculated as the total value not exceeding 1,500,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 5.10 % per year
The bond's issuance date	November 7, 2012
The bond's Maturity date	November 7, 2027
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	Bank of Ayudhya Public Company Limited

- 5) **The bond of MBK Public Company Limited No. 1/2016 maturity date is due in 2023**
The bond's type A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value Not more than 1,000,000 unit
calculated as the total value not exceeding 1,000,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate A fixed-rate bond at 3.125 % per year
The bond's issuance date February 26, 2016
The bond's Maturity date March 17, 2023
The Company's credit rating A Level, rated by TRIS Rating Company Limited
The bond's registrar Bank of Ayudhya Public Company Limited
- 6) **The bond of MBK Public Company Limited No. 2/2016 maturity date is due in 2026**
The bond's type A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value Not more than 1,000,000unit
calculated as the total value not exceeding 1,000,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate A fixed-rate bond at 3.57 % per year
The bond's issuance date February 26, 2016
The bond's Maturity date February 26, 2026
The Company's credit rating A Level, rated by TRIS Rating Company Limited
The bond's registrar Bank of Ayudhya Public Company Limited
- 7) **The bond of MBK Public Company Limited No. 1/2017 maturity date is due in 2027**
The bond's type A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value Not more than 1,000,000 unit
calculated as the total value not exceeding 1,000,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate A fixed-rate bond at 3.78 % per year
The bond's issuance date July 20, 2017
The bond's Maturity date July 20, 2027
The Company's credit rating A Level, rated by TRIS Rating Company Limited
The bond's registrar Bank of Ayudhya Public Company Limited
- 8) **The bond of MBK Public Company Limited No. 1/2018 maturity date is due in 2028**
The bond's type A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value Not more than 1,000,000 unit
calculated as the total value not exceeding 1,000,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate A fixed-rate bond at 3.50 % per year
The bond's issuance date April 23, 2018
The bond's Maturity date April 25, 2028
The Company's credit rating A Level, rated by TRIS Rating Company Limited
The bond's registrar Bank of Ayudhya Public Company Limited
- 9) **The bond of MBK Public Company Limited No. 1/2019 maturity date is due in 2029**
The bond's type A named bond holder for a senior bond, an unsecured bond, and without bond holder representative

The volume and value	Not more than 1,500,000 unit calculated as the total value not exceeding 1,500,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 3.875 % per year
The bond's issuance date	May 24, 2019
The bond's Maturity date	May 24, 2029
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	Bank of Ayudhya Public Company Limited
10) The bond of MBK Public Company Limited No. 2/2019 maturity date is due in 2029	
The bond's type	A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value	Not more than 2,000,000 unit calculated as the total value not exceeding 2,000,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 3.24 % per year
The bond's issuance date	August 15, 2019
The bond's Maturity date	August 15, 2029
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	Bank of Ayudhya Public Company Limited
11) The bond of MBK Public Company Limited No. 1/2020 maturity date is due in 2029	
The bond's type	A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value	Not more than 3,000,000 unit calculated as the total value not exceeding 3,000,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 2.94 % per year
The bond's issuance date	January 6, 2020
The bond's Maturity date	January 6, 2029
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	CIMB Thai Bank Public Company Limited
12) The bond of MBK Public Company Limited No. 2/2020 maturity date is due in 2030	
The bond's type	A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value	Not more than 500,000 unit calculated as the total value not exceeding 500,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 2.80 % per year
The bond's issuance date	March 26, 2020
The bond's Maturity date	March 26, 2030
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	CIMB Thai Bank Public Company Limited
13) The bond of MBK Public Company Limited No. 3/2020 maturity date is due in 2023	
The bond's type	A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value	Not more than 300,000 unit calculated as the total value not exceeding 300,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 1.96 % per year

The bond's issuance date	April 9, 2020
The bond's Maturity date	April 11, 2023
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	CIMB Thai Bank Public Company Limited
14) The bond of MBK Public Company Limited No. 1/2021 maturity date is due in 2024	
The bond's type	A named bond holder for a senior bond, an unsecured bond, and without bond holder representative
The volume and value	Not more than 1,000,000 unit calculated as the total value not exceeding 1,000,000,000 Baht, with a par value of 1,000 Baht per unit
The bond's interest rate	A fixed-rate bond at 1.91% per year
The bond's issuance date	July 20, 2021
The bond's Maturity date	July 20, 2024
The Company's credit rating	A Level, rated by TRIS Rating Company Limited
The bond's registrar	CIMB Thai Bank Public Company Limited

1.6 Dividend Payment Policy

MBK has a dividend payment policy with the calculation of the dividend based on "the consolidated financial statements". In this connection, each dividend payment also has to take into account the retained earnings in "the separate financial statements". This is in compliance with the Public Limited Company Act which stipulates that no dividend shall be paid out of funds other than profit and in the case where the company still sustains an accumulated loss, no dividend shall be paid.

For a dividend payment policy, if there is no incident beyond expectation, the company has a policy to pay a dividend equivalent to a net amount in Baht per share in a current period and not less than a net amount in a previous period, in order that shareholders have stability of receiving dividends as a result of holding the company's stocks in the long term. This type of a stock is counted as a dividend stock.

Details about the Company's Dividend Payment in the Past

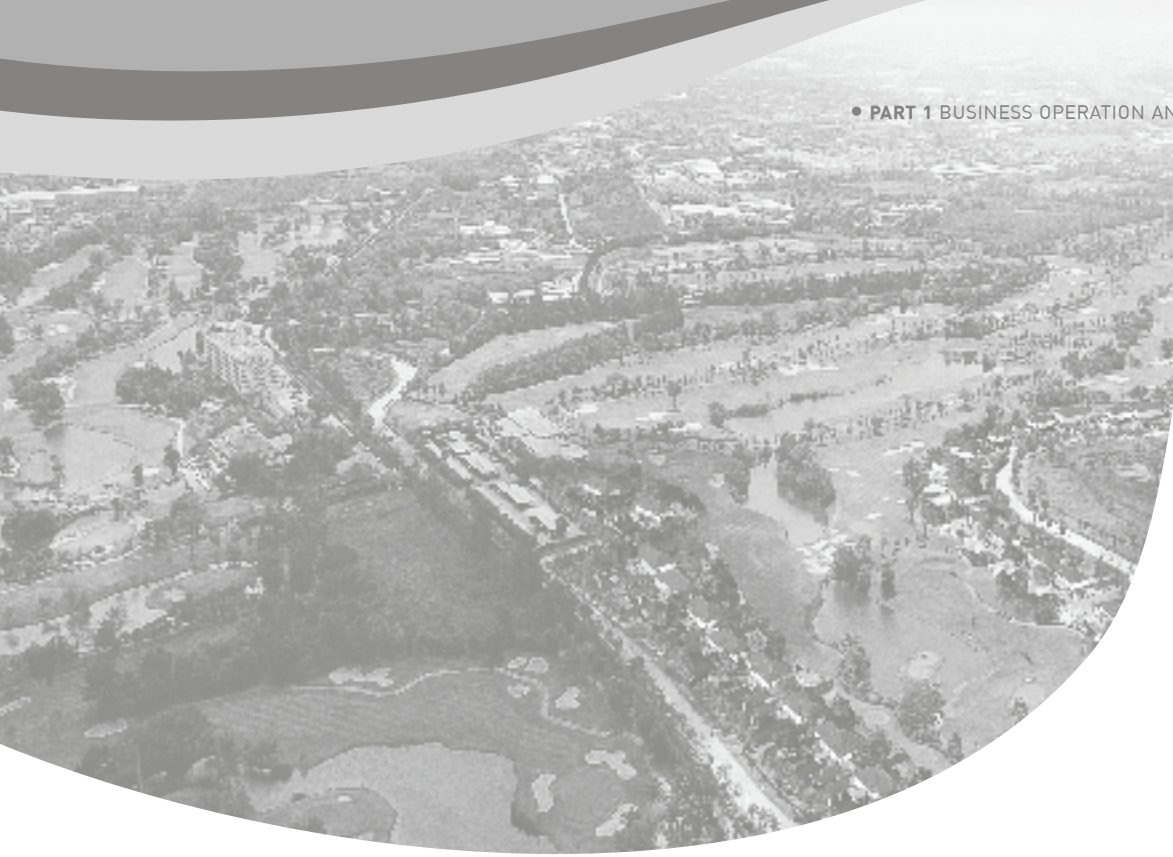
	2017	2018	2019
Dividend per share	0.70	0.75	0.80*
Earnings (loss) per share (the Consolidated financial statements)	1.38	2.17	2.12
Par value	1.00	1.00	1.00

Remark: * On 1st April 2020, the Board of Directors' meeting passed a resolution to approve an interim dividend payment on a semi-annual basis ended 1st July 2019 until 31st December 2019, amounting to 0.42 Baht per share and the dividend was determined to be paid on 30th April 2020. When adding to the interim dividend payment for the first semi-annual basis of 2019 which was paid to shareholders on 3rd October 2019, amounting to 0.38 Baht, the total interim dividend payment of 2019 was 0.80 Baht per share.

However, in 2021 the Company omission of annual dividend payment for 2020 to maintain the financial liquidity of the company, due to the situation of the coronavirus (COVID-19) epidemic.

For a policy dividend payment of subsidiaries MBK GROUP has a policy proposed to the Shareholders' Meeting of the Company to pay the dividend each year by taking suitability for performance and the planning of investment in the future into consideration.

Subsidiaries that significantly affect the operation of MBK Group are the group of PRG Corporation Public Company Limited (PRG). PRG has a policy proposed to the Shareholders' Meeting of the Company to pay the dividend each year by taking suitability for performance and the planning of investment in the future into consideration.



2. Risk Management

2.1 Risk management policy and plan

MBK Public Company Limited recognizes the importance of the organization's risk management as a part of the business administration for good governance according to the guidelines of the Stock Exchange of Thailand. To align with the organization's anti-corruption policy and measure, the Company has established the organization's risk management policy for all levels of employees' awareness and compliance as follows:

1. There is a focus on developing risk management systems following good corporate governance guidelines by providing systematically and continuously integrated risk management throughout the organization, including a focus on employees' strict adherence to the organization's anti-corruption policy and measures.
2. A risk management system is implemented as part of decision-making, strategic planning, project planning, and organizational operations to achieve the organization's objectives, goals, visions, missions, and strategies while minimizing risk to the acceptable level, achieving operational excellence, and gaining stakeholder confidence.
3. Following up, evaluating risk management results, reviewing, improving on a regular basis, and reporting to the Board of Directors are all encouraged.
4. Employees are educated about the importance of risk management and also incorporate risk management into the organization's culture.
5. The risk management promotion adds value to the organization.

The Risk Management

The Risk Management Committee of MBK GROUP

The Duties and Responsibilities of the Risk Management Committee

- To impose MBK GROUP's policies and guidelines on risk management in order that MBK GROUP's operations reach its objectives and goals.
- To analyze and evaluate incurred or possibly incurred risks at a level of MBK GROUP continuously and annually.
- To consider, approve and review risk management plans of MBK GROUP annually.
- To review and monitor risk management performance of MBK GROUP regularly.
- To report to the Board of Directors and communicate risks and major risk management to the Audit Committee.
- To support, follow up and develop risk management of MBK GROUP regularly.

The Corporate Group of MBK Public Co., Ltd. realizes the importance of risk management as an important mechanism and tool to help the organization achieve the target objectives and goals. Therefore, the Company has set up a risk management policy that focuses on the improvement of the risk management system according to the good corporate governance guidelines and guidelines according to the anti-corruption policy and measures. There is an integrated risk management in order to be consistent in the Quality Management System (ISO 9001: 2015) which is implemented systematically and continuously throughout the organization.

The Corporate Group of MBK Public Co., Ltd. enforced risk management in order to conform to strategies and operations by covering all levels — from MBK GROUP, Business Unit (BU), key lines, Sub Business Unit (SBU), risk of MBK Shopping Center and Operation level (Department)— in order that the organization can achieve its objectives and goals set at each level.

Risks at all levels of the organization and may directly affect the business can be divided into 5 aspects that may directly affect the business as follows:

- **Strategic Risk** is the risk in important strategies and policies of the Company. It can arise from inappropriate strategy formulation or implementation, or the inconsistency of the policy, targets, strategies, organization's structure, the state of competition, resources, plan implementation and environment. However, the Company has regularly followed up on important strategies and policies that may affect the Company' operational performance in order to achieve its strategic goals.
- **Operational Risk** is the risk that can arise from every operational process. It covers all factors related to the process, tools, IT, and personnel that may affect the operation of the organization. However, the Company has set up a clear operational process and a measure to supervise the work of each unit that may cause damage on the organization so that the operational performance can be correct and appropriate.
- **Financial Risk** is the risk that can arise out of the ineffectiveness of budget, financial problems and risks that can affect the performance and financial status of the organization. The Company has always generated sufficient fund in time to reduce the risks that can affect the Company's investment.
- **Compliance Risk** is the risk that can arise out of the inability to comply with the regulations or the related rules and laws. It can be that the rules and laws are inappropriate and become an obstacle to the operation. However, the Company has also considered the compliance with the rules inside and outside the organization as well as important laws by supervising and examining the strict compliance by the related rules and laws.

- **Hazard Risk** is the risk that can affect the life safety of customers, tenants, employees and the organization's property. The hazard can come from both internal and external factors. The Company has set up a policy and safety measure to strictly prevent such risk that may cause damage to the Company.

Additionally, in regards to the investments in different projects, the Risk Management Committee (RMC) in each level (MBK GROUP / BU / SBU) has implemented a rule indicating that a request for the approval of specified budgets requires a risk analysis and an approval from the relevant committees. The Risk Management Committee (RMC) must always be informed to prevent any investment risk of the Company.

The Company continues to track the execution of risk management. All levels are required to submit a quarterly risk management report in order to reduce the risk to an acceptable level and allow the risk management plan to be reviewed and updated annually.

2.2 Risk factors on business operation

2.2.1 Operational risk associated with the Company or the group of companies

The Risk Factors of the Shopping Center Business

Because of the ongoing Corona Virus (COVID-19) epidemic until the present, customers' purchasing power has remained low, while living costs have increased. Following the government's delivery of vaccines to the public and the easing of the lockdown measures for various activities in the last quarter of 2021, it reflected a chance for economic recovery. In addition, the global economy began to revive in the fourth quarter of 2021 as a result of an increase in various corporate sectors' marketing campaigns to promote spending. The recovery is likely to continue gradually in 2022.

However, given that customers are still concerned about their incomes and purchasing power is not yet recovered, it is important that all entrepreneurs continue to boost up price marketing promotions during this time, in parallel with consistent high-quality customer service across all platforms, to stimulate customer spending and create a positive impression. Furthermore, entrepreneurs must manage costs to keep their business operating.

1) The MBK Center

(1) The Risk from the Economic Situation and Increasing Competition

The impact of the epidemic outbreak of Corona Virus (COVID-19), MBK Center has set its marketing strategy and adapted its strategy to the situation. MBK Center has had measures to help tenants by the renovation of the shops and services to meet Thai customers' requirements including having magnet stores, e.g. Don Don Donki, Temporary Passport Pathumwan Office. The renovation of MBK Center together with the development and usage of technology in order to cope with changes in the New Normal Era which attracts interest of consumers such as more concern about consumers' health, wearing hygiene masks, measuring the body's temperature, social distancing, and the digital life which is already part of everybody's life, in order to boost Thai consumers' confidence. It is still the tourist destination when the situation of the epidemic outbreak of Corona Virus (COVID-19) is relieved.

MBK Center has attached importance to listening to customers' voices through channels— such as an after-service survey, social media such as websites, Facebook, Line OA, and Twitter, Contact Center and QR Code— in order to express opinions. Also, MBK Center outsourced gathering information from news websites and web boards such as Pantip and MThai, conducting research on behavior of the needs, and carrying out a survey of satisfaction by comparison with its competitors. This makes it possible to follow up on feedback from customers in a timely manner. Apart from using customer satisfaction survey data to improve services in various areas, there are also additional image enhancements to build a good shopping experience, such as the modern design to enhance the shopping ambiance and fit the

lifestyle of the new target group. The shopping center has brought new tenants who can attract target customers and satisfy the requirements of both Thai and international customers. This strengthens the shopping complex in the center of the city. The customer is also helped by the store's distinct zones and categories. All of this supports increasing the number of Thai customers while also impressing foreign customers. The word of mouth will be created to be revisited in the future.

(2) The Risk from Changes of Technology

The ongoing Corona Virus (COVID-19) epidemic had caused a change in customer behavior to access more online digital devices. Businesses focusing on e-commerce and online retailing were rapidly expanding. Moreover, online stores, e-marketplaces, and social commerce platforms were highly competitive in terms of price and content.

In 2021, MBK Center focused on Digital Marketing as the medium of communicating information and marketing events to reach target groups of service consumers through social media channels— such as MBK Center's Facebook, Instagram, Twitter, YouTube— which up-to-date information, promotion campaigns, and activities were updated. Lifestyle content was also created to engage the awareness of and accessibility to the target group. The target group will use the MBK Center's services as a result of word of mouth via social media and online attractiveness. Furthermore, the Company adapted to customer behavior through omnichannel, increasing the range of service channels by selling through online MBK Center in Lazada, MBK Live Market, Facebook Live, and MBK Food Hub in Robinhood. This is to make purchasing products from various stores in MBK Center more convenient, as well as to create a seamless purchase experience across online and offline channels.

3) The Paradise Park Shopping Center and the Paradise Place Building

(1) The Risk from the Economic Situation

The revenue of Paradise Park and the Paradise Place Building did not meet the target due to

the impact of the Corona Virus (COVID-19) pandemic. As a result, a strategy has been created to deal with such situations by strictly following government guidelines for hygiene and customer safety to build customer confidence and safety, as well as planning marketing activities that target health-conscious customers. The online interesting activities for the targeted customers were created to link in with offline marketing. The media for public relations was created to communicate the activities and measures to the tenants and customers, which is expected to improve the number of customers and product purchasing.

(2) The Risk from the Construction of the Yellow Monorail Line

There is the construction of the yellow monorail line by Mass Rapid Transit Authority of Thailand (MRTA) with a straddle monorail system. This yellow line is an elevated mass rapid transit line. This 30.4-kilometer-long line will have 23 stations in total, which was constructed in June 2018, and is expected to have available services lately in 2022. This construction has caused lanes to be closed. Therefore, the traffic all along Srinakarin Road is jammed, leading to a decrease in a number of customers who has come to the shopping center. However, once the MRTA's yellow line is operational, more customers will be able to get to the Paradise Park Shopping Center and the Paradise Place Building with ease.

However, the Paradise Park Shopping Center has adapted its marketing strategy to satisfy customer demands by focusing on health-related activities through commercials, public relations, and marketing events that are consistent with the current situation and target customers. To encourage spending, a variety of promotions were developed in collaboration with the shopping center's stores. Increasing the variety of shops, products, and services, as well as creating an environment for various festivals by decorating both inside and outside the shopping center, were established to fulfill demand and provide the highest level of pleasure, as well as to retain and attract new customers.

4) The Nine Center

Customers were concerned about the Corona Virus (COVID-19) epidemic, and they only as much as necessary. As a result, the Nine Center was tasked with building trust in hygiene and health-related safety, as well as regulating stores to ensure that they complied with the government's preventive measures. Also, the use of digital marketing to communicate marketing activities and promote stores via social media, such as Facebook, Instagram, Twitter, Line Official of the Nine Center, and the MBK Plus channel's Loyalty Program.

5) The Nine Center Tiwanon

The economic slowdown caused by the Corona Virus (COVID-19) epidemic had a direct and significant impact on the opening of the Nine Center Tiwanon shopping center, both in terms of tenants who were cautious about their investments and store decorations, and the shop opening which was required to operate under strict government protection measures. As a result, the opening of most stores was the opening of most stores was behind schedule. Initially, there are a small number of customer spending. This could affect the Company's occupancy rate as well as the revenue share expected to earn which could not match the forecast. However, the Company had a supporting policy of rental exemption from April to August 2021. In addition, the shopping center partnered with the government and local government to establish a vaccination center at the Nine Center Tiwanon to provide COVID-19 vaccine to the general public in the locality. It was also urged that all tenants in the shopping center be 100% vaccinated. Farmers, producers, community products, and independent businesses could use the areas for the marketing activities for their products. As a result, they had the opportunity to sell things and generate income. It expanded the public's opportunity to obtain high-quality goods at low prices, reducing the impact and continuing to encourage customer spending.

6) Glas Haus Ratchada Company Limited

Glas Haus Ratchada's area rental business was a risk factor in 2021. Even though the merger of Thanachart Bank Public Company Limited and TMB Bank

Public Company Limited resulted in the return of some leased areas of Thanachart Bank Public Company Limited, causing of size reduction of some departments. It was planned and could recruit new tenants to replace them continuously.

As part of the strategy plan to adjust shops and services in the retail area of the building to meet the demands of current tenants, including providing various facilities such as a 2-story car park building that satisfies all tenants, this was an important factor causing tenants to continue and renew their lease agreement with Glas Haus Ratchada.

The Risk Factors of the Hotel and Tourism Business

The last year 2021 was recognized as a year that the hotel and tourism industries were severely impacted by the Corona Virus (COVID-19) epidemic. It had a huge impact all over the world. Although the situation is improving, the government has been unable to implement measures to ease immigration due to the risk of an epidemic of the COVID-19 mutated strain. As a result, the number of tourists visiting Thailand in 2021 will be substantially lower.

The Hotel and Tourism Business has to adapt itself to have flexibility for business operations by focusing on the situation and controlling expenses efficiently as follows:

- To provide a long stay service in order to generate constant incomes.
- Measures to control and prevent the epidemic outbreak of Corona Virus (COVID-19) through social distancing according to the regulations of the public sector in order to boost confidence of guests.
- To reduce guest rooms' price and have value-added offers for guests.
- To participate in the public sector's campaigns such as We Travel Together, Thai Tour Travel, and Test&Go campaign which received warm welcome. The Hotel is also certified for hygiene standards or Amazing Thailand Safety and Health Administration (SHA, SHA Plus (SHA+), SHA Extra (SHA++))

- To promote sales of “Resort Credit”.
- To perform the job rotation both inside and outside the Business Group in order to use resources more efficiently.
- To review to partly cease operations of the business where the operating costs are significantly higher than the return
- To collaborate with the contracted hospital as a treatment option, Hospitel, for Corona Virus (COVID-19) patients who have a green level without severe symptom
- To adapt to the Thai tourist market by changing services that are popular for Thai tourists

The Risk Factors of the Golf Business

Most of the risks affecting the operation of the golf business stem from external factors which are unavoidable. These risks include:

(1) The Risk from the Epidemic Outbreak of Corona Virus (COVID-19)

The Loch Palm Golf Course (LPGC) and the Red Mountain Golf Course (RMGC) are located in Krathu District, Phuket Province. Their main customers are foreign tourists. When the epidemic outbreak of Corona Virus (COVID-19) has occurred, foreign tourists cannot come to Thailand. Therefore, domestic golfers are the main market, affecting a decrease in incomes from using services of golf courses. However, in order to reduce such an impact, the Golf Business has organized sales promotion events in order to increase a number of golfers as follows:

- Special green fee rates are offered to short-term and long-term members, including golfers in the country. It also has the cooperation with the Tourism Authority of Thailand (TAT) to attract more Thai golfers, both in Phuket itself and from other provinces, to use the golf courses of the Golf Business more.

- To organize direct sales promotion events through websites and conduct public relations on social media in order to attract the domestic golfers to use services through direct contact with the golf courses.
- To organize golf competitions and tournaments in the form of the New Normal for ordinary golfers and local golfers in order to use the golf course services more.

Although the epidemic outbreak of Corona Virus (COVID-19) has an impact on the Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGC) located in Pathum Thani, these two golf clubs are less affected than the golf courses in Phuket. Main customers are local golfers in Bangkok and surrounding areas. Nonetheless, the Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGC) initiate following sales promotion events in order to increase a number of golfers as follows:

- Organization of golf competitions or tournaments for golfers during the low season.
- A special promotion for afternoon as a package, including a green fee, a caddy, and an electric golf cart for BKGC.
- Special promotions for MBK Golf Card holders.
- Golfers can book Tee-Time through the booking online, together with special price promotions.
- Add more distribution channels through more distributors.

(2) The Risk from Natural Disasters

In 2021, there were no severe natural disasters that affected service providing. In Phuket, many areas were flooded for a short time in the rainy season because water drainage to the sea was inefficient. Floods did not inundate the areas for a long time so that they became obstacles to travel and service providing.

(3) The Risk from the Global Economy

Because of problems of the sluggish global economy, the situation of the epidemic outbreak of Corona Virus (COVID-19), and other factors, it has an effect on the tourism business, including the Golf Business because the main target group of customers of the golf courses located in Phuket is tourists from European countries, Asia, and Australia. They are business people with purchasing power who come to travel and play golf in Thailand, both in Bangkok and Phuket. When this target group cannot have international travels, it has a negative effect on an expansion rate of the Golf Business. As a result of this situation, golf courses have adjusted their marketing strategies to focus on local and domestic golfers. For local golfers, a price strategy is used, and a promotional package is created to tie together hotel accommodations and golfing for domestic golfers, while also offering a variety of promotional programs.

The Risk Factors of the Real Estate Business

(1) The Risk from the Related Law Amendments

The operations of the Real Estate Business have risks from improvement, amendments, and addition of laws and regulations related to the Real Estate Business - changing rules of land allocation according to Land Allocation Act, urban planning, expropriation boundaries, improvement in a public transportation system, or laws related to environment conservation, for example. All these are factors beyond the control of the Real Estate Business.

However, to decrease such risks, the Real Estate Business has carefully checked real estate-related restrictions prior to make a decision on investment as well as closely followed situations and moves for any issue all the time with the aim of preparation for residential development in conformity with such changes. Moreover, the Real Estate Development Business sets a policy on completing permission requesting before launching a project for sale - providing a report of Environmental Impact Assessment (EIA) and requesting for permission of construction, for example - in

order to boost customers' confidence that a project can be definitely developed.

(2) The Risk from Fluctuation in Construction Material Prices and Project Development Costs

To efficiently reduce and control the risk from the fluctuation, the Real Estate Business aims to purchase some materials directly from the producers through bidding so that there can be a comparison of material quality and market price. The most appropriate price will be selected. Contractor selection is proceeded through bidding and signed under the turnkey construction contract so that the construction costs can be contained within the budget.

Moreover, the Real Estate Business has a committee which is set up to closely follow paces of housing development and condominium markets in order to follow an economic tendency closely, consider the quality of construction materials which are used appropriately and proved their worth in order that customers feel satisfied with the products.

(3) The Risk from a Shortage of Skilled Workers and Quality Contractors

A shortage of skilled workers and quality contractors causes unfinished projects as already planned or may affect the work quality and possibly increases operational costs. However, the Real Estate Business has measures to reduce such risks as follows;

- To use more technologies and instant construction materials as substitutes for skilled construction workers in order to decrease reliance on workers, finding new construction technologies within the country and abroad regularly in order to determine suitability and application to construction.
- The Real Estate Business still underlines significance of establishing a good relationship with contractors by providing engineers for each project in order to help the contractors when facing problems on site so that projects quality can be delivered on time.

- A shortage of skilled workers and quality contractors causes a change in the building contractor market. Formerly, contractors had to bid for projects. Now, the real estate operators have to offer contractors for projects instead. The contractors' reputation, work experience, and competence are under consideration. Also, their actual performance for the Real Estate Business is assessed.
- To compile a guideline for housing construction and providing training for both contractors and employees working in the Real Estate Business.

(4) The Risk from the Competition

The market of housing and real estate is highly competitive because any real estate developer can enter or leave the market freely, together with many existing developers in the market. Most of them have the experience in the real estate for more than a decade. The competition in this business depends on each developer's strategies to compete with others and run its business to overcome any occurred crisis.

Therefore, the Real Estate Business has established strategies to manage risk in competition, which are as follows:

- To follow situations of the housing and the real estate market through closely observing an economic tendency and adaptation of the real estate entrepreneurs.
- To study the changing behavior and needs of customers as information for developing housing projects in order to satisfy the customers' needs.
- To build houses and condominiums with emphasis on quality, cost control, and a reduction in expenses.
- Quality control process up to the product delivery to clients and a customer service that emphasizes on customers' satisfaction, giving real estate business more advantages in the competition in credibility, product quality and service.

- To increase new target groups and new channels of distribution that will allow the Real Estate Business to reach its new target groups.
- To arrange activities to strengthen a relationship with surrounding communities and underlining the significance of environmental and social responsibilities in order to build confidence and a good relationship between the Real Estate Business and surrounding communities.
- To strengthen the management and the communication of "MBK Real Estate" under the brand of "MBK" to be widely recognized, which will support the sales of new projects; to focus on strategies and customer management by creating "experience" that will add more value to the services, and directly increase the "confidence" in the brand.
- To develop the personnel to have knowledge and expertise as well as building a big database or Big Data in the organization in order to be able to create and manage strategies to match the changing market's situations.

(5) The Risk from the Economic Situation

Because of the ongoing impact of the Corona Virus (COVID-19) epidemic, which has caused significant economic damage, it is expected that the epidemic, particularly the new strain, will remain a cautionary factor in 2022. Even though the government has released LTV easing measures to stimulate domestic demand, the risk factor of household debts remains high. Domestic demand is expected to fall if the epidemic emerges at a severe level. The Company has followed up the situations in order to assess the real estate's market continuously in order to be used in the strategy's formulation and coping with changes in several contexts.

However, the MBK Real Estate Co., Ltd.

mainly takes care of the projects which the Company has opened for sale in the past and in the present for the sake of the quality of good living. The Company only focuses on developing projects situated on potential plots of land which MBK possesses nowadays. Information Technology is also used to control over the quality of the construction and development of the projects' services in order to respond to needs of target groups' customers and remain competitive. For the property management business and property appraisal and advisory service business, various target groups are more expanded.

The Risk Factors of the Food Solution Business

1) The Rice Business

(1) The Risk Arising from Prices of Raw Materials

Rice is the main raw material of the Company's production. It is classified as an agricultural commodity which its prices fluctuate all the time according to the market's situations—whether they are the economy, the politics, the climate, or the environment. These factors stimulated demand and supply. In 2021 Thailand's rice supply on the global export market will continue to shrink because of the Corona Virus (COVID-19) epidemic causing the closure of some foreign ports. As a result, there was a delay in the distribution of goods in each port, resulting in a container shortage together with an unscheduled vessel, effecting higher freight charges. As the global economy slows, the price of Thai rice when reflected with shipping costs is raised. As a result, Thailand's overall rice exports will decline in 2021, although the price of white Thai rice has dropped to its lowest level in 2 years and the price of fragrant rice (Jasmine and Hom Pathum Thani) has dropped to its lowest level in 4 years and importers from Asia and Africa will continue to increase their demand. The above effects are the main factor that influences the importing country's decision, especially for small-scale importers. The world's number one exporter is still India. Thailand was ranked third. However, Thai rice still has the potential for international growth because of its product's quality and reliable services.

For the domestic market, the sluggish economy had an impact on consumers' purchasing power. Therefore, price competition and the categorization of products were employed in 2021. However, PRG has formulated an operational policy in order to reduce risks from the market's fluctuation by:

- To store only main products such as fragrant rice and white rice as a spare volume for the production with appropriate prices by checking all statistics before making decisions to buy rice.
- Specialized products or products having shorter shelf life than other rice types such as rice for good health, a policy to sufficiently balance a volume of rice in production with a volume of rice for sale is used in order to reduce problems of the quality and fluctuating prices.

For raw materials for the foreign market, a policy to buy a volume of rice according to the purchasing order is used in order to reduce the risk of prices of inventory raw materials when compared with the market.

(2) The Risk Arising from Price Fluctuations

The situation of the epidemic outbreak of Corona Virus (COVID-19) made consumers' purchasing power similar to the year 2020, causing the market's price mechanism to employ a higher price competition strategy. In order to reduce the risk and increase the PRG's competitive potential, it stipulated its goal in order to increase the Company's at least 2 more production sources in order to reduce the risk in terms of a shortage of products. PRG then can deliver and enhance its competitive potential by improving the potential of the production sources to be efficient and conform to PRG's standards by controlling costs. It could help set products' prices of PRG to correspondingly deal with the market situations.

PRG has set its competitive policy for the domestic market for 3 parts as follows:

- The Traditional Trade focuses on an increase in sales volumes and an increase in distribution channels in order to distribute trademarked rice products more. Particularly, in 2021, the public sector had a policy to promote retail stores in the traditional trade. Therefore, PRG focused on this market's expansion in order to accord with consumers' purchasing power during the situation of the epidemic outbreak of Corona Virus (COVID-19).
- The Modern Trade's strategies used in this channel focus on creating an image and trying to maintain sales areas by means of organizing promotions continuously, managing distribution areas for each shopping center, increasing a variety of products, and increasing an online channel. All are for maintain its market share as much as possible.
- The HORECA— the direct sale channel— mainly focuses on the fastness and convenience of customers with proper prices. Therefore, finding other food types which customers want is used as a one-stop-service strategy in order to maintain the customer base.

(3) The Risk Arising from Rice Export

In 2021, the impact of the epidemic outbreak of Corona Virus (COVID-19) caused the continuous effect on world goods transportation and the economic situation of countries to reduce their purchasing power of the rice's importation. The supply does not harmonize with the demand. This leads to be unable to satisfy consumers. However, PRG still maintains target customers. PRG's main customers still have confidence in the Company continuously. PRG's focused policy is to reduce the risk from foreign trade as follows:

- PRG agrees to make a sales contract only when there are sufficient raw materials.

- PRG stores an appropriate amount of raw materials as a minimum required by public agencies.
- Financial transactions are done through leading and trusted banks and customers' creditability is verified as well.
- In order to prevent fluctuations in Thai Baht currency, PRG has to buy a forward contract for a foreign currency exchange rate after each purchasing order is received immediately.
- In order to prevent fluctuations in shipping costs, PRG has separated the product price and shipping cost, where the freight is the actual shipping cost at the time of delivery so that the buyer can consider the product price and the shipping cost for each period as well as reducing the risk of PRG.

(4) The Risk in Value of Thai Baht Currency

PRG prevents fluctuations in the currency exchange rate by coordinating with banks in order to manage the currency exchange rate in each case every time when a trade is made.

(5) The Risk from Natural Disasters

PRG has to lay a policy to take care of areas in many forms in order to deal with possible incidents and prevent discontinuity in operations such as sparing a space in a warehouse ready for dealing with floods by means of preparing palettes to elevate products higher above the ground level and checking the location and its surroundings as a period of time is scheduled in order to prepare measures in advance. These policies are laid in order to reduce the risk of the response to consumers' needs and the Company's damage.

(6) The Risk of Depending on Major Customers or Distributors or a Small Number of Customers or Distributors

In 2021, products were sold to the first 10 biggest customers, calculated as 40% of the total revenues. The biggest customer had a rice sales volume of not more than 10% of the total revenues. From this trade share, PRG currently considers that there is no risk of depending on any big customer. Moreover, PRG concentrates on increasing incomes from other businesses continuously, action plans for expanding its business to the Food Court Business, selecting other products in order that there is a full variety of products, including changing its strategies in order to enter the market through direct sales channel in order to have stable and sustainable growth in the future.

2) The Food Court Business

The impact of the Corona Virus (COVID-19) epidemic is continuing in 2021. The government has taken strict measures to close the country to foreign tourists, implement a work-from-home scheme, online study for educational institutions, and open shopping malls only for supermarkets and medical stores. All three Food Legends by MBK closed for more than a month and Im-jung food court closed for 2 months because their main customers were shopping center customers.

However, MBK Food Island Company Limited (MBK-FI), as the manager of the Food Legends by MBK and Im-jung food court, coordinates with government policies and demonstrates social responsibility when the food courts could be opened. It implemented government policy to boost customer confidence, such as COVID-19 testing with an Antigen Test Kit (ATK), providing vaccines to store employees and personnel, social distancing, and limiting the number of customers, reducing common touch areas, and cleaning tables and seats with food-grade disinfectants after each use, etc.

Because MBK Center encountered a problem of a decreasing number of services users who were foreign tourists, MBK Center turned to focus on satisfying the need of domestic customers more by adjusting the pattern of rental spaces to be offices, having the

Co-Working Space zone, and being prepared to bring in tutoring centers to occupy the spaces. MBK-FI then adjusted its trade strategies to respond to such changes in order to increase channels of providing services. An on-site food delivery service was provided to customers so that they needed not to come to directly use services at food courts. Food Legends by MBK application is launched. Ordering food through Application was publicized in order to promote the orders. The online channel as the social network was used to communicate information and promotions and emphatically state the goal to respond to services users such as reviews of the food courts given by celebrities. A vast variety of more than 70 alliance restaurants which were selected exclusively to their great taste, great quality, and potential to build a mutual trade opportunity as an important advantage in order to overcome the crisis in 2021.

3) Property development business

Business risk

PRG has constructed the Riverdale Marina, the first fully integrated A-class yacht marina along the Chao Phraya River. The rental for ports, retails, boat showrooms, restaurants, and boat services and equipment shops are all available at the Marina Project which will be completely constructed by 2022. Because of the impact of the Corona Virus (COVID-19) epidemic, and the economic and investment slowdown, PRG may not be able to achieve its tenant's recruitment target for the Marina Project. This will have an impact on PRG's earnings in the future.

However, PRG has recruited potential tenants and invested in Marina Project-related businesses to reduce the risk of tenant recruitment. In addition, PRG has got promoted and supported on this project by the Tourism Authority of Thailand, Pathum Thani Provincial Government, and numerous tourism promotion organizations, so it is an opportunity to find tenants to fill the entire space.

The Risk Factors of the Financial Business

(1) The Credit Risk Management of Non-performing Loans

The risk arises from debtors and the counterparties who default on their payments or are unable to fulfill their obligations agreed in the loan agreements. This can arise from debtors facing business problems or situations in distress due to the economic fluctuations or mismanagement, as a result, the Group's revenues will be adversely affected.

However, the Financial Business Group is aware of the management of the risk arising from non-performing loans, which is the nature of business. Therefore, the Company emphasizes debt collection management by establishing a policy and procedures for the control over the quality of the loans regularly. To begin with, the Group puts in place some procedures for appraising the credit worthiness of the borrowers or counterparties of the loan agreement. The credit analysis unit is responsible for appraising the risk and determining credit line as well as related terms and conditions to be included in each loan agreement suitably. Moreover, there is a committee with knowledge and experience in the Financial Business to assign and approve loan applications. They are also responsible for regulating the operations. Furthermore, credit insurance is offered as an option to customers who want to buy insurance aimed to cover debts obliged to the Company.

Moreover, for debtors who are affected by the epidemic outbreak of Corona Virus (COVID-19), the Financial Business has helped them by reviewing the scale of the impact, credit's types, and credit default risk. The Financial Business issues aid measures such as debt restructuring and conditions eased as appropriate including having Asset Warehouse to support the debtor in the long term. Also, measures to control and follow up debtors and regularly assess credit risk are increased in order to reduce the opportunity of defaulting on paying back loans in the future.

(2) The Risk from Collateral

For secured loans, the Financial Business puts in place a system to assess and classify the quality of each type of collateral by considering the liquidity in locations (for the real estate), economic fluctuations which have an effect on the stock exchange (for movable assets –classified as common shares), and market demands (for motorcycles) of the collateral. The analyses will be used to consider the loan application. In real estate collateral, all assets are subject to appraisal by qualified independent appraisers while credits are appropriately granted to ensure collateral to cover the debt balance. Buildings are also insured against fire throughout the contract term, which will compensate for the possible future damage. For collateral as movable assets –classified as common shares, it has to monitor changes in the stock exchange in order to check shares' prices by specifying to increase the collateral in case of decreasing share prices in order to prevent damage possibly occur later. As regards the Motorcycle Hire Purchase Business in which motorcycles are considered collaterals, T Leasing Company Limited is the holder of the collateral and possesses the ownership of the collateral. If borrowers fail to repay their loans, the company can repossess the motorcycle which serves as collateral right away and selling it through a legal and transparent auction.

For the Motorcycle Hire Purchase Business run by T Leasing Company Limited (TLS), motorcycles are considered collateral and a bailor holds title to collateral. If debtors cannot pay back loans, TLS can take possession of assets immediately in order to re-sell through transparent and legal auctions. Therefore, there is a risk arising from the inability to repossess the motorcycles which serve as collateral. As well, there is a risk arising from the proceeds from auctioning the repossessed motorcycles which may insufficiently cover the outstanding balance on the loan and other damages caused.

(3) The Operational Risk

This risk resulting from being unprepared for the organization's information technology system. The system should be developed in order to cope with changes. All units should be specified that every unit takes responsibility for its own unit's operational risk management and cultivates understanding of this risk for employees at every level so that they acknowledge external impacts and risks. The company makes a business continuity plan so that it can help reduce possible impacts and encourage the business operations, although faced by emergencies, provides secure information technology and the appropriate pattern and consistency in the size and the complexity of the business and cyber risk which is studied and used for the information technology's improvement regularly. Such an information technology system can support, monitor, and use information correctly and efficiently. Also, the data is safely stored. Rights to have access to data are for related parties only. The process of a data backup to support a number of transactions is provided. The Company has criteria and guidelines on the regulation and management of the information technology risk for the sake of safety and coping with possible cyber threats, under the current business operations entering the Digital Era as well as occurring existing cyber threats and technological innovation. The Company specifies every business unit's roles, duties, and responsibilities for the risks and every type of appropriate risk management for the utmost benefits at acceptable level.

(4) The Risk from Abiding by Rules, Regulations, and Other Law Related to the Business Running

It is the risk arising from not abiding by rules, regulations, and law related to the business running. The Financial Business has established a control system in order to follow these mentioned above legally according to the law.

The Risk Factors of Auction Business

The Risk from a Decreasing Number of Cars Repossessed by the Finance Business.

For the Car Auction Business, a major car delivery group is financial institutions. However, the strict credit loan policy and the public sector's moratorium on debt payments because of the situation of the epidemic outbreak of Corona Virus (COVID-19) have had an impact on a decreasing number of cars confiscated by the financial institutes into the market. AAA then has increased a number of cars from other groups of sellers such as a rental car group and a private car group.

The Risk Factor of the Corporate Supporting Center

The Corporate Supporting Center, which is the main unit in managing the supporting work of the Group, mainly has an operational risk. Effects from this risk can be controlled by the means of risk transfer and control of risk from internal factors as follows:

(1) The Risk in Human Resources and Management

In 2021, the ongoing pandemic of the Corona Virus (COVID-19) was an external important factor affecting the organization in terms of the transformation of talented workforce who seeking challenging jobs and greater rewards.

From the vision of the Board of Directors and the Management Team of the Company, it is aware of the risk factor and puts more emphasis on the policy to develop human resources, which are an important foundation of the organization's instability and value. From that vision, the organization is trying to create a warm and friendly working environment by promoting organization culture and developing the human resource management system to be more professional. The objective is to create personnel that are united and share the same value, and colleagues with creative interactions to be suitable for the New Normal era. There will be more opportunities for employees to show their potentials, present new ideas and embark on new projects. Employees will realize their own value and be

determined to use their knowledge to develop their organization, as well as realizing the flexible and agile working more in order to increase the organization's ability to compete with and grow with stability and sustainability.

(2) The Risk from the Technology and Communication

It is widely acknowledged that the current communication technology makes the business world much smaller. Access to customers through communication technology becomes a key factor that may give more advantages in competition by being able to communicate and present new products and services as well as innovations to respond to customers' business demands, and control the quality, time frame and cost more efficiently.

The Group realizes the importance of the risk management of all 8 business groups. The MBK GROUP Digital Transformation Committee establishes a policy for the organization's digital transformation, and continuously supports and drives the implementation of MBK GROUP's digital technology projects. It responds to the needs of the Group's business activities as well as the demands of customers seeking service assistance. High-potential personnel in digital technology have been recruited in the last year. The development of such personnel was conducted to bring the technologies like IoT, Sensors, Big Data, AI, Cloud, and Mobile Experience

to boost the competitiveness of the MBK GROUP's businesses. The project guidelines for the development and installation of information technology systems in all 8 business groups to support transactions are also applied, in which information technology is brought in to support and manage the customer relationship management system to support the activities of the Customer Database & Loyalty Program, among other things. Furthermore, Contact Center and Central Concierge services have been expanded to MBK GROUP to meet client demands at the same level.

(3) Managerial Risk in the Situation of the Epidemic Outbreak of Corona Virus (COVID-19)

The situation of the epidemic outbreak of Corona Virus (COVID-19) has had both direct and indirect impacts on the Company's business performance, the Corporate Supporting Center's main duty is to manage resources necessary for the Group's performance. It has established measures to take care of, maintain, and prevent incidents such as providing alcohol-based gel and sprays for employees so that they can clean their hands, arranging temperature measuring points before entering offices, encouraging employees to wear hygiene masks and implement social distancing, and making work regulations concerning emergency situations. Moreover, equipment and tools are provided in readiness so that the employees can work from home efficiently.



3. Business Sustainability Development

Policy and objectives of sustainable management

MBK Public Company Limited (MBK) operates its business under the principles of good corporate governance and focuses on ethics and transparency, including social responsibility and the interests of all stakeholders. A goal is to develop quality shopping center areas that respond to the changing world including a focus on the customer-centric. It is expected that the business operations and activities related to the operations of MBK will be a part of the development of the retail and real estate business of Thailand. It is developing to equivalent standards to international levels and correlates with sustainable development guidelines which cover economic, social, and environmental aspects and in line with global trends and sustainability of the retail and real estate business development industry.

The MBK Sustainable Development Policy is established on a consideration of business strategy which covers economic, social, and environmental aspects to develop the business sustainable growth ability in parallel with the management of economic, social, and environmental impacts that responds to the expectations and needs of all groups of stakeholders.

In 2021, MBK Public Company Limited and its subsidiaries have continuously driven social, community, and environmental promotion projects both in the CSR-in-process and the CSR-after-process under 3 sustainability development areas that the Company has always emphasized and implemented which are:

Sustainable Economic Development

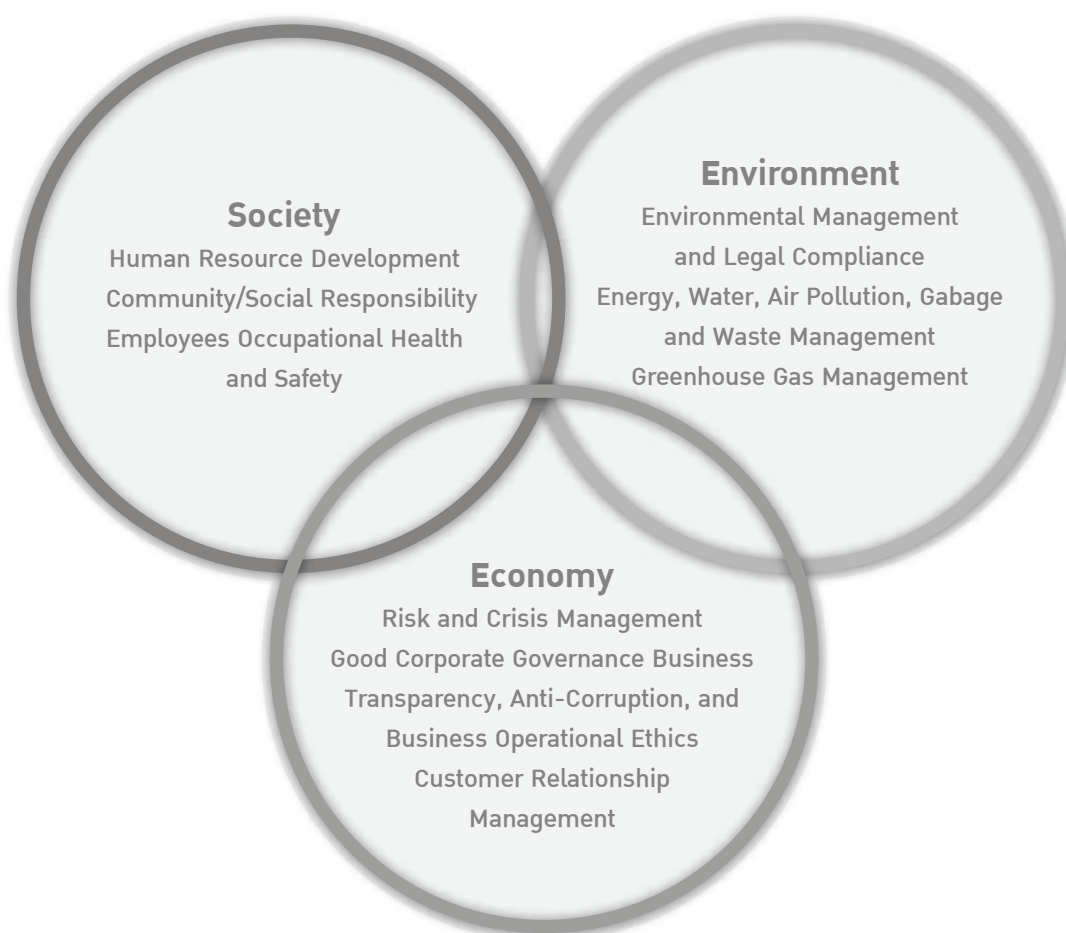
It is a determination on the ethical, transparent, and fair operation of the main business on real estate development under the principles of good corporate governance, continuously create and improve the quality of products and services to cover and respond to a wide range of demands and create satisfaction for all groups of customers. It is effective risk management as well to encourage the organization to achieve its goals with professionalism in business development including potential investment to obtain sustainable returns causing the continuous growth and stability of the Company as a part of creating a happy society and strengthening the sustainability of Thai economy.

Social Development

It is an awareness of creating a sustainable society by giving importance to society and all stakeholders' communities fairly and equally. There is effective human resource management without discrimination of race, color, religion, gender, age, nationality, citizenship as well as carry out activities that promote the development of potential in various fields for children and youth who are the foundation for a good future of society including enhancing and developing society and public interests to improve the well-being and environment of the community gradually.

Environmental Development

It is a determination to do business by focusing on environmentally friendly and giving importance to sustainable energy management by paying attention to, maintaining, and using resources at the maximum efficiency to reduce environmental impacts both in the short and long term. It is also a promotion on waste management from all processes, both inside and outside the organization, focusing on energy-saving and recycling to reduce the waste from the business of the organization and the community. It is an awareness promotion to employees in the organization to take care of the environment as well as educate the communities, new generations, and educational institutions to be a role model or leader in environmental problems management in a creative way including expanding cooperation with various partners to maintain a balance in business operations.



The Board of Directors assigns the MBK Good Corporate Governance Committee to have roles, duties, and responsibilities in sustainability and report to the Board of Directors. For clarity, the Sustainability Report

is also separated from the Annual Report (Form 56-2) from 2016 onwards. Please see more details in “Sustainable Development Report 2021” or at www.mbkgroup.co.th

4. Management Discussion and Analysis: MD&A

MBK Public Company Limited and its subsidiaries
Management discussion and analysis
For the year ended 31 December 2021

Analysis of operating results

1. Overall operating results

The operating results of MBK Public Company Limited and its subsidiaries ("the Group") for the years ended 31 December 2021 and 2020 are as follows:

(Unit: Million Baht)

For the years ended 31 December				
	2021	2020	Inc/(Dec)	
1) Operating revenue	7,631	8,636	(1,005)	(12%)
2) Operating profit	16	626	(610)	(97%)
3) Share of profit (loss) from investments in associates and joint venture	(334)	(227)	(107)	(47%)
4) Other income	577	598	(21)	(4%)
5) Finance costs	(734)	(550)	(184)	(33%)
6) Income tax expense	(269)	(255)	(14)	(5%)
7) Net profit (loss)	(744)	192	(936)	(488%)
8) <u>Less:</u> Profit attributable to non-controlling interest of the subsidiaries	(60)	(43)	(17)	(40%)
9) Net profit (loss) – attributable to equity holders of the Company	(804)	149	(953)	(640%)
10) Earnings (loss) per share (Baht)	(0.60)	0.11	(0.71)	(645%)

The overall group operating results in comparison with the same period of last year showed that the revenue for the years ended 31 December 2021 and 2020 were Baht 7,631 million and Baht 8,636 million, respectively, decreased by Baht 1,005 million or 12%. The net profit (loss) attributable to equity holders of the Company for the year ended 31 December 2021 represented net loss of Baht (804) million but for the year 2020 represented net profit of Baht 149 million, the net profit decreased by Baht 953 million or 640%. The significant changes were as follows:

a) The spread of Corona Virus (“COVID-19”)

The impact of the epidemic outbreak of COVID-19 in all regions of the world since 2020 has caused a hugely sluggish economy and continued impact to the present year. In Thailand has been affected since March 2020 onwards. This situation has affected the business operation of the Group. In 2020, the Group's business activities temporarily closed in accordance with the government measures, such as closing all shopping centers and food centers from 22 March to 16 May 2020, closing all golf courses from 22 March to 2 May 2020 and closing most hotels from 1 April to 17 July 2020.

In 2021, Thailand is facing new outbreaks of COVID-19 epidemic which is more violent wave. As a result, the government announced the lockdown measures again to reduce the spread of disease. The shopping centers and food centers closed from 19 July to 31 August 2021, and golf courses in Pathumtani closed from 23 July to 31 August 2021. The new outbreaks have affected the recovery of the private sector, slow-down of tourism sector, lower employment and a household debt ratio is still high. The Group is still affected by the crisis. As a result, the overall revenue and net profit for the current period in comparison with the same period of last year declined accordingly. The significant changes in operating revenue and operating profit (loss) of the Group business segments were noted in No. 2.1 - Operating revenue – by segment and No. 2.2 – Operating profit (loss) – by segment. However, the Group's management has followed up continuously on the situations for strategic planning and coping with changes in several contexts.

b) The Group recognized share of loss from investments in associates and joint venture for the year 2021 and 2020 of Baht 334 million and Baht 227 million, respectively, increased by Baht 107 million or 47%, due to the following reasons:

- Share of loss from an associate that operates shopping center business increased by Baht 308 million according to the lower performance causing from the impact of COVID-19 as mentioned above.
- Share of loss from associates that operates life assurance business decreased by Baht 201 million, mainly due to a decrease in provision for life assurance liabilities because of higher zero-coupon bond yield and the increase in fair value of marketable securities. In August 2021, the investment in such associates were sold to the existing shareholders.

c) Finance costs increased by Baht 184 million or 33% as detailed below:

(Unit: Million Baht)

Finance costs		2021	2020	Inc/(Dec)
1	Interest expense – Borrowings	96	125	(29)
2	Interest expense – liabilities under financial lease agreements (TFRS # 16)	634	421	213
3	Other finance costs	4	4	-
Total		734	550	184

From recognition rights of use and lease liabilities under the Financial Reporting Standard or TFRS #16 – Leases, resulted recognition of interest expense on the lease liabilities. The increase of Baht 213 million in interest expense was mainly due to the changes in recognition of rental discount basis as follows: In 2021, the whole rental discount was recognised to reduce cost of rental but in 2020, the allocated rental discount of Baht 238 million was recognised to reduce interest expense account.

However, if the interest expense in 2020 excluded such rental discount adjustment, the finance costs for the year 2021 and 2020 would be Baht 734 million and Baht 788 million, respectively, decreased by Baht 54 million according to the decrease of lease liabilities from the annual rental payment.

2. Revenue and operating results by segment

The Group's business operations are divided into 8 principal segments as follows:

1. Shopping Center business engages in the business of rental space to retail tenants in the shopping centers and the business of office space for rent.
2. Hotel and tourism business engages in providing for lodging, food and drink, fitness and other facilities and services related for accommodation and travel.
3. Golf business engages in golf services, clubhouse and selling golf equipment.
4. Real-estate business engages in residential for sale, property management and asset appraisal.
5. Food Solution business engages in selling rice for both local and export markets, and the food center and restaurant business.

6. Finance business engages in (i) providing general loan for housing and bridge loan of which the security is marketable property in good location, (ii) motorcycle hire-purchase business, and provision of life assurance business*.
7. Auction business engages in the business of car and motorcycle auction.
8. Corporate Supporting Center business performs as a back-office functions for the Group, and Others business engages in the water supply business.

Note:

- * The company that engages in life assurance business is classified as an associate therefore the recognition of operating results is in the form of profit (loss) sharing. The investment in the associates were sold in August 2021.

The significant movements in operating revenue and operating profit/(loss) by segment for the year ended 31 December 2021 when compared to the same period of 2020 were as follows:

2.1 Operating revenue – by segment

(Unit: Million Baht)

Segment	For the years ended 31 December			
	2021	2020	Increase/(Decrease)	
1) Shopping Center	1,480	2,363	(883)	(37%)
2) Hotel and tourism	221	484	(263)	(54%)
3) Golf	258	322	(64)	(20%)
4) Real-estate	1,000	715	285	40%
5) Food Solution	1,646	1,748	(102)	(6%)
6) Finance	2,412	2,486	(74)	(3%)
7) Auction	602	490	112	23%
8) Corporate Supporting Center and Others	12	28	(16)	(57%)
Total	7,631	8,636	(1,005)	(12%)

The operating revenue of the Group for the years ended 31 December 2021 and 2020 were Baht 7,631 million and Baht 8,636 million, respectively, which decreased by Baht 1,005 million or 12%. The major changes in operating revenue by segment were as follows:

- a) The revenue of shopping center business decreased by Baht 883 million or 37%, mainly due to the epidemic of COVID-19 in 2020 which caused all shopping centers were closed since 22 March to 16 May 2020 (total 56 days). In addition, in the current year, the shopping centers were also closed from 19 July to 31 August 2021 (total 44 days) in compliance with the Government measures. The tenants were waived for rental and service fees throughout the closing periods. The shopping center business has been affected continuously by a new outbreak of COVID-19 which is more severe since March 2020 until throughout the period of current year. As a result, the Group has still implemented measures to assist the tenants to maintain their business operation until the situation returns to normal such as rental and service fees discount, reducing the number of rental deposits, and extension of payment period etc. The rental discount rates will vary depending on the business impact of each tenant.

In 2021, the management has implemented new marketing strategies in accordance with the current lifestyle of consumers such as selecting the potential new tenants to meet the needs of customers, closing the certain rental space for renovation to be more modern and developing new technologies to adjust to the new normal trends.

- b) The revenue of hotel and tourism business decreased by Baht 263 million or 54% mainly due to the global epidemic of COVID-19. Most of the countries are implementing lockdown measures and the foreign tourists have stopped traveling to Thailand since April 2020. In November 2021, the epidemic situation is getting better so the government decided to reopen the country for foreign tourists but still maintained the tight epidemic control measures.

The hotel and tourism business were severely affected by COVID-19. In 2020, the most hotel group temporarily ceased its operations from 1 April to 17 July 2020 (total 108 days). During this closing period, Pathumwan Princess Hotel and Layana Resort & Spa in Krabi renovated hotel rooms. In addition, in 2021 the followings hotels have temporarily closed their services to control operating costs during low season periods as follows:

Hotel	Start	End
1. Tinidee@Ranong	1 Mar. 21	Indefinitely
2. Layana Resort & Spa in Krabi	1 May 21	31 Oct. 21
3. Tinidee@Phuket and Loch Palm Residence in Phuket	6 May 21	30 Sep. 21
4. Tinidee Hideaway@Tonsai Beach Krabi	1 Aug. 21	31 Oct. 21
5. Dusit Thani Krabi Beach Resort	1 Sep. 21	30 Sep. 21
6. Fitness Center at Pathumwan Princess and Paradise Park	26 Apr. 21	30 Sep. 21
7. Fitness Center at Bangkok Golf Club	26 Apr. 21	25 Dec.21

The impact of COVID-19 resulted that the hotel business has to adapt itself to have flexibility for business operation by focusing on offering services to satisfy the needs of local guests, offering a special price or package tour, participating in the public sector's campaign such as the project of "Rao Tiew Duay Kan" (We Travel Together), and increasing distribution channels to reach different groups of customers etc.

- c) The revenue of golf business decreased by Baht 64 million or 20%. According to the Government measures, in 2020, all golf courses were closed from 22 March – 2 May 2020 (total 42 days), and in the current year, two golf courses in Pathumtani were closed from 23 July to 31 August 2021 (total 40 days). After re-opened the golf courses, the number of golfers at Riverdale Golf Course and Bangkok Golf Course in Pathumtani have increased continuously. On the other hand, the golf courses in Phuket are still slow-down same as 2020 because most of golfers are foreign golfers from aboard.
- d) The revenue of real-estate business increased by Baht 285 million or 40% mainly due to the significant changes as followings:

- Residential development projects:

(Unit: Million Baht)

	Project - Description	2021	2020	Inc/(Dec)
1	"Quinn Condominium 101" whcih located on Sukhumvit Road 101 was completed in October 2020 and the legal transfer of ownership and revenue recognition has been made since the fourth quarter of 2020.	318	389	(71)
2	"Riverdale Residence" is a premium residential project consisted of house with land and vacant land, located in the Riverdale Golf Course in Pathum Thani.	362	135	227
3	"Park Riverdale" is a mid-level residential project, located in the Riverdale Golf Course in Pathum Thani.	57	81	(24)
4	"Quaritz Rama IX" is a luxury residential project, located next to the shopping center The Nine Center Rama 9.	52	-	52
5	"Baan Rom Mai – Bo Win" is a small size residential project, located in Chonburi.	108	40	68
6	Residential projects in Phuket.	54	7	47

- In the second quarter of last year, the real-estate business reversed accrued reserve for housing maintenance relating to after-sales service agreements for several housing projects amounting to Baht 21 million to other income due to the end of warranty period.
 - Due to the uncertainty of COVID-19 situation, the real-estate business decided to postpone the residential development projects in other locations until the economic returns to normal situation. However, the real-estate business continues studying to develop residential project to meet the needs of consumers who are constantly changing behavior according to the context, society, and environment.
- e) The revenue of food solution business decreased by Baht 102 million or 6%. The significant changes were as follows:
- The revenue of rice business decreased by Baht 34 million or 2% as below details.
 - The export sales increased by Baht 57 million, mainly due to the global COVID-19 situation causing a shortage in number of containers for export goods. However, since the third quarter of 2021, there are enough number of containers for export sales of rice.
 - The domestic sales decreased by Baht 91 million.
 - The revenue of food center business decreased by Baht 68 million or 54%. Because in 2020, the food centers were closed from 22 March to 16 May 2020 (total 56 days), and in the current year, the food centers were closed from 19 July to 31 August 2021 (total 44 days). At present, the number of customers declined as results of facing a new outbreak of COVID-19 and several government programs to help people and retailers affected by COVID-19 crisis. The food seller who registered as a company is unable to participate with the programs.
- f) The revenue of finance business decreased by Baht 74 million or 3%. Under COVID-19 situation, finance business is more conservative in lending loans to customers, monitored debt collection status, and reviewed credit risk assessment on a regular basis to reduce default debtor.
- The revenue of hire-purchase for motorcycle business decreased by Baht 71 million. The same period of last year, there was revenue recognition of Baht 75 million from the disposition by auction process of non-performing loan receivables portfolios. However, if such item was excluded, the hire-purchase revenue would be increased by Baht 4 million.

- The revenue of lending business decreased slightly by Baht 3 million. Because in 2020, there was interest income recognition from a default debtor of Baht 45 million due to the auction process of collateral asset to settle the outstanding principal and interest. However, if such item was excluded, the revenue would be increased by Baht 42 million.
- g) The revenue of auction business increased by Baht 112 million or 23%, mainly due to the economic downturn leading to the higher in number of car seized and higher market demand for used cars.

2.2 Operating profit (loss) – by segment

(Unit: Million Baht)

For the years ended 31 December				
Segment	2021	2020	Increase/(Decrease)	
1) Shopping Center	(846)	(118)	(728)	(617%)
2) Hotel and tourism	(318)	(291)	(27)	(9%)
3) Golf	(35)	(13)	(22)	(169%)
4) Real-estate	192	129	63	49%
5) Food Solution	(39)	(2)	(37)	(1,850%)
6) Finance	851	762	89	12%
7) Auction	229	164	65	40%
8) Corporate Supporting Center and Others	(18)	(5)	(13)	(260%)
Total	16	626	(610)	(97%)

The operating profit of the Group for the years ended 31 December 2021 and 2020 were Baht 16 million and Baht 626 million, decreased by Baht 610 million or 97%. In overall, operating results varied according to the movements of revenue as mentioned in No.2.1, normal economic conditions and the significant changes as follows:

- a) The epidemic of COVID-19 situation resulted in the decline of revenue of the Group whereas the fixed costs still incurred. However, the Group management has closely monitored the progress of COVID-19 situation and continuously reduced operating expenses to minimize the impact on the Group operating results.

- b) Shopping center business received a rental discount on land and its related buildings due to the impact of the COVID-19 for the year 2021 and 2020 were Baht 293 million and Baht 363 million, respectively, decreased by Baht 70 million. The rental discount can be recognised after receiving the official notice from the lessor.
- c) Due to the epidemic of COVID-19, the number of foreign and Thai tourists traveling within the country declined significantly. This affected to the operations of the group hotel business. As a result, in the current period hotel business reduced number of employees in order to adjust the size of business operation and to reduce operating costs in accordance with the current situation. The additional severance pays were recognized for the year 2021 of Baht 26 million.
- d) Employee expenses of the Group decreased by Baht 146 million due to the reduction in number of hotel staff as mentioned above, the temporarily closed for hotel business operation as mentioned in No. 2.1 (b) and the decrease in other related staff expenses of the Group since the second quarter of last year.
- e) Bad debt and provision for expected credit losses (provision for doubtful debts) of the finance business decreased by Baht 139 million, mainly due to more stringent measures in lending loans resulted in lower loan portfolios, the better debt collection and the government programs helping people for living allowance.
- f) In 2021, the impairment of investment in Thai Airways Debentures was recognized of Baht 29 million.

Analysis of financial position

The significant movements in assets, liabilities and shareholders' equity as at 31 December 2021 when compared with the balance as at 31 December 2020 were as follows:

(Unit: Million Baht)

	31 Dec. 2021	31 Dec. 2020	Increase/(Decrease)	
Total assets	55,257	57,142	(1,885)	(3%)
Total liabilities	34,199	35,757	(1,558)	(4%)
Total shareholders' equity	21,058	21,385	(327)	(2%)

3. Assets

3.1 Cash and cash equivalents

Cash and cash equivalents balance as at 31 December 2021 was Baht 4,449 million, increased by Baht 607 million or 16%, mainly due to the uncertainty situation of COVID-19 pandemic therefore, the Group needs to maintain adequate financial liquidity for further business operations. The significant increase in sources of cash and cash equivalents during the current year, apart from operating cashflows, was cash receipt from sale of investments in group associates that operated in life assurance in August 2021 amount of Baht 487 million.

3.2 Other financial assets – Investments in equity marketable securities

Investments in equity marketable securities balance as at 31 December 2021 was Baht 5,000 million, increased by Baht 401 million or 9% due to the increase in fair value of investments in marketable securities on hand at period ended.

3.3 Loans to customers

Loans to customers (including current portion), net of allowance for expected credit losses (allowance for doubtful accounts), balance as at 31 December 2021 was Baht 14,798 million, decreased by Baht 731 million or 5%. The major changes were as follows:

- a) From the epidemic of COVID-19 situation, the finance business has conservative policy in lending to a customer to avoid non-performing loan. As a result, the hire-purchase receivables for motorcycle portfolio decreased by Baht 486 million, and loan receivables which secured by pledged/mortgaged of assets specified in the loan agreements decreased by Baht 377 million.
- b) Allowance for expected credit losses (provision for doubtful debts) decreased by Baht 133 million, mainly because the hire-purchase for motorcycle business has more conservative credit control, better debt collection process and the government policy launching the economic stimulus program for people affected by COVID-19.

3.4 Inventories

Inventories balance as 31 December 2021 was Baht 2,297 million, decreased by Baht 543 million or 19%. The major decrease was from the transfer development costs of several residential projects to cost of sales according to the revenue recognition as mentioned in No. 2.1 (d).

3.5 Investment in associates and joint venture

Investment in associates and joint venture balance as at 31 December 2021 was Baht 5,112 million, decreased by Baht 810 million or 14%. The major changes were as follows:

- a) The decrease of Baht 474 million was from sale of investments in group associate that engaged in life assurance business in August 2021.
- b) The decrease of Baht 334 million was from the recognition share of loss under equity method.

3.6 Investment properties

Investment properties balance as at 31 December 2021 was Baht 13,065 million, decreased by Baht 849 million or 6%. The significant movements during the year were as follows:

	Description	Million Baht
1	The construction costs of a new shopping center "The Nine Trianon"	256
2	The costs of renovation shopping centers	227
3	The development costs of a port project Marina@Riverdale District	46
4	Reclassification of certain plot of land in Pathumtani to present under land held for development	(93)
5	Depreciation and amortisation	(1,233)
6	Others	(52)
	Total net movements	(849)

3.7 Property, plant and equipment

Property, plant and equipment balance as at 31 December 2021 was Baht 5,623 million, decreased by Baht 303 million or 5%. The significant movements during the year were as follows:

Description		Million Baht
1	The construction costs of a new office building and car auction site located at Tiwanon Road in Pathumthani and improvement of car auction sites in provincial branches	77
2	The costs of renovation golf courses in Pathumthani	50
3	The costs of a new food court at "The Nine Tiwanon" shopping center and renovation costs of food court at Samyan Mid-Town shopping center	34
4	The costs of renovation shopping centers	30
5	Depreciation and amortisation	(538)
6	Others	44
Total net movements		(303)

4 Liabilities

4.1 Long-term debentures

Long-term debentures (including current portion) balance as at 31 December 2021 was Baht 14,877 million, decreased by Baht 886 million or 6%. In the current year, interest costs are in a downtrend according to the economic conditions. To manage financial costs effectively, therefore in July 2021, the Company issued additional debenture of Baht 1,000 million for a period of 3 years, bearing interest rate of 1.91% per annum. In September 2021, the partial debentures of Baht 856 million, which were due for repayment in 2022 and bearing interest rate of 4.7% - 4.9% per annum, were redeemed. In addition, in November 2021, the Company redeemed the debenture of Baht 1,000 million, which due for repayment in 2033 and bearing interest rate of 3.9% per annum.

4.2 Long-term liabilities under financial lease agreements

Long-term liabilities under financial lease agreements (including current-portion) balance as at 31 December 2021 was Baht 11,684 million, decreased by Baht 478 million or 4%. The major item is represented liabilities related to the lease agreements granting the right to utilize the shopping center at Pathumwan intersection which is presented net of related deferred interest expense. The movements were as follows:

- a) Liabilities under financial lease agreements was due for payment in April 2021 amounting to Baht 985 million. The Company paid for such liabilities, net of discount received under COVID-19 situation, of Baht 760 million.
- b) Deferred interest expense decreased by Baht 617 million due to the amortization over the lease period as interest expense for the period.

5 Shareholders' equity

Total shareholders' equity balance as at 31 December 2021 was Baht 21,058 million, decreased by Baht 327 million or 2%. The significant movements were as follows:

- a) The decrease of Baht 804 million was from net loss from operation for the year.
- b) The increase of Baht 198 million was the warrant holders of 66 million units exercised their rights to purchase ordinary share at Baht 2.9 - 3.0 each, resulted in an increase in paid-up share capital of Baht 67 million and premium on ordinary of Baht 131 million.
- c) The increase of Baht 325 million was from fair value adjustment of the investment in available-for-sale marketable securities, net of related deferred tax liabilities impact.

Analysis of the liquidity

6. Cash flows of the Group for the years ended 31 December 2021 and 2020 are summarised in table below.

(Unit: Million Baht)

For the years ended 31 December				
	2021	2020	Cash flows Increase/(Decrease)	
Net income from operating activities before changes in operating assets and liabilities	1,779	2,909	(1,130)	(39%)
Net movements in operating assets and liabilities	651	(1,813)	2,464	136%
Net cash flows received from (used in) operating activities	2,430	1,096	1,334	122%
Net cash flow received from (used in) investing activities	319	2,038	(1,719)	(84%)
Net cash flows received from (used in) financing activities	(2,142)	(79)	(2,063)	(2,611%)
Net increase (decrease) in cash and cash equivalents	607	3,055	(2,448)	(80%)

6.1 Cash flows from operating activities

Net cash flows received from operating activities increased by Baht 1,334 million or 122% due to the following major reasons: -

Factors in cash increases:

- a) Cash receipts from trade and other receivable increased by Baht 284 million.
- b) Loans to customers (net of cash receipts) decreased by Baht 1,258 million, mainly due to COVID-19 situation causing more stringent and conservative in lending loans.
- c) Cash paid for inventories decreased by Baht 702 million. In 2020, the major transaction was payments for construction costs relating to the project "Quinn Condominium 101" which completed in October 2020.
- d) Cash paid for deposits received decreased by Baht 261 million.

Factors in cash decreases:

- e) Cash receipts from operating activities decreased by Baht 1,130 million, mainly due to the impact of COVID-19.

6.2 Cash flows from investing activities

Net cash flows received from investing activities decreased by Baht 1,719 million or 84% due to the following major reasons:-

Factors in cash increases:

- a) In May 2020, an associate that operates life insurance business increased its share capital of Baht 300 million, the Company paid for the increase in share capital in proportion of shareholding of Baht 147 million.
- b) On 1 February 2021, a subsidiary paid for investment in all shares of Q Mall Company Limited (formerly "Bangkok-Tokyu Department Store Company Limited") at a net asset value of Baht 30 million. At acquisition date, Q Mall had cash and cash equivalents balance was Baht 161 million, therefore, the net cash received from acquisition of the new subsidiary was Baht 131 million.
- c) In August 2021, there was cash receipt from sale of investments in group associate that operates life assurance business in the amount of Baht 487 million.

Factors in cash decreases:

- d) Cash payments for purchases of property, plant and equipment, and investment properties increased by Baht 96 million.
- e) In January 2020, there was special dividend receipt of Baht 533 million from an associate that operated finance business.
- f) In March 2020, there was cash receipt of Baht 439 million from the capital reduction of an associate that operated hotel business abroad.
- g) In 2020, investments in available-for-sale marketable securities were sold in order to manage financial liquidity under COVID-19 situation. The cash receipts from the sales transactions, net of cash payments for purchases, was Baht 1,322 million.

6.3 Cash flows from financing activities

Net cash flows received from financing activities decreased by Baht 2,063 million or 2,611% due to the following major reasons:-

Factors in cash increases:

- a) Cash paid for dividend payment decreased by Baht 559 million because warrants were issued to shareholders instead of dividend payment to maintain financial liquidity under the COVID-19 situation.
- b) The increase in cash receipts from short-term loans from financial institutions (net of cash repayments) by Baht 141 million.
- c) Cash received from warrant holders exercising their rights to purchase ordinary shares in the amount of Baht 198 million.

Factors in cash decreases:

- d) Cash receipts of long-term loans from financial institutions (net of cash repayments) decreased by Baht 2,332 million.
- e) Cash payments for debentures (net of debentures issuance) increased by Baht 652 million, mainly because in 2021, there were redemptions of debentures before maturity dates as mentioned in No. 4.1 – Long-term debentures.

The summary report of the audit carried out by the auditor for the previous three years

The Company appointed EY Office Limited as the auditor. From the auditor's report for the year ended on 31st December 2021, the auditors expressed an unqualified opinion with an emphasis of matter paragraphs on the auditor's report:

The auditors expressed an opinion that the statement of financial position as of 31st December 2021, the performance and cash flow of the year ended on the same date of MBK Public Company Limited and its affiliates and MBK Public Company Limited in particular.

Be fair in materiality according to the financial reporting standards.

The summary table of the combined financial statement

MBK Public Company Limited and its subsidiaries

(For the year ended 31 December 2021)

Statement of financial position

As at 31 December

	Consolidated financial statements					
	2021		2020		2019	
		%	(Reclassified)	%		%
	Baht		Baht		Baht	
Assets						
Current assets						
Cash and cash equivalents	4,448,804,675	8.05	3,841,661,459	6.72	786,155,591	1.50
Current investments	-	-	-	-	1,899,534,392	3.62
Other current financial asset	3,478,250	0.01	3,287,859	0.01	-	-
Trade and other receivables	1,026,342,469	1.86	914,503,752	1.60	547,599,885	1.04
Short-term loans to related companies	64,775,200	0.12	54,765,200	0.10	56,697,200	0.11
Current portion of loans to customers	5,053,524,119	9.15	4,218,991,079	7.38	4,142,211,781	7.90
Inventories	2,297,350,433	4.16	2,840,430,770	4.97	3,708,520,220	7.07
Dividend receivable	-	-	-	-	533,257,600	1.02
Other current assets	165,741,011	0.30	125,997,206	0.22	471,887,680	0.90
Total current assets	13,060,016,157	23.63	11,999,637,325	21.00	12,145,364,349	23.16
Non-current assets						
Restricted fixed deposits	3,033,669	0.01	3,026,193	0.01	3,000,166	0.01
Investments in associates	5,107,604,126	9.24	5,918,519,814	10.36	6,477,626,472	12.35
Investments in joint ventures	4,279,536	0.01	3,345,431	0.01	3,447,519	0.01
Other long-term investments	-	-	-	-	7,186,189,348	13.70
Other non-current financial assets	5,067,505,044	9.17	4,708,028,157	8.24	-	-
Loans to customers - net of current portion	9,744,965,185	17.64	11,310,334,507	19.79	11,377,336,759	21.69
Investment properties	13,065,117,327	23.64	13,914,081,813	24.35	8,239,150,607	15.71
Land held for development	1,797,088,529	3.25	1,666,419,700	2.92	640,723,803	1.22
Property, plant and equipment	5,622,845,068	10.18	5,926,230,018	10.37	5,160,050,318	9.84
Leasehold rights	-	-	-	-	187,447,297	0.36
Goodwill	71,793,178	0.13	71,793,178	0.13	71,793,178	0.14
Intangible assets	144,557,216	0.26	132,574,513	0.23	96,841,390	0.18
Deferred tax assets	776,683,157	1.41	781,491,108	1.37	741,361,804	1.41
Property foreclosed	389,551,885	0.70	287,109,676	0.50	96,337,374	0.18
Other non-current assets	402,379,887	0.73	419,668,946	0.73	15,882,987	0.03
Total non-current assets	42,197,403,807	76.37	45,142,623,054	79.00	40,297,189,022	76.84
Total assets	55,257,419,964	100.00	57,142,260,379	100.00	52,443,053,371	100.00

MBK Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December

	Consolidated financial statements					
	2021		2020		2019	
		%	(Reclassified)	%		%
	Baht		Baht		Baht	
Liabilities and shareholders' equity						
Current liabilities						
Bank overdrafts and short-term loans from financial institutions	990,000,000	1.79	768,003,111	1.34	687,001,605	1.31
Other current financial liabilities	895,799	-	-	-	-	-
Trade and other payables	1,016,399,414	1.84	1,065,483,579	1.86	1,583,712,849	3.02
Current portion of long-term loans from financial institutions	734,667,334	1.33	283,333,333	0.50	20,000,000	0.04
Current portion of long-term debentures	1,043,390,757	1.89	-	-	3,998,824,285	7.63
Current portion of rental and service income received in advance	198,746,827	0.36	280,218,100	0.49	480,287,925	0.92
Current portion of lease liabilities	634,650,382	1.15	665,526,233	1.16	104,865,891	0.20
Corporate income tax payable	142,851,940	0.26	208,145,973	0.36	140,804,979	0.27
Other current liabilities	784,591,174	1.42	743,315,149	1.30	603,313,146	1.15
Total current liabilities	5,546,193,627	10.04	4,014,030,478	7.02	7,618,810,680	14.53
Non-current liabilities						
Long-term loans from financial institutions - net of current portion	1,505,686,889	2.72	2,102,777,778	3.68	180,000,000	0.34
Long-term debentures - net of current portion	13,833,273,382	25.03	15,762,262,906	27.58	11,891,117,926	22.67
Rental and service income received in advance - net of current portion	122,210,871	0.22	304,623,781	0.53	427,983,240	0.82
Lease liabilities - net of current portion	11,049,809,046	20.00	11,496,949,387	20.12	4,763,909,711	9.08
Provision for long-term employee benefits	324,688,627	0.59	324,276,674	0.57	314,339,989	0.60
Deferred tax liabilities	1,035,313,332	1.87	907,829,013	1.59	1,354,819,801	2.58
Deposits	736,879,654	1.33	819,144,719	1.43	1,162,575,567	2.22
Other non-current liabilities	45,256,578	0.08	25,259,209	0.04	23,215,003	0.04
Total non-current liabilities	28,653,118,379	51.85	31,743,123,467	55.55	20,117,961,237	38.36
Total liabilities	34,199,312,006	61.89	35,757,153,945	62.58	27,736,771,917	52.89

MBK Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December

	Consolidated financial statements					
	2021		2020		2019	
		%	(Reclassified)	%		%
	Baht		Baht		Baht	
Shareholders' equity						
Share capital						
Registered						
2,405,583,548 ordinary shares of Baht 1 each						
(2020: 2,262,719,920 ordinary shares of Baht 1 each)	2,405,583,548		2,262,719,920		1,694,923,000	
Issued and paid-up						
1,761,921,389 ordinary shares of Baht 1 each						
(2020: 1,694,923,000 ordinary shares of Baht 1 each)	1,761,921,389	3.19	1,694,923,000	2.97	1,694,923,000	3.23
Premium on ordinary shares	1,420,302,388	2.57	1,289,074,500	2.26	1,289,074,500	2.46
Difference between the lower acquisition	172,206,406	0.31	172,206,406	0.30	172,206,406	0.33
Surplus from the change in the ownership interests in subsidiaries	402,385,063	0.73	402,385,063	0.70	406,163,088	0.77
Retained earnings						
Appropriated - statutory reserve	226,280,000	0.41	226,280,000	0.40	200,000,000	0.38
Unappropriated	14,707,008,398	26.62	15,555,663,718	27.22	17,061,602,762	32.53
Other components of shareholders' equity	2,549,046,305	4.61	2,202,806,294	3.85	4,011,667,281	7.65
Equity attribute to owners of the Company before						
treasury stock and non-controlling interests						
of the subsidiaries	21,239,150,449	38.44	21,543,338,981	37.70	24,855,637,037	47.36
Less: Treasury stock	(711,993,784)	(1.29)	(711,993,784)	(1.25)	(711,993,784)	(1.36)
Equity attributable to owners of the Company	20,527,156,665	37.15	20,831,345,197	36.46	24,123,643,253	46.00
Non-controlling interests of subsidiaries	530,951,293	0.96	553,761,237	0.97	582,638,201	1.11
Total shareholders' equity	21,058,107,958	38.11	21,385,106,434	37.42	24,706,281,454	47.11
Total liabilities and shareholders' equity	55,257,419,964	100.00	57,142,260,379	100.00	52,443,053,371	100.00

MBK Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December

	Consolidated financial statements					
	2021		2020		2019	
		%	(Reclassified)	%		%
	Baht		Baht		Baht	
Revenues						
Sales	2,617,701,923	31.96	2,471,893,072	26.86	2,282,550,443	19.90
Rental income	1,504,647,915	18.37	2,382,985,801	25.90	3,941,368,406	34.36
Service income	890,985,440	10.88	825,427,196	8.97	493,377,421	4.30
Revenue from hotel operations	205,989,121	2.52	469,753,437	5.11	1,303,615,669	11.37
Interest revenue from financial business	2,411,233,867	29.44	2,485,530,967	27.01	2,265,707,807	19.75
Other income						
Dividend income	399,943,200	4.88	467,123,950	5.08	971,691,354	8.47
Gain from disposal of investments in associates	46,675,461	0.57	-	-	38,217,699	0.33
Gain from disposal of assets	11,769,121	0.14	-	-	10,937,753	0.10
Others	100,870,872	1.23	98,798,977	1.07	162,666,935	1.42
Total revenues	8,189,816,920	100.00	9,201,513,400	100.00	11,470,133,487	100.00
Expenses						
Cost of sales	1,874,355,517	22.89	1,900,382,154	20.65	1,842,318,625	16.06
Cost of rental	1,672,613,170	20.42	1,726,477,202	18.76	2,385,080,534	20.79
Cost of service	557,447,393	6.81	455,585,345	4.95	362,314,502	3.16
Hotel operating expenses	417,526,863	5.10	595,189,966	6.47	1,004,968,404	8.76
Selling and distribution expenses	654,992,767	8.00	657,618,122	7.15	643,791,090	5.61
Administrative expenses	1,907,074,520	23.29	1,931,352,035	20.99	2,031,054,802	17.71
Difference from discount on rental	-	-	158,642,638	1.72	-	-
Total expenses	7,084,010,230	86.50	7,425,247,462	80.70	8,269,527,957	72.10
Profit from operating activities	1,105,806,690	13.50	1,776,265,938	19.30	3,200,605,530	27.90
Share of loss from investments in associates and joint ventures	(334,004,679)	(4.08)	(227,249,073)	(2.47)	769,401,367	6.71
Finance income	17,558,666	0.21	32,869,239	0.36	10,146,903	0.09
Finance costs	(1,264,341,814)	(15.44)	(1,134,681,162)	(12.33)	(843,493,623)	(7.35)
Profit (loss) before income tax expenses	(474,981,137)	(5.80)	447,204,942	4.86	3,136,660,177	27.35
Income tax expenses	(269,125,639)	(3.29)	(255,436,848)	(2.78)	(344,810,988)	(3.01)
Profit (loss) for the year	(744,106,776)	(9.09)	191,768,094	2.08	2,791,849,189	24.34

MBK Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December

	Consolidated financial statements					
	2021		2020		2019	
		%	(Reclassified)	%		%
	Baht		Baht		Baht	
Other comprehensive income:						
<i>Other comprehensive income to be reclassified</i>						
<i>to profit or loss in subsequent periods - net of income tax</i>						
Gains on change in value of available-for-sale investments	-		-		116,314,479	
Unrealised gains (losses) on investments in loans	3,656,735		(796,269)		3,008,479	
Gains on change in value of available-for-sale investments of an associate	-		-		51,640,668	
Unrealised losses on investments in loans of an associate	-		(16,910,717)		(12,634,824)	
Translation adjustment of an associate	1,116,679		6,270,802		(38,401,626)	
	<u>4,773,414</u>		<u>(11,436,184)</u>		<u>119,927,176</u>	
<i>Other comprehensive income not to be reclassified</i>						
<i>to profit or loss in subsequent periods - net of income tax</i>						
Actuarial gains	-		10,188,545		(34,976,729)	
Actuarial gains of associates	-		2,474,895		(3,184,539)	
Gains (losses) on investments in equity designated						
at fair value through other comprehensive income	325,001,502		(2,701,262,888)		-	
Losses on investments in equity designated						
at fair value through other comprehensive income of an associate	(27,173,499)		(52,099,085)		-	
Other comprehensive income not to be reclassified						
to profit or loss in subsequent periods - net of income tax	<u>297,828,003</u>		<u>(2,740,693,533)</u>		<u>(38,161,268)</u>	
Other comprehensive income for the year	<u>302,601,417</u>		<u>(2,752,134,717)</u>		<u>81,765,908</u>	
Total comprehensive income for the year	<u>(441,505,359)</u>		<u>(2,560,366,623)</u>		<u>2,873,615,097</u>	
Profit (loss) attributable to:						
Equity holders of the Company	(804,475,422)	(9.82)	149,187,843	1.62	2,799,512,311	24.41
Non-controlling interest of the subsidiaries	<u>60,368,646</u>	<u>0.74</u>	<u>42,580,251</u>	<u>0.46</u>	<u>(7,663,122)</u>	<u>(0.07)</u>
	<u>(744,106,776)</u>	<u>(9.09)</u>	<u>191,768,094</u>	<u>2.08</u>	<u>2,791,849,189</u>	<u>24.34</u>
Total comprehensive income attributable to:						
Equity holders of the Company	(502,415,309)		(2,605,731,264)		2,882,725,974	
Non-controlling interest of the subsidiaries	<u>60,909,950</u>		<u>45,364,641</u>		<u>(9,110,877)</u>	
	<u>(441,505,359)</u>		<u>(2,560,366,623)</u>		<u>2,873,615,097</u>	
Earnings (loss) per share						
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company	<u>(0.60)</u>		<u>0.11</u>		<u>2.12</u>	
Dilute earnings per share						
Profit attributable to equity holders of the Company	<u>-</u>		<u>0.11</u>		<u>-</u>	

MBK Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December

	Consolidated financial statements		
	2021	2020	2019
	(Reclassified)		
	Baht	Baht	Baht
Cash flows from operating activities			
Profit (loss) before tax	(474,981,137)	447,204,942	3,136,660,177
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:			
Depreciation	1,771,397,346	1,511,364,124	1,166,137,442
Amortisation of intangible asset	28,700,366	32,108,829	25,636,217
Amortisation of underwriting fee	1,946,948	3,120,368	2,558,900
Amortisation of leasehold right and prepaid rental fee	-	-	786,262,576
Losses on investments in loans	-	578,904	(729,986)
Losses on written-off of investments in loans	2,044,458	-	-
(Gains) losses on fair value adjustments of financial instrument	1,046,326	(3,287,859)	-
Gains on sales of current investments	-	-	(38,221,375)
(Gains) losses on sales of investments in associates	(46,675,461)	-	3,676
(Gains) losses on disposal/write-off of investment properties and property, plant and equipment	8,945,060	6,713,305	(11,879,754)
Losses on write-off of intangible asset	68,785	104,764	942,001
(Gains) losses on disposal of property foreclosed	(4,621,268)	11,083,586	-
Losses on disposal of land held for development	535,750	-	-
Allowance for impairment of investments in joint venture	-	-	37,500,563
Allowance for impairment of plant and equipment (reversal)	280,095	(2,749,370)	(296,958)
Allowance for impairment of intangible assets (reversal)	207,785	(53,657)	(23,394)
Reversal of allowance for impairment loss on investment properties	-	(34,774,436)	-
Allowance for impairment of property foreclosed (reversal)	371,215	(10,611,313)	224,825
Bargain purchase option	-	-	(5,350,908)
Unrealised gains on foreign exchange	-	(33,093,122)	(73,534,639)
Allowance for expected credit losses (reversal / written-off)	(34,856,675)	187,027,746	99,707,716
Allowance for diminution in value of inventories (reversal)	(2,926,866)	2,829,908	6,663,372
Difference from discount on rental	-	158,642,638	-
Rental cost discount	(292,880,000)	-	-
Provision for long-term employee benefits	15,962,884	33,463,733	89,256,261
Interest income	(17,558,666)	(32,869,239)	(10,146,903)
Interest expenses	624,414,866	709,859,580	559,067,649
Finance costs from: lease liabilities	635,507,200	420,825,192	281,867,074
Dividend income	(399,943,200)	(467,123,950)	(971,691,354)
Reversal of overdue dividend payable	-	-	(68,075,699)
Shares of loss from investments in associates and joint ventures	334,004,679	227,249,073	(769,401,367)
Profit from operating activities before changes in operating assets and liabilities	2,100,990,500	3,167,613,746	4,293,136,112
Net movements in operating assets and liabilities	651,405,255	(1,813,254,416)	(3,529,925,802)
Cash flows from (used in) operating activities	2,752,395,755	1,354,359,330	763,210,310
Cash paid for employee benefits	(15,550,931)	(10,790,781)	(46,492,960)
Cash paid for corporate income tax	(306,347,553)	(247,242,637)	(495,704,918)
Net cash flows from (used in) operating activities	2,430,497,271	1,096,325,912	221,012,432

MBK Public Company Limited and its subsidiaries

Statement of cash flow (continued)

For the year ended 31 December

	Consolidated financial statements		
	2021	2020	2019
	(Reclassified)		
	Baht	Baht	Baht
Cash flows from investing activities			
Increase in other current financial assets	(340,978)	(118,079,011)	(633,302,713)
Cash receipts from sales of other non-current financial assets	-	1,439,998,453	286,823,947
Cash payments for purchases of other non-current financial assets	(28,689,953)	-	-
Cash payments for short-term loans to related companies	(30,000,000)	(2,450,000)	(37,009,875)
Cash receipts from short-term loans to related companies	19,990,000	4,382,000	122,680,312
Interest income	17,474,697	32,870,460	11,153,761
Cash receipts from investments in loans	-	14,255,229	3,810,285
Cash payment for investments in loans	(40,477,606)	-	(17,609,241)
Cash receipts from share capital reduction of other companies	-	-	1,496
Net cash receipts (payments) from purchase of investment in subsidiary	131,517,400	(35,326)	77,415,962
Cash payments for purchases of investments in the subsidiary from non-controlling interest of the subsidiary	-	(9,901,292)	(8,657,310)
Cash receipts from sales of investments in associates	486,515,342	-	1,602,824
Cash receipts from share capital reduction of investment in an associate	-	439,281,850	-
Cash payments for purchases of investments in associates and joint ventures	(5,716,233)	(151,732,601)	(45,466,996)
Dividend receipts from investments	409,224,395	1,000,381,550	965,533,141
Cash receipts from sales of property, plant and equipment and investment properties	41,015,779	53,133,837	31,691,014
Cash payments for purchases of property, plant and equipment and investment properties	(733,741,552)	(650,096,811)	(622,369,563)
Cash receipts from sales of land held for development	1,498,014	-	-
Cash payments for investments in land held for development	(196,402)	-	-
Cash payments for purchases of intangible assets	(41,811,605)	(61,912,210)	(26,198,378)
Cash receipts from sales of property foreclosed	92,934,370	47,893,701	25,123,501
Cash payments for purchases of property foreclosed	-	-	(7,809,215)
Cash payments for long-term lease agreements	-	-	(1,928,788)
Net cash flows from investing activities	319,195,718	2,037,989,829	124,984,164

MBK Public Company Limited and its subsidiaries

Statement of cash flow (continued)

For the year ended 31 December

	Consolidated financial statements		
	2021	2020	2019
	(Reclassified)		
	Baht	Baht	Baht
Cash flows from financing activities			
Increase (decrease) in bank overdrafts	(3,111)	1,506	(299,345)
Cash receipts from short-term loans from related companies	-	-	143,000,000
Cash payments for short-term loans from related companies	-	-	(75,000,000)
Cash receipts from short-term loans from financial institutions	3,868,000,000	2,578,000,000	10,554,000,000
Cash payments for short-term loans from financial institutions	(3,646,000,000)	(2,497,000,000)	(12,623,000,000)
Cash receipts from long-term loans from financial institutions	1,350,000,000	2,400,000,000	200,000,000
Cash payment for long-term loans from financial institutions	(1,495,756,889)	(213,888,889)	-
Cash payments for long-term liabilities under financial lease agreements	(842,978,842)	(784,502,537)	(359,597,880)
Interest payments	(634,240,982)	(735,592,860)	(555,248,337)
Dividend payments	(76,832)	(559,335,220)	(1,009,165,618)
Dividend payments to non-controlling interests of the subsidiaries	(83,719,894)	(62,463,631)	(6,025,258)
Cash receipts from long-term debentures	1,000,000,000	3,795,971,758	3,496,310,647
Repayment of long-term debentures	(1,856,000,000)	(4,000,000,000)	-
Cash receipts from exercise warrants	198,226,777	-	-
Net cash flows used in financing activities	(2,142,549,773)	(78,809,873)	(235,025,791)
Net increase in cash and cash equivalents	607,143,216	3,055,505,868	110,970,805
Cash and cash equivalents at beginning of year	3,841,661,459	786,155,591	675,184,786
Cash and cash equivalents at the end of year	4,448,804,675	3,841,661,459	786,155,591
Supplemental cash flows information:			
Operational cash flows from interest	2,411,233,867	2,477,237,436	2,266,220,961
Interest paid capitalised as property development for sale and land held for development	3,451,728	(31,889,925)	(25,182,290)
Non-cash transactions:			
Dividend receivable	-	-	533,257,600
Transfer from rental and service income received in advance to investments in loans	36,736,125	-	-
Transfer from inventories to land held for development	(12,824,888)	-	-
Transfer from investment property to land held for development	(98,178,922)	-	-
Transfer from property, plant and equipment to inventories	(4,819,523)	-	-
Transfer between investment properties and property, plant and equipment	(1,804,694)	(27,318,983)	(73,921,462)
Transfer from property, plant and equipment to land held for development	(21,502,381)	-	-
Transfer from intangible assets to property, plant and equipment	(851,966)	-	-
Increase (decrease) in purchase of property, plant and equipment and investment properties that have yet to be paid	36,860,702	(18,225,128)	(12,636,441)
Property foreclosed transferred from loans to customers	191,126,526	239,138,276	-

MBK Public Company Limited and its subsidiaries

(For the year ended 31 December 2021)

Financial Ratio

Consolidated financial statements				
As at 31 December				
		2021	2020	2019
Liquidity Ratio				
Current Ratio (X)	=	2.35	2.99	1.59
Quick Ratio (X)	=	1.53	1.93	0.81
Account Receivable Turnover (X)	=	1.68	2.04	2.78
Average Collection Period (Day)	=	214.29	176.47	129.50
Profitability Ratio				
Gross Profit Margin (%)	=	34.02	39.33	40.89
EBIT Margin (%)	=	9.62	17.13	32.49
Net Profit Margin (%)	=	(9.80)	1.62	22.85
Return on Equity (ROE) (%) ^A	=	(3.89)	0.66	12.07
Efficiency Ratio				
Return on Asset (ROA) (%)	=	(1.43)	0.27	5.51
Total Asset turnover (X)	=	0.15	0.17	0.24
Financial Policy Ratio				
Debt / Equity Ratio ^C	—	0.86	0.88	0.68
Interest Coverage Ratio ^C	=	3.56	4.87	9.36
Payout Ratio (%)	=	-	-	37.74
Financial Ratio per Share				
Net Book Value per Share (Baht)	—	14.77	15.75	18.24
Earning per Share (Baht) ^B	=	(0.60)	0.11	2.12
Dividend per Share (Baht)	=	-	-	0.80
Growth Rate				
Total Asset (%)	=	(3.30)	8.96	6.82
Total Liabilities (%)	=	(4.36)	28.92	5.02
Rental income, Service income, Revenue from hotel operations and Interest revenue from financial business (%)	—	(11.64)	(16.05)	(2.48)
Selling and distribution expenses Administrative expenses (%)	=	(6.75)	2.72	(4.76)
Net Profit (%)	=	(639.24)	(94.67)	(2.84)

Note :

A : An Equity is an Equity attributable to owners of the Company (Not include Non-controlling interests of subsidiaries)

B : Performance calculated by number of ordinary share less Treasury stock

C : Financial ratios refer to Financial Covenant which was submitted to Debenture Registrar

5. General Information and Other Material Facts

5.1 General Information

Thailand Securities Depository Company Limited	Thailand Securities Depository Company Limited
Location	93, 14 th Floor, Ratchadaphisek Road, Dindaeng, Bangkok 10400
Telephone	0-2009-9999
E - mail	SETContact@set.or.th
Website	http://www.set.or.th/tsd

Reference Persons

Debenture Registrar	Bank of Ayudhya Public Company Limited
Location	1222, AA Floor, Rama 3 Road, Bangphongphang, Yan Nawa, Bangkok 10120
Telephone	0-2296-5695, 0-2296-2796
Fax.	0-2683-1302
Website	www.krungsri.com
Debenture Registrar	CIMB Thai Bank Public Company Limited
Location	44 Langsuan Road, Lumpini, Pathumwan, Bangkok 10330
Telephone	0-2626-7506, 0-2626-7511
Fax.	0-2626-7543
Website	www.cimbthai.com
Auditor	<div> <div>Ms. Ginkarn Atsawarangsarit</div> <div>CPA Registration No. 4496 and/or</div> </div> <div> <div>Mr. Chayapol Suppasdtanon</div> <div>CPA Registration No. 3972 and/or</div> </div> <div> <div>Ms. Orawan Techawatanasirikul</div> <div>CPA Registration No. 4807 and/or</div> </div> <div> <div>Ms. Sumana Punpongsanon</div> <div>CPA Registration No. 5872</div> </div>
Location	EY Office Limited 193/136-137, 33 rd Floor, Lake Rajada Office Complex Rajadapisek Road, Klongtoey, Bangkok 10110
Telephone	0-2264-9090
Fax.	0-2264-0789-90

5.2 Other Material Facts

5.2.1 Material Facts which possibly has an impact on investors' decision significantly.

-None-

5.2.2 A limitation of shareholders in foreign countries to offer for sale of Right Offering (RO) or issue Transferable Subscription Rights (TSR) to the shareholders according to the shareholding's ratio by not issuing TSR and not offering for sale of RO to the shareholders which cause the Company to be legally bound to international law.

-None-

5.3 A Legal Dispute

A legal dispute as of 31st December 2021, MBK Public Company Limited and MBK's subsidiary had no legal dispute which possibly had a negative impact on assets— which belonged to the Company or the affiliates— which was higher than 5% of the shareholder's equity as of the year's end of the latest fiscal year.

5.4 The Secondary Market

Companies listed on the Stock Exchange of Thailand

5.5 The Financial Institutions in Regular Contact (Only companies which are bond issuers)

Details provided in 5.1 General Information, Topic: Reference Persons, page 142.



6. Corporate Governance Policy

6.1 Overview of the Policy and Guidelines

The Company's Board of Directors has placed strong emphasis on making the Company's business management appropriate, transparent, fair and accountable. The Company has established a Corporate Governance Code "CG Code" for listed companies 2017 by the Securities and Exchange Commission and Thai Institute of Directors. The Company's Board of Directors has formulated the policy on Good Corporate Governance according to rules of the assessment of Good Corporate Governance in order to achieve goals of the stability of business and the society as well as the creation of maximum value for shareholders so that it brings benefits for every group of stakeholders. Also, they will be guidelines for the committee, executives, and employees to follow as stated by relevant law, rules, and regulations.

In 2003, the Company established a Good Corporate Governance policy which was in line with the Good Corporate Governance promoted by the Stock Exchange of Thailand. The Company also prepared a manual of business ethics and a code of conduct for directors, executives and staff.

The Company provides a manual of its Good Corporate Governance policy and code of business conduct of MBK Public Company Limited. The contents include the Good Corporate Governance policy, the code of business conduct, the code of ethics for directors and executives, and the code of ethics for employees by reviewing the Company's Good Corporate Governance policy and code of business conduct annually. They are given to all directors, executives and employees for their acknowledgment, sign-off, training and practice. The information, knowledge and the related news on the Good Corporate Governance are also distributed to the executives and employees regularly through the Company's internet and website. The orientation activities organized for new executives and employees also cover the topics on Corporate Governance as well as the code of ethics for executives and the code of ethics for employees for their information and practice guidelines.

The Board of Directors have adopted and applied Good Corporate Governance and developed mechanisms to regulate the performance, the organization's decision making and risk management in order to achieve the goal to make profits in the long term and create value to the business sustainably. This will benefit the Company, shareholders, stakeholders, and interested parties.

6.1.1 Policy and guidelines related to the Board of Directors

The Structure of the Board of Directors

- 1) The total number of members of the Board of Directors must be in line with the number specified by the meeting of shareholders. However, the number of the directors must be at least five.
- 2) The number of independent directors must account for at least one-third of the total members of the Board of Directors.
- 3) All directors must have proper qualifications and possess none of the characteristics prohibited under the Public Company Limited Act.
- 4) The appointment of directors must be transparent and clear. They must be appointed at the meeting of the shareholders or by the Board of Directors in case the director post becomes vacant before the end of the tenure.

Independence of the Board of Directors

The independent directors must possess qualifications as specified by the Company. The qualifications are in line with those prescribed in the notifications issued by the Securities and Exchange Commission. The related details are given on Page 184 under the subject entitled 'Definitions and Qualification of the Independent Director'.

In 2021, the Company had four independent directors, accounting for 40.00% of the Board of Directors. Their names were as follows:

- | | |
|---------------|--------------|
| 1) Mr. Kasama | Punyagupta |
| 2) Mr. Pracha | Jaidee |
| 3) Mr. Suwit | Rojanavanich |
| 4) Ms. Panit | Pulsirivong |

Executive Directors

Executive Directors are those directors who participate in the management of the business, in line with the Notification of the Capital Market Supervisory Board No. Tor Chor. 28/2551 Re: Application for and Approval of the Offer for Sale of Newly Issued Shares. According to the Notification, "Executive director" means any director who holds an executive position, or any director who is in charge of any actions deemed to be taken by executive, and includes any authorized director except where it can be demonstrated that such authorized director signs on transactions which have been approved by the board of directors and jointly with other directors. As of January 5th, 2022, the Company had 2 executive director, accounting for 20.00% of the Board whose name was Mr. Suvait Theeravachirakul and Mr. Wichak Praditavanij.

Committees on Specific Areas

The Board of Directors may appoint committees to perform some of its duties on specific areas. These committees assist the Board in carrying out some of its duties, conducting detailed studies, and checking things as deemed necessary and appropriate. These committees consist of the following:

- 1) The Executive Committee
- 2) The Audit Committee
- 3) The Compensation and Nomination Committee

- 4) The Good Corporate Governance Committee
- 5) The Other Committees

The characteristics of the committees must be in compliance with the requirements stipulated by the Stock Exchange of Thailand. As well, the Board of Directors has clearly specified the scope of responsibilities of each committee. It also requires that the committees present their respective report at each meeting of the Board of Directors.

Holding of Directorships

The Board of Directors has considered the appropriateness of time allocation in carrying out the responsibilities of each director who is required to assume positions in various subsidiaries. The objective is to achieve the maximum efficiency possible in ensuring that each subsidiary adopts policies and conducts its business affairs in alignment with the parent company and that its business is beneficial and adds value to all groups of stakeholders. The Board of Directors then sets out a policy that individual Company Directors can serve as directors for not more than 5 companies listed on the Stock Exchange of Thailand (SET). Subsidiaries, affiliates and joint ventures which are needed to be monitored for the regulation are excluded.

Moreover, the Board of Directors sets out a policy that the President and CEO can occupy positions for not more than 3 listed companies. However, the positions held in subsidiaries, affiliates, and joint-ventured companies are excluded because the Company has to govern the operation management for the sake of the Company with the utmost efficiency.

In 2021, there was no member from the Board of Directors— who held the position of the Company's executive— to hold the position of a director for more than 3 listed companies which were outside the Company's business groups.

Segregation of Duties between the Board of Directors and the Management

The Company clearly defines and segregates the authority between the Board of Directors and the management at various levels. In addition, the Chairman of the Board of Directors and the Company's President must not be the same person. As well, the Company clearly segregates the authority and duties of the Chairman and the President. The objective is to strike a proper balance in managing the Company's business. The system in segregating the roles, duties and responsibilities between the Board of Directors and the management is in line with the segregation principle that is based on the Corporate Governance policy. This includes systematic delegation of decision-making authority. The management is independent in making decisions and managing the business within the limits of the delegated authority. In this connection, the Company has prepared a handbook on the delegation of authority. It gives details about the roles and authority of the management and serves as its practice guidelines. The delegation of authority handbook will be reviewed as deemed appropriate for the conduct of the Company's business affairs, taking into account the prevailing situation. Moreover, the Board of Directors closely monitors the performance of the management.

Leadership and Vision

The Company's Board of Directors clearly establishes its vision, mission, business directions, policies, strategies, and targets through reviewing them annually. In the year 2021, the Board of Directors has reviewed the vision and mission of the Company. They serve as guidelines for the management in formulating business plans and budgets as well as future business expansion plans in order to enable the Company to further achieve continuous growth and stability.

Policies on Reviewing the Strategies, Vision and Mission

MBK Public Co., Ltd. reviews its vision, mission, strategies, and action plans annually by specifying a 3-5 year time frame for long term planning in order to harmonize with financial goals and an investment cycle of the

business. It is submitted to the Board of Directors for consideration before the implementation. In every month, operations are reviewed in order that the organization can adapt itself to situations and business environment which are changing. Such operations are considered by the Management Team and the Board of Directors. For 2021-2023 time frame, the Company's strategic purposes are specified as follows:

- 1) To efficiently manage the proportion of the business portfolio.
- 2) To generate the growth of revenues and net profits regularly
- 3) To increase potential finances in order to support the investment of the Company's Group
- 4) To focus on the improvement of providing services which responds to customers in every business groups, according to their service standards, in order to increase customers' satisfaction in every channel that come in contact
- 5) To be the service-minded Company's Group to provide services to customers with its efficient working system
- 6) To focus on improving marketing strategies of every business group through digital technology in order to respond to behavior of every group of customers
- 7) To focus on developing the CRM system in order to build on the long-term relationship with customers

The Company's Board of Directors specifies monitor and evaluation procedures for the Company's strategic planning, collection and analysis of information technology through various analysis instruments such as SWOT Analysis and GAP Analysis included information of innovation, used for the annual strategic planning in order to originate a true sustainability for the organization. Moreover, the Company passes on action-plans-to-practices, from KPI at the organizational level to line/division/department/individual levels (at manager level up) respectively. Moreover, the Company employs stakeholders' needs as information used for the strategic formulation which achieves a balance of the needs/expectations of the stakeholders in order to ensure that the action plans can be achieved effectively and have a maximum benefit in the supply chain. KPI Software is used to record data in order to monitor and report the results. If goals are not achieved, resolutions are found by the Executive Committee. These aforementioned operations will be later used in the annual performance evaluation.

The Company's Board of Directors has formulated a succession plan.

The Board of Directors make a succession plan and continuity of proper management for positions at the level of department head and above and to support the Company's business expansion. In implementing the plan, the efficiency and potential of executives will be assessed. As well, they will be required to participate in appropriate training and development activities which are aimed at enhancing their skills and knowledge. Their professional development will be closely monitored. The President and CEO will report the performance according to the succession plan of top executives to the Compensation and Nomination Committee and the Board of Directors at least once a year.

6.1.2 Policy and guidelines related to shareholders and stakeholders

Treatment of Shareholders

1) Rights of Shareholders

The Company realizes that each shareholder is the owner of the Company. As a result, it places emphasis on the appropriate maintenance of the shareholders' basic rights as stipulated by the law as well as other rights as deemed appropriate. These rights include, among others, the right to participate in the meetings of shareholders to be informed of the Company's performance and the right to receive a share of profit/dividends. The shareholders are provided with convenience to exercise their various rights such as proposal of agenda items, proposal of candidates for appointment as new directors, sending their questions about the Company prior to the shareholders' meetings, as well as the right to vote on agenda items under which a resolution needs to be adopted,

with the understanding that the voting rights of all the shareholders will depend on the types of the shares they own. The Company has also established an investor relations unit responsible for providing the shareholders with the convenience to exercise their rights on various matters. Moreover, the Company has established the following policies in compliance with the principles of Good Corporate Governance.

(1) Sending the Notice of the Meeting in advance to the Shareholders

At the Annual General Shareholders Meeting, the Company has assigned Thailand Securities Depository Company Limited (TSD), as the securities registrar, to send the notice of meeting and related documents to the shareholders, both in Thai and English. The shareholders can use them at the shareholders meeting as supporting information in making vote decisions on various matters.

The notice of the meeting will clearly specify meeting agendas and objectives of the meeting for each agenda as well as the Board of Directors' opinions. Related documents such as annual report, financial statements, support document for each agenda and proxy statement, will be attached with the invitation letter. The notice of the meeting shall be sent to all shareholders listed in the shareholders' registration book. The notice should be sent on the day the Company announced the closing date of share transfer registration and should be sent 14 days in advance, as well as publish the notice of the meeting along with the mentioned meeting agenda on the Company's website not less than 30 days prior to the meeting. The purpose is to allow the shareholders to study the information before the actual meeting. This also includes continuously advertise the invitation notice on the Newspaper not less than 3 days before the meeting date to inform shareholders to prepare in advance before participating in the meeting, which is in accordance with the Public Limited Companies Act, B.E. 2535 (1992).

Due to the epidemic of the Corona Virus 2019 (COVID-19) at that time, the Ministry of Public Health has declared Corona Virus 2019 (COVID-19) a dangerous communicable disease under Communicable Disease Act B.E. 2558. Consequently, on 16th April 2021, the government has issued a requirement under Section 9 of the Emergency Decree on Public Administration in Emergency Situations B.E. 2548 (No. 20), Clause 1 (2) "It is forbidden to organize events gathering more than fifty people unless it is permitted by the competent officials." The Company was aware of the safety of shareholders attending the meeting. Therefore, the Board of Directors resolved to postpone the 2021 Annual General Meeting of Shareholders from Wednesday, 21st April 2021 at 2:00 p.m. to Thursday, 13th May 2021 and change the format of the 2021 Annual General Meeting of Shareholders to be an electronic meeting (e-AGM). The Company sent an invitation letter to shareholders on 5th March 2021, which was 21 days before the meeting, and published such invitation letter together with other relevant documents in both Thai and English on 22nd March 2021 on the Company's website, which was 52 days before the meeting, so the shareholders could study the information before the meeting. The period of sending and publishing the invitation letter on the Company's website counts from the original date of the shareholders' meeting. Following the Board of Directors had resolved to postpone the date of the shareholders' meeting, the Company sent a notice to postpone the 2021 Annual General Meeting together with a user manual of the Cisco Webex Meeting system to shareholders on 5th May 2021 and explicitly published on the Company's website the date, time, and procedure to attend the meeting, so shareholders can attend the meeting conveniently. If any shareholders are unable to attend the meeting, they might appoint proxy holders to attend the meeting on their behalf and cast a vote in each agenda by using the proxy statement provided by the Company. There is another channel for shareholders who are unable to attend the meeting but wish to participate in decisions making or vote casting on any agenda, they might appoint two independent directors proposed by the Company as their proxy holders. To cast the vote on any agenda by electronic means, one share was equal to one vote.

(2) Setting the Annual General Meeting of Shareholders

The Company holds an Annual General Meeting of Shareholders within four months from the end of its accounting period. In case it is urgent for the shareholders to consider special agenda items, an Extraordinary

General Meeting of Shareholders will be held. The special agenda items include matters that may affect the interests of the shareholders or those that are related to the conditions, rules, laws or articles that need approval by the meeting of shareholders.

In 2021, due to the epidemic of the Corona Virus 2019 (COVID-19), the government requested corporations from private sectors to cease any activities which gather a lot of people to reduce the epidemic to a large number of people which might affect the epidemic management. The Company had a concern on hygienic and safety of the meeting's attendees and participants. It was also in compliance with the measures of the Department of Disease Control, the Ministry of Public Health, and the government to prevent and reduce the transmission of such disease and express the overall social responsibility. From reasons and necessities stated above, the Board of Directors' Meeting No.4/20, dated 1st April 2020, resolved to postpone the 2021 Annual General Meeting of Shareholders from an original schedule, on Wednesday 21st April 2021 at 2.00 p.m. at Chamchuree Ballroom, M Floor, Patumwan Princess Hotel, Bangkok to be a new schedule on Thursday 13th May 2021, and to change the meeting to be conducted by electronic means arranged by Inventech System (Thailand) Company Limited under the Emergency Decree On Electronic Meetings, B.E. 2563 and other related regulations. **In addition, the Company promoted and provided the shareholders including institutional investors with convenience in an equitable manner to attend the shareholders' meeting through electronic means (e-AGM).** The staff of Inventech System (Thailand) Company Limited was prepared to provide advice when the shareholders have problems on the registration to attend the meeting on the telephone number which was provided together with the process of using the Cisco Webex Meeting system. The registration can be done in advance starting from 30th April 2021 to 12th May 2021 from 8.30 a.m. to 5.30 p.m. Before the meeting, the staff of Inventech System (Thailand) Company Limited will check the application, documents, and evidence of the shareholders 1 hour 30 minutes in advance for attending the meeting. The shareholders will receive an e-mail informing the details of the meeting once their application is approved. If the application is not approved, shareholders will receive an e-mail informing the reasons and they can resubmit additional applications.

In the Annual General Meeting of Shareholders, the number of 10 Directors attending the meeting included Chairman of the Board of Directors and Chairmen of every Committee— Chairman of the Audit Committee, Chairman of the Compensation and Nomination Committee, Senior Executives, and the Company's auditor.

Mr. Yingyong Techarungrun, a certified public accountant, who was an independent auditor and was not related to the Company, served as a neutral party in checking and counting votes. Ms. Gingkarn Atsawarangsalit, the Company's auditor, also attended the meeting. At the meeting, the Chairman conducted the meeting in compliance with all the requirements imposed by the law. He provided the shareholders with clarifications on all the meeting procedures including vote counting methods and the exercise of voting rights. The Chairman of the meeting also provided the shareholders with a report on the Company's annual performance and other agenda items. Under each agenda item, the Chairman gave the shareholders an opportunity for giving opinions and suggestions as well as asking questions. In response to the questions, the Chairman and the executives gave the shareholders appropriate answers and explanations. The shareholders were requested to vote and adopt resolutions on all agenda items.

In appointing new directors, the Company made arrangements for the shareholders to vote on each candidate separately. In this connection, the shareholders could also propose candidates for appointment as directors through the Company's website prior to the date of the meeting of shareholders. The minutes of the meeting were also accurately kept. From the Company's shareholding structure, no director held shares altogether more than 25% of issued and paid common shares.

The Annual General Meeting of Shareholders 2021. Following the commencement of the registrations from April 30th, 2021 to May 12th, 2021 at 8.30 a.m. to 5:30 p.m. The agenda was not added to or important information was changed without prior notice given to shareholders.

(3) Actions Undertaken after the Meeting of Shareholders

The Company submitted the report of the voting result during the AGM to the Stock Exchange of Thailand (SET) within 1 day since the meeting was adjourned and also submitted the minutes of Annual General Meeting of Shareholders to the Stock Exchange of Thailand within 14 days after the date of the meeting concerned. As well, the video recordings of the meetings are available on the Company's website (<http://www.mbkgroup.co.th>). The purpose was to provide the shareholders with convenient access to the information.

Equitable Treatment of Shareholders

The Company places very strong emphasis on the equitable treatment of all the shareholders. As a result, it has included the upholding of the rights of shareholders and the equitable treatment of shareholders in its policies on the Good Corporate Governance, the Company's performance, voting on appointment or removal of directors as well as dividend payments, proposing additional items to the agenda, and asking questions or giving opinions on various matters which the Board of Directors brings to the attention of the shareholders for information or consideration. Although some shareholders may not be able to attend the meeting, they can appoint other persons or the independent directors who are proposed by the Company to attend the meeting on their behalf by filling in the proxy statement sent by the Company together with other supporting details. To provide the shareholders with convenience, the Company also makes available the proxy statement as well as the related details and procedures on the Company's website 30 day prior to the meeting, from which the shareholders can download the form and the information. The shareholders can obtain additional information from the Company's Investor Relations Unit.

All shareholders also have access to the information about the Company through various channels or sources such as its website (<http://www.mbkgroup.co.th>), annual reports, Form 56-1 or the Investor Relations Unit. In addition the Company has set up the Investor Relations Unit to communicate with investors, shareholders and all stakeholders.

Consideration of Stakeholders' Role

The Company looks after various groups of stakeholders whether they are internal stakeholders or external of the Company such as shareholders, customers, trading partners, competitors, creditors, staff at all levels, as well as the society in general and the environment to ensure that the stakeholders will be treated appropriately, equally, and fairly. The Company also fosters the understanding and cooperation with various stakeholder groups. This is also another factor that will support the sustainable and stable growth of the Company.

Non-Infringement of Intellectual Property and Copyrights

The Company forbids employees to use any copyright work in the Company's advertising media, print media or in any work without permission from the copyright owners. If any is used without permission it will be considered as piracy.

Thus, the Company has established regulations in using others copyright work, from the Internet, advertising media or print media, with the work of Company and MBK GROUPS. The regulations should be strictly followed, which are:

1. Check from internet or other form of media whether the work which will be used in the Company's advertising media or print media has any copyright or not before using it. By considering from the following principles:
 - 1.1 Works that occur from wisdom, knowledge and capability in terms of creative work is considered intellectual property.
 - 1.2 Contain "©" on the work piece
 - 1.3 Mention by name of the owner of the work piece or the site of the work piece.
 - 1.4 On the work piece appears to be stamp with watermark or logo

2. Permission must be granted from the copyright owner before using any work piece with copyright from the Internet or other form of media with the Company work.
3. It is prohibited to use copyright work from the Internet or other form of media to reproduce, modify or publish to the public without permission from the copyright owners.
4. It is prohibited to use copyright work from internet or other form of media with the Company work or individual work for commercial gain, seek profit or in a manner that may cause damage the copyright owner unless it is use for the purpose of teaching, education or non-profit events.

In the case where it is necessary to use such copyright work with any of the Company work, the superior or executives with the level of vice president or equivalent or above must approved the said copyright work. MBK legal division must also approve that copyright work. If the Company found that the employee has taken the aforementioned action (Number 1-4) and causing the Company to be filed with lawsuit of copyright infringement which is in line with the Copyright Act B.E. 2537 or other related laws, the Company will considered that the employees does not practice in accordance with the rules and regulation therefore disciplinary punishment will be made in accordance with the rules and regulation regarding the operation of the Company.

Allocation and Management the resources

The Board of Directors realize the necessity of using resources by emphasizing participation in and having responsibility to the environment in all processes both inside and outside the organization by supporting activities concerning energy saving, promoting the use resources usefully and efficiently. There are reviews and improvements in order to increase the efficiency of resource using of the organization continuously. First step, choosing a pattern to run business operations which the Board pays significance to the development and expansion of investment in order to create business opportunities of the organization by choosing business patterns which align with objectives and main goals of the organization. Next, the Company's Business Development Division has to study and analyze data of the investment projects and calculate the cash flow in the future through financial stimulation in order to compare assumptions with external and internal information of the Group, as well as anticipating the growth rate of the economy and industry for the calculation of the cash flow received in the future ad risk assessment in each project. Finally, this will be reviewed by the committee of each project by concerning impacts and worth, compared with resources used on a basis of ethics, having responsibility, creating value to the business sustainably, and taking stakeholders into consideration.

Moreover, there are campaigns to promote the employees in the organization to have good consciousness to take part in taking care of the environment, providing knowledge for customers and the general people, including expanding cooperation with alliances in order to maintain the balance of business operations and environment friendliness.

In order that, the details of related policies which the Company has established to the Board of Director, the Executive Management and all of staff in order to treat to the stakeholders unless the shareholders are as follows:

Customers

The Company realizes that it is important for its customers to feel completely satisfied. This is because the Company's success depends on the customer satisfaction. To win customer confidence in its services, the Company needs to treat every customer fairly. The following policies and measures have been undertaken.

1. The Company honors all the terms and conditions agreed upon with the customers. In case it is not possible to honor any terms and conditions, the Company will try to find a satisfactory resolution or make necessary adjustments.
2. The Company treats all customers fairly and equitably.
3. The Company always keeps good relation with the customers.

4. The Company takes good care of the customers, taking into consideration their safety.
5. The Company provides the customers with accurate, adequate and timely information. It keeps the customers' information confidential. It will not use the customers' information for one's own benefit or for the benefit of the related parties.
6. The Company puts in place a system or process, through which the customers can file their complaints or give their suggestions about its services.

Trading Partners, Competitors and Creditors

In conducting its business affairs, the Company takes into account the benefits of its trading partners, competitors and creditors. It treats them equitably and fairly, in the best interest of the Company and based on the principles of righteousness and suitability as well as the business relationship. The following are the Company's practice guidelines.

1. The Company's conduct of business affairs is under the framework of fair competition rules and in line with the good culture and tradition.
2. The Company honors all agreements, terms and conditions, as well as rules and regulations. If it is not possible to honor them, the Company will try to find a satisfactory resolution or make necessary adjustments.
3. The Company places emphasis on treating these stakeholders appropriately, equitably and fairly.
4. The Company does not ask for or accept or pay any undue benefits dishonestly. The Company also does not violate confidentiality. As well, it will not attempt to gain access to trade secrets in a dishonest manner.
5. The Company puts in place a system or process, through which its trading partners, competitors and creditors can file complaints.

Apart from the aforementioned regulations, the Company has set up policies and practices of selecting the trading partners through a systematic procedure for procurement and performance steps which conform to the quality management called 'ISO 9001:2015'.

Policies and Regulations in Selecting the Trading Partners

1. To establish the regulation in selecting and evaluating trading partners in order to run the business fairly.
2. Open bidding and select trading partners transparently, fairly and appropriately by the Company's Procurement Committee.
3. To compile appropriate contract form.
4. To provide steps of procurement and a tracking system, including internal control, to ensure that the conditions are practices accordingly and fairly.
5. To assess trading partners every year and inform them about assessment results and recommendations in order that the trading partners can improve the quality of goods and services continuously.

The Society, Communities and the Environment

The Company has always committed to operating its business in a manner that shows responsibility towards society, communities and the environment. As part of its efforts, it takes actions that are of benefit to the society and communities. In particular, it complies with the building standards and requirements imposed by the authorities concerned. It has adopted the policies and measures as follows:

1. The Company complies with the laws as well as rules and regulations related to the environment.

2. It gives assistance to and cooperates with state agencies, communities, and educational institutions in their activities. The Company assists in preserving the local customs and traditions of the communities in which the Company and its offices are located. It also encourages its subsidiaries to adopt the same policy.
3. The Company encourages staff of the Company and its subsidiaries to be mindful of their responsibility towards society, communities and the environment.
4. The Company puts in place a system or process, through which complaints can be filed.

Employees

The Company is aware that employees are the valuable assets and essential to the Company's achievement. The Company hopes that the employees will feel proud of the organization and have an equal opportunity to progress professionally and all are given a chance to continuously develop their skills. Therefore the Company has adopted the following guidelines in regards to its employees:

1. All employees are treated with equality and without prejudice.
2. The Company supports and promotes activities that allow employees to feel proud in the organization as well as strengthen the relationship among employees and between employees and that organization.
3. The Company provides fringe benefits for employees such as provident funds, healthcare and safety in the working environment.
4. The Company supports and promotes the development and professional progress of employees.
5. The Company sets up a system and procedure that allows employees to file a complaint in case of injustice.

In 2021, the Company did not have disputes relevant to violations of labor, employment, consumers, trade competition, and environment.

Information Disclosure and Transparency

The Board of Directors attaches significance to disclosure of information technology because it has an impact on decision making of investors and stakeholders by having the system to provide financial reports and disclose important information accurately, sufficiently, and according to standard rules and related guidelines by taking concerned information into consideration.

Financial information and non-financial information which the Board of Directors has a clear policy to manage the finance, sources of fund, financial risk management in order to reduce risks affecting performance and financial status of the Company. This builds the confidence for shareholders under the close monitoring of accounting and finance-based top executives by monitoring and assessing the business' financial status regularly and submitting a report to the Executive Committee every month in order to acknowledge the performance. The consideration and analysis of causes and guidelines to solve the problems are taken. If there is a sign indicating a financial liquidity problem and solvency, it will be reported to the Board of Directors in order to consider for further approval for solving the problem immediately.

For normal operations of the Management Team, back-up plans are made in case that there is probably a financial problem by taking equity for every stakeholder into consideration equally as well as managing the liquidity in order to be ready for repaying debts to creditors immediately under emergency situations in order to be able to repay the debts to creditors, even though confronting a liquidity crisis.

The Company places strong emphasis on disclosure of its information. In this connection, the Company has adopted a policy on equitable disclosure of a policy on equitable disclosure of key information both financial and non-financial, to shareholders and stakeholders in a complete, timely and reliable manner, in both Thai and English, through various channels as follows:

- Through annual reports and the Company's website (<http://www.mbkgroup.co.th>) The disclosed information covers all areas in line with the practice guidelines for company directors given by the Stock Exchange of Thailand, such as Financial statement, Management Discussion and Analysis, Vision and Mission, etc.
- Website of the Securities and Exchange Commission (SEC)

Filing Complaints and Requesting for Information

In conduct its business affairs, the Company has adopted a policy which takes into account the satisfaction of all stakeholders. They can file complaints, make suggestions, or request for information as well as sharing news, leads, and clues or giving information about the Company through its various channels such as web-based Intranet, through its various channels— both internal and external— such as a web board, Internet, telephone calls, written letters, QR Code scanning points for giving opinions and suggestions. The related contact details are as follows:

1. Website : www.mbkgroup.co.th
2. Email address of the Investor Relations Unit: inv@mbkgroup.co.th
3. QR Code scanning points for giving opinions and suggestions
 - A QR Code scanning point for giving opinions and suggestions is placed in the office near the Public Relations Department.
 - A QR Code scanning points for giving opinions and suggestions are placed on all floors of MBK Shopping Center.

Note: The channel for whistleblowing or complaint is specified in “Whistleblowing or Complaint Policy”.

The Company has set up procedures in dealing with complaints from all groups of stakeholders. As part of the policy, all customers and stakeholders information will be kept confidential. The information includes complaints, suggestions, requested information, news, leads or clues about the Company. The Internal Audit Department is required to acknowledge and gather all the complaints in order to propose to the Audit Committee to consider and make further implementations. This also includes assigning the management or related department to rectify the complaints and notify the appellant to acknowledge the proceeding of the complaints.

6.2 Business code of conduct

The Board of Directors has made available the Code of Ethics and the Code of Conduct for directors, executives and the Company's staff. They serve as guidelines for all directors, executives and staff of the Company and its subsidiaries in carrying out their duties in honest, upright and fair manner. The purpose is to ensure that the Company's conduct of business affairs meets with the established objectives, taking into consideration the responsibility towards all groups of stakeholders including shareholders, customers, trading partners, competitors, creditors, staff, the society, communities, as well as the environment. The codes also help enhance the positive corporate image that will bring greater stability to the Company. Adhering to the codes is also in line with the Company's good corporate governance principles.

In 2021, the Board of Directors revised manuals concerning business ethics and code of conduct of Directors, Executive and employees in line with the policy on the Good Corporate Governance and the policy and measures against corruption. The codes were announced and the related compliance manuals were prepared. Distributed to the directors, executives and employees of the Company as well as its subsidiaries, the compliance manuals were served as guidelines for performing their responsibilities. Every employee would be provided with training on code of ethics and code of conduct, ensuring that they had a correct understanding and were able to put them into practice. The Company also regularly and continuously organized activities aimed at providing all its employees with the knowledge about the codes and inculcating in them the consciousness of the codes.

The Company has determined to monitor and supervise the directors, the executives and the employees to practice in accordance to the business ethic and code of ethics by encouraging all the employees to understand the business operation manual of the ethics that the Company has established and use it as guidelines to perform their duties with integrity, honesty, and fairness. Those who refrain from these will be investigated and appropriate disciplinary punishment will be made, which may be extent to the termination of employment and even legal action will be made in the case of illegal conduct.

The Company's code of business conduct, code of ethics for directors and executives and code of ethics for employees cover the following practices and behaviors:

- In the conduct of the Company's business affairs, the directors, executives and employees are required to comply with all the laws, rules and regulations. The compliance is beneficial to the overall management systems.
- The directors, executives and employees have responsibility towards the Company's shareholders and treat them in an honest and equitable manner. For the convenience of the shareholders, the Company puts in place channels for the shareholders to file their complaints and to obtain information about the Company.
- The directors, executives and employees have responsibility towards the Company's customers and treat them in a fair and equitable manner. The directors, executives and employees establish good relationships with the customers and provide them with correct information in a timely manner and keep confidentiality of their information. The Company also puts in place procedures for the customers to file their complaints and to give their opinions or suggestions about the management.
- In their conduct of business affairs, the directors, executives and employees show their responsibility towards the Company's trading partners, competitors, and officials by behaving in an appropriate, equitable and fair manner within the established framework, rules and regulations and without seeking undue benefits for themselves. The Company also puts in place procedures for the trading partners, competitors and officials to file their complaints and to give their opinions or suggestions about the management.
- The directors, executives and employees show their responsibility towards the society, communities and environment by giving their assistance and cooperation to the state, communities, society environment and educational institutions within the constitutional framework. The Company puts in place management systems of occupational health, safety and environment in line with the legal requirements.
- The Company has responsibility towards its employees and treats them fairly. The Company looks after their employees in areas of benefits, welfare, working environment, and safety at work. The Company encourages the employees to develop their knowledge and skills and to make progress in their careers. The Company puts in place procedures for the employees to file their complaints on various matters.
- The Company encourages all employees to live corporate values and safeguard the organization, taking into account the interests of the organization or the public.
- The directors, executives and employees are prohibited from abusing their authority in seeking information for their own benefits.

6.3 Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year

6.3.1 Material changes and developments of the policy

In 2021, the Good Corporate Governance Committee has considered and reviewed the good corporate governance policy and good corporate governance practices which are suitable for the Company, to comply with good corporate governance under the international standards, legal framework, rules, and related regulations. There were supervision and advice under good corporate governance guidelines for listed companies (CG Code), including a review of the Corporate Governance Score (CG Rating). There were promoting and supporting the strength of communities, society, and taking care of the environment by bringing the expertise of the Company to create economic value for the organization and society at the same time. There were supervising and reviewing internal controls related to anti-corruption measures by a review of anti-corruption policies and measures and whistleblowing or complaint policy following the assessment criteria of the Thai Institute of Directors Association and present to the Board of Directors.

Moreover, when the Company expands their investments in various areas of businesses, it applies the principles of Good Corporate Governance to the business operations of subsidiaries. The Company's Board of Directors is mainly determined to conduct all the Company's business affairs in an appropriate, transparent and fair manner. The adherence to the principles of Good Corporate Governance will not only enhance the confidence of all concerned, including its shareholders and stakeholders, but also will add value to the Company in the long term.

In 2021, the company has been assessment of the good corporate governance of Thai listed companies, the Company has been ranked as 'Excellent or 5 stars' for 6 consecutive years since 2016. In 2021, the Company was one of 268 companies which were assessed as 'Excellent or 5 stars' from a survey of all 716 companies which were assessed by Thai Institute of Directors Association (IOD).

6.3.2 Compliance with corporate governance principles for listed companies (CG Code)

The Board of Directors have adopted and applied Good Corporate Governance and developed mechanisms to regulate the performance, the organization's decision making and risk management in order to achieve the goal to make profits in the long term and create value to the business sustainably. However, in 2021, the Company followed the principles of Good Corporate Governance but might not cover criteria for the assessment of the survey of Corporate Governance Report of Thai Listed Companies in some aspects which can be explained as follows:

- The Chairman was not an Independent Director because the Chairman was competent with knowledge, abilities, and diverse experiences which highly brought benefits to the organization.
- To specify a method of voting for directors by the cumulative voting in the General Meeting of Shareholders because mentioned practice did not suit the vote counting of the Company.
- To specify that Directors or Senior Executives informed the Committee or a person whose task was assigned to deal with buying or selling shares of his/her own company at least 1 day prior to the buying/selling date. It was because the Board of Directors has specified the Company's insider information measures to prohibit the Committees, executives, or units which had insider information; to disclose this insider information to outsiders or people who were not involved in as well as use this insider information for personal interest.

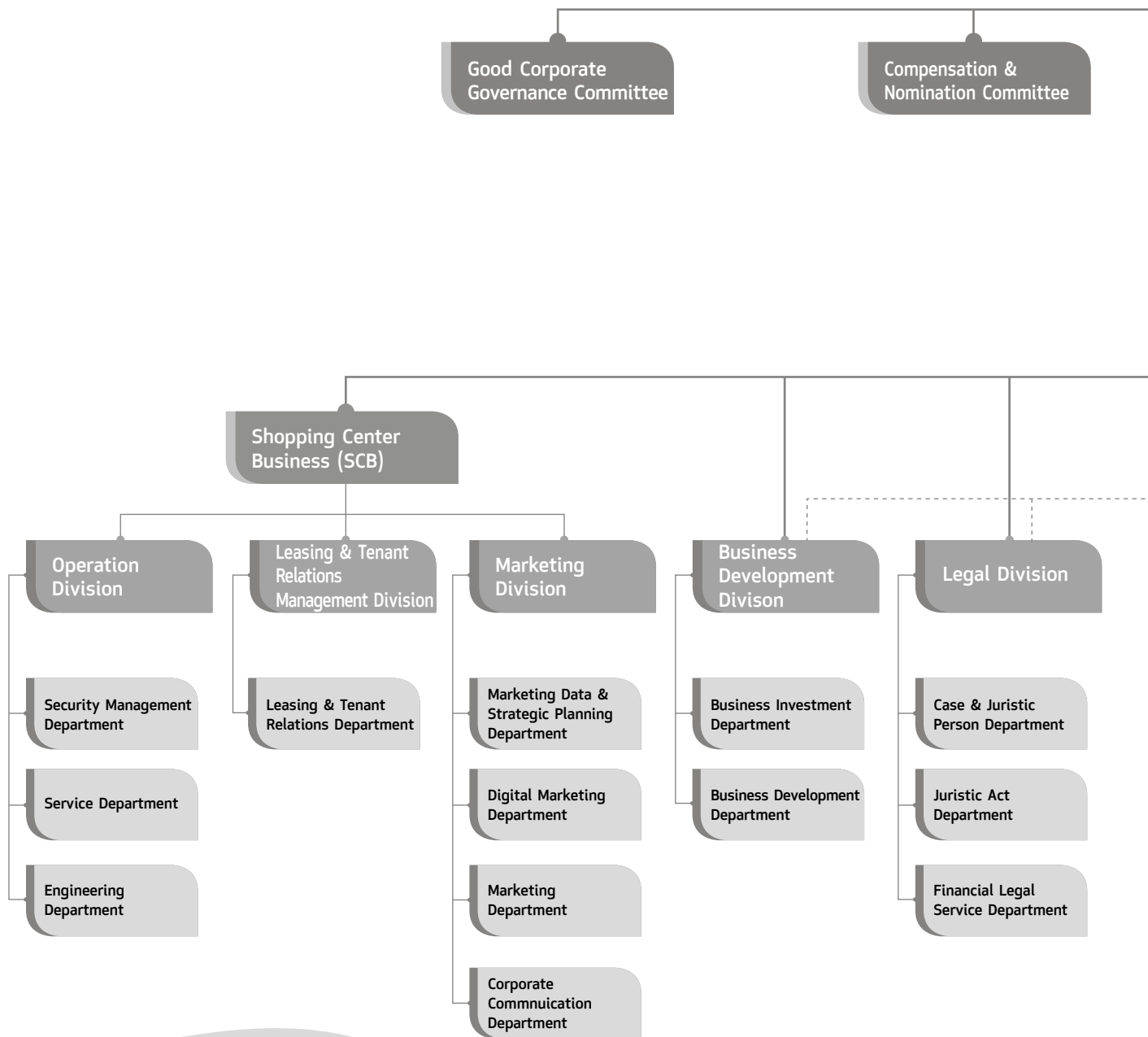
- To specify that the Board of Directors should consist of more than 50% of independent directors. The Company sets the policy and guidelines to conflict of interest, stipulating that no directors who have conflict of interest or concerned interest attend the Board of Directors' meeting to participate in decision making issues. If any agenda related to interest conflict or concerned interest, that director has to abstain his/her opinion for such agenda.

6.3.3 Other compliance under the principles of corporate governance

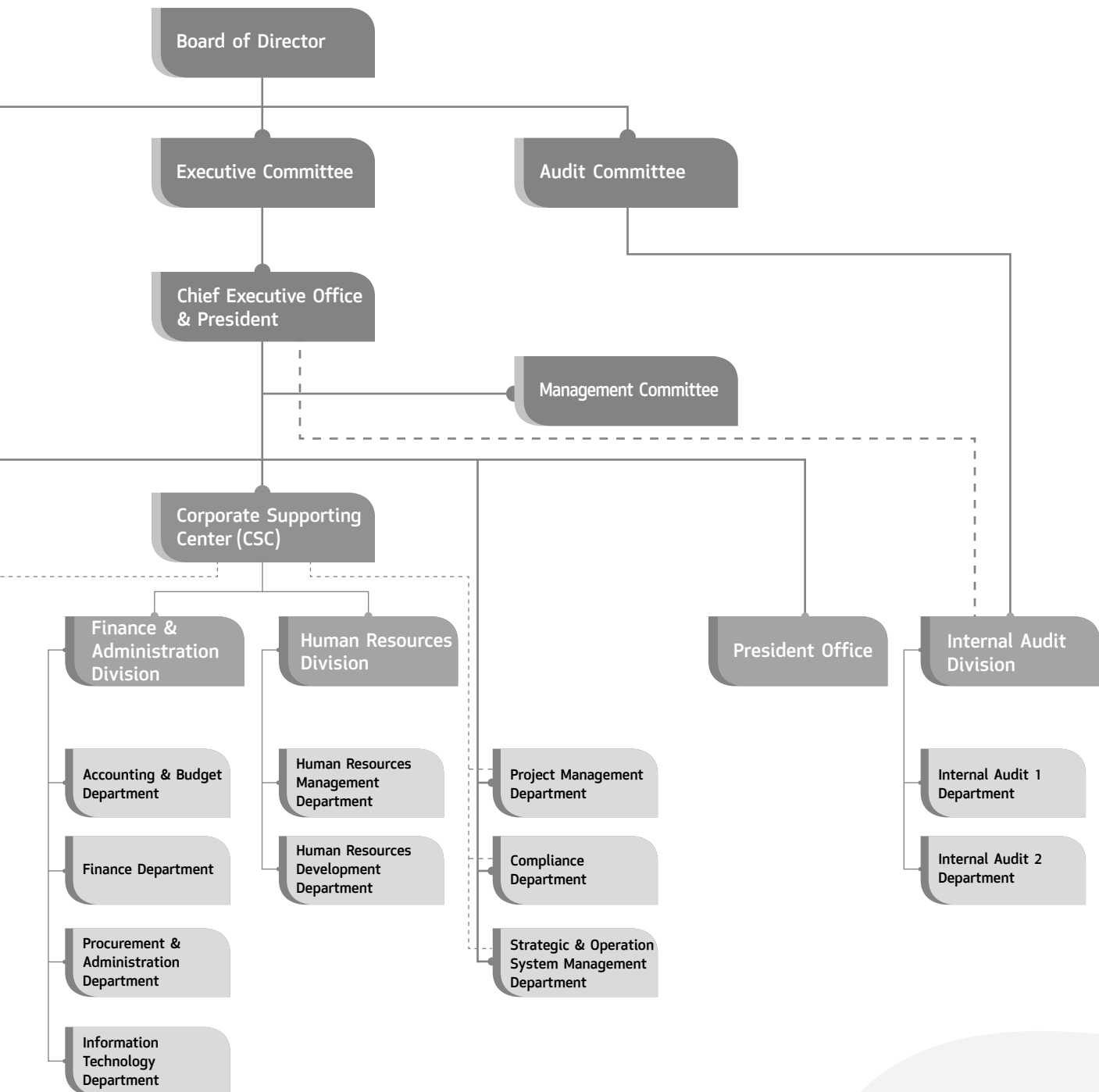
By virtue of the Company's determination, emphasis on business operations, continuously holding to principles of the Good Corporate Governance, and regularly developing the Good Corporate Governance to be efficient and appropriate to the Company, therefore, the Company has been evaluated the quality of the annual general meeting regularly and continuously. From the Annual General Meeting Checklist (AGM Checklist), assessed by Thai Investors Association, the Company got 100 marks (full marks) as its 10th consecutive year since 2012.

7. Corporate governance structure and significant information related to the Board of Directors, subcommittees, executives, employees and others

7.1 Corporate Governance Structure



Organization Chart MBK Public Company Limited



7.2 Information on the Board of Directors

7.2.1 The composition of the Board of Directors

The Company's management structure consists of the Board of Directors and specialized committees responsible for supporting important management areas and works in respect of which the Board of Directors has adopted resolutions including the Audit Committee, the Executive Committee as well as the Compensation and Nomination Committee and the Good Corporate Governance Committee. There are still various sub-committees such as the MBK rental committee and the sub-committee for management of the real estate business. The details of the responsibilities of the various committees are as follows:

The Board of Directors

To manage the Company efficiently, the Board of Directors must consist of individuals with knowledge, expertise and work experience in different fields of endeavor. Importantly, they must be able to dedicate themselves fully to their work and act at all times in the best interest of the Company.

Persons nominated as directors will go through a transparent nomination process. The Nomination and Remuneration Committee will consider and select qualified persons to be nominated as directors by considering the qualifications, knowledge, expertise, and experiences and provide opinions to the Board of Directors before proposing to the shareholders' meeting to consider and approve the appointment. The Company has disclosed the profiles, qualifications, experiences, and shareholding in the Company of Directors in Form 56-1 One Report on the Company's website.

As of December 31, 2021 The Company's Board of Directors is comprised of 10 members including:

- 9 Non-Executive Directors (which are 90% of the total of the Company's Board of Directors, comprised of 4 Independent Directors, which are 40% of the total of the Company's Board of Directors exceeding one-third of the total number of the Board of Directors)
- 1 Executive Director (which is 10% of the total of the Company's Board of Directors)

7.2.2 Information of the Board of Directors and Controlling Person of the Company

A List of the Board of Directors is as follows:

Name	Position	Expertise	Appointment date
1. Mr. Banterng Tantivit*	Chairman	Financial Business, Golf Business, and Real Estate Business	8 th Apr. 1994
2. Mr. Suphadej Poonpipat*	Vice Chairman	Financial Business, Hotel and Tourism Business, and Real Estate Business	8 th Apr. 1994
3. Mr. Kasama Punyagupta	Independent Director	Finance and Investment	30 th Apr. 2018
4. Mr. Pracha Jaidee	Independent Director	Law	14 th Nov. 2007
5. Mr. Suwit Rojanavanich	Independent Director	Accounting and Finance	1 st Jul. 2019
6. Ms. Panit Pulsirivong*	Independent Director	Mass Communication, Golf Business, Hotel and Tourism Business	8 th Apr. 1994
7. Mr. Piyaphong Artmangkorn	Director	Financial Management and Investment, Financial Business	19 th Oct. 1998

Name	Position	Expertise	Appointment date
8. Mr. Suvait Theeravachirakul	Director and President	Management, Accounting, Finance and Investment	1 st Nov. 2000
9. Mr. Hatchapong Phokai*	Director	Management and Real Estate Business	1 st Nov. 2000
10. Mr. Atipon Tantivit	Director	Management and Investment, Golf Business	15 th Oct. 2003
11. Mr. Wichak Praditavanij*	Director	Finance and Investment	5 th Jan. 2022

* Notes :

1. MBK Public Co. Ltd. was formerly a private company under the name of Mah Boon Krong Drying and Silo Co., Ltd. By registration, its name was changed to be MBK Properties and Development Co., Ltd. on 20th December 1990. It was registered for transformation into the public company limited on 8th April 1994 under the name of MBK Properties and Development Public Co., Ltd. and listed on the Stock Exchange of Thailand on 5th April 1996. Later, it was registered to change its name to MBK Development Public Co., Ltd. on 20th November 2002 and its name was registered to change to MBK Public Co., Ltd. on 10th November 2003. The Directors who held the positions of the Company's Directors before transformation into the Public Co., Ltd. The details are as follows:
 - (1) Ms. Panit Pulsirivong held the position of Director of Mah Boon Krong Drying and Silo Co., Ltd. on 2nd March 1989.
 - (2) Mr. Banterng Tantivit and Mr. Suphadej Poonpipat held the positions of Directors of Mah Boon Krong Drying and Silo Co., Ltd. on 19th September 1989.
2. Mr. Hatchapong Phokai resigned from the position of Director on 31st December 2021 and the Board of Directors Meeting No. 1/65 resolved to appoint Mr. Wichak Praditavanij as a replaced director, effective from 5th January 2022 onwards.
3. Ms. Chollada Ngamnikulchalin was the secretary of the Board of Directors.

The Board of Directors' meeting is held once per month and for the year 2021, the number of meetings held by the Board of Directors amounted to 12 meetings.

Directors Authorized to Sign on Behalf of the Company

The directors who are authorized to sign on behalf of the Company and whose names are specified in the Company's Articles of Association as of January 5th, 2022 include the following:

1. Mr. Suvait Theeravachirakul
2. Mr. Wichak Praditavanij

In signing on behalf of the Company, two directors jointly sign with the Company's seal affixed.

7.2.3 The roles and duties of the Board of Directors

Scope of Authority and Responsibilities of the Board of Directors

- 1) The Board of Directors is responsible for managing all the Company's businesses in line with the legal requirements, the Company's objectives and Articles of Association, as well as the resolutions adopted at the shareholders' meetings.
- 2) The Board of Directors has authority to assign one or more of its members or other persons to conduct any business affairs on behalf of the Company.
- 3) Names and number of directors authorized to sign on behalf of the Company: Mr. Suvait Theeravachirakul and Mr. Wichak Praditavanij— 2 directors have authority to sign jointly with the Company's seal affixed. Except in the case of a guarantee of debts, liability of debts, or fulfilling other obligations and responsibility under an agreement, it has to be approved by the Board of Directors' meeting before taking any action.
- 4) The Board of Directors has authority to appoint or change the directors serving as authorized signatories on behalf of the Company.
- 5) The Board of Directors has authority to consider and approve policies and strategies for administrating the company's and its subsidiaries' business operations.

- 6) The Board of Directors has authority to ensure that the Management Team implements the established policies effectively and efficiently.
- 7) The Board of Directors has authority to consider and approve the Company's liquidity management for debt instrument investments where the rate is not lower than the investment grade. (Rating is BBB+ or higher.)
- 8) The Board of Directors has authority to consider and approve the Company's investment expenditure.
- 9) The Board of Directors has authority to consider and approve the Company's administrative and selling expenses.
- 10) The Board of Directors has authority to manage risk of financial or investment activities relating to the Company's and its subsidiaries' projects by means of establishing risk management policies as well as monitoring and assessing results.
- 11) The Board of Directors has authority to consider the appropriateness of the Company's and its subsidiaries' business plan and annual budget.
- 12) The Board of Directors has authority to consider the Company's Organization Chart, the performance authority, the salary structure, and the structure of annual remuneration for the staff and the executives.
- 13) The Board of Directors has authority to consider and approve the use of accounting principles and changes in the Company's accounting principles.
- 14) The Board of Directors has authority to consider and approve on opening bank accounts.
- 15) The Board of Directors has authority to consider and approve to make domestic and international loans.
- 16) The Board of Directors has authority to appoint sub-committees to perform some duties in lieu of the Board.

Duties and Responsibilities of the Chairman of the Board of Directors

- 1) To call for the Board of Directors' Meeting and supervise the distribution of notices of meeting and other documents to ensure that the Board of Directors received sufficient and in time information.
- 2) To act as the Chairperson in both the Board of Directors' meeting and shareholders' meeting as well as ensure that the meetings are conducted in accordance with the Company's regulations and the specified agenda for the most efficient and effective meeting; by encouraging all of the Board of Directors to participate in the meetings and give independent opinion.
- 3) To hold a meeting which opinions and suggestions are fully welcome.
- 4) To regulate the efficiency of the communication between the Committee and Shareholders.
- 5) To cast the deciding vote in the case when the shareholders' meeting and the Board of Directors' meeting have the same number of votes.
- 6) To perform one's duties in accordance to the laws particularly specified that it is the responsibility of the chairman.

Tenure of the Directors

- 1) At the Annual General Meeting each year, one-third of the directors must retire from office. If the number of the directors retiring from office does not amount to exactly one-third, the nearest whole number of one-third shall be used.

The directors who must retire from office in the first year and the second year in line with the preceding paragraph shall be selected by random drawing. In the following years, the directors with the longest tenure in office shall be required to retire. In an event that the number of directors with the longest tenure in office exceeds the number of directors who must retire, the retiring directors shall be selected by random drawing. The retiring directors are eligible for re-appointment.

- 2) Apart from retiring from office upon the expiration of the tenure, the director shall retire from office upon:
 - (1) Death;
 - (2) Resignation by delivering a written notice of resignation to the Company;

- (3) Lacking the required qualifications or becoming forbidden by any provisions of the law;
 - (4) Resolution for the director to retire, which is adopted by at least three-fourths of the shareholders attending their meeting and having voting rights, provided that the combined number of the shares owned by these shareholders at least half of the total shares owned by all the shareholders attending the meeting and having the voting rights;
 - (5) The order by the court of law.
- 3) If the directorship becomes vacant due to other reasons than the expiration of the tenure, the Board of Directors shall appoint a replacement who possesses the required qualifications and is not forbidden by any provisions of the law. The replacement shall be appointed at the Board of Directors' next meeting and has to be voted in by at least three-fourths of the remaining directors, with the exception of the situation in which the remaining tenure of the vacant directorship is less than 2 months.
 - 4) In case the number of vacant directorships results in inadequate quorum, the remaining directors can act on behalf of the Board of Directors only in organizing a meeting of shareholders for the purpose of appointing replacements to fill the vacant directorships.
 - 5) The directors appointed as replacements in line with no. 3 and no. 4 above shall be in the office only for the remaining term of the directorships being replaced.

7.3 Information on subcommittees

The Executive Committee

A List of the Company's Executive Committee and the Secretary of the Executive Committee is as follows:

Name		Position
1) Mr. Suphadej	Poonpipat	Chairman of the Executive Committee
2) Mr. Piyaphong	Artmangkorn	Member of the Executive Committee
3) Mr. Suwait	Theeravachirakul	Member of the Executive Committee
4) Mr. Atipon	Tantivit	Member of the Executive Committee
5) Mr. Wichak	Praditavanij	Member of the Executive Committee
6) Ms. Chonlada	Ngamnikulchalin	Secretary of the Executive Committee

Note: The Board of Directors Meeting No. 1/65 resolved to appoint Mr. Wichak Praditavanij as an Executive Committee, effective from 5th January 2022 onwards.

The Executive Committee's meeting is held once per month and for the year 2021, the number of meetings held by the Board of Directors amounted to 12 meetings.

Scope of Performance of the Executive Committee

To manage the Company's business affairs in order to ensure that they follow the policies established by the Board of Directors.

Duties and Responsibilities of the Executive Committee

- 1) To propose policies and strategies for managing the Company's and its subsidiaries' businesses to the Board of Directors for approval.
- 2) To ensure that the Management Team implements the established policies and strategies effectively and efficiently.

- 3) To consider and approve the Company's liquidity management for investment in debt instruments rated investment grade (Rating is BBB+ or higher.) within a limit of 200 million Baht per one transaction and report to the Board of Directors when such transaction is approved.
- 4) To consider and approve long-term investment in equity instruments only relevant to core business of the MBK GROUP.
 - 4.1) Investments in equity instruments listed on the Stock Exchange within a limit of 200 million Baht per transaction and have to be reported to the Board of Directors for acknowledgement when such transaction is approved.
 - 4.2) Investments in equity instruments unlisted on the Stock Exchange of Thailand within a limit of 50 million Baht per transaction and have to be reported to the Board of Directors for acknowledgement when such transaction is approved.
- 5) To consider and approve the Company's requirement of other capital expenditures, not specified in the annual budget, within a limit of 50 million Baht per one meeting of the Executive Committee and report to the Board of Directors when such transaction is approved.
- 6) To consider and approve the Company's requirement of administrative and selling expenses, not specified in the annual budget, within a limit of 20 million Baht per one meeting of the Executive Committee and report to the Board of Directors when such transaction is approved.
- 7) To consider and approve credit limits within a limit of 500 million Baht per transaction and loan to value ratio is not more than 75% and report to the Board of Directors for acknowledgment when such transaction is approved.
- 8) To manage risks of financial or investment activities relating to the Company's and its subsidiaries' projects by means of establishing risk management policies as well as to monitor and assess results, then report to the Board of Directors.
- 9) To consider appropriateness of the annual business plan and budget in MBK and its subsidiaries' before proposing them to the Board of Directors for approval.
- 10) To consider the Company's organization chart, authority, salary structure, and annual remuneration for the staff and the management team before presenting them to the Board of Directors for approval.
- 11) To manage the Company's business affairs, ensuring that they comply with the legal requirements and that there is no conflict of interest.
- 12) To supervise the performance of various committees.
- 13) To acknowledge difficulties, obstacles and review practical solutions.
- 14) To carry out other duties as assigned by the Board of Directors.

Tenure of the Executive Committee

The chairman and the members of the Executive Committee shall have the same tenure as the Board of Directors' tenure.

The Audit Committee

The Board of Directors approved to establish the Audit Committee on 4th February 1999. The Committee is comprised of 3 Independent Directors whose qualifications meet all the regulations of the Stock Exchange of Thailand. The present Audit Committee consists of:

A List of Names and Positions of the Audit Committee and the Secretary of the Audit Committee is as follows:

Name		Position	Note
1) Mr. Kasama	Punyagupta	Chairman of the Audit Committee	Independent Director having knowledge and experience in finance and investment
2) Mr. Pracha	Jaidee	Member of the Audit Committee	Independent Director having knowledge and experience in law
3) Mr. Suwit	Rojanavanich	Member of the Audit Committee	Independent Director having knowledge and experience in accounting and finance
4) Ms. Yupapun	Paritranun	Secretary of the Audit Committee	Head of the Internal Audit Department

The meeting of the Audit Committee is held at least once a month. In addition, the Committee has to meet annually with the external auditors and the Management Team to review the financial statements. For the year 2021, the number of meetings held by the Audit Committee amounted to 16 meetings. The performance's results were reported to the Board of Director every time.

The Audit Committee has annually reviewed the Charter of the Audit Committee in order to conform to practice guidelines of the Stock Exchange of Thailand. The details are as follows:

Scope of Performance of the Audit Committee

- 1) To review that the Company has the appropriate and effective internal control system and internal audit system.
- 2) To consider the independence of the internal audit agency.
- 3) To consider and approve the Company's annual audit plan in cooperation with the internal audit agency, and a budget used in an audit process with regard to related risks.
- 4) To supervise that the Management Team corrects detected flaws and follow related agencies up that the correction is efficiently carried out.
- 5) To review evidence or conduct internal investigation when raising doubts about operations which may have an impact on the organization significantly, or flaws, or conflicts of interest which may affect operational performance or the internal control system; and the results are submitted to the Board of Directors for further consideration.
- 6) To consider and approve the appointment, transfer to another position, and discharge from the job of the head of the internal audit agency.
- 7) To assess the performance, and consider and approve wages, bonuses, or other remuneration for the personnel of the internal audit agency.
- 8) To review that Company has accurate, sufficient, and reliable financial statement reports according to certified accounting principles.
- 9) To consider related transactions or transactions with conflicts of interest in compliance with the law and regulations of the Stock Exchange of Thailand in order to ensure rationality and the utmost benefits for the Company.
- 10) To review evidence when raising doubts about operations which may have an impact on the Company's operational performance significantly, or conflicts of interest which may affect the Company's operational performance.

- 11) To consider the selection or discharge, an offer of remuneration, and a proposal to appoint a person who has independence in order to be the Company's auditor.
- 12) To attend the meeting with an auditor, without the presence of the Management Team, at least one time per year.
- 13) To recommend that an auditor review or check necessary and important transactions during the Company's account audits.
- 14) To check that the Company complies with the law, regulations of the Stock Exchange of Thailand, or rules and regulations of the public agencies.
- 15) To review evidence when raising doubts about any transactions or actions which may violate the law, or regulations of the Stock Exchange of Thailand, or rules and regulations of the public agencies which may affect the Company's financial status and operational performance significantly.
- 16) To review the risk management system.
- 17) To cooperate with the Audit Committee of MBK GROUP and request that the Internal Audit Division provides summarized reports on results of auditing all businesses of MBK GROUP for the Audit Committee's acknowledgement.
- 18) To regulate and review the internal control related to the Good Corporate Governance and anti-corruption measures.
- 19) In case of necessity, the Audit Committee may recommend that the Board of Directors hire or recruit a specialist to work together for considering and discussing the Company's problem-solving.
- 20) Other missions as assigned by the Board of Directors.

Tenure of the Audit Committee

The chairman and the members of the Audit Committee shall have the same tenure as the Board of Directors' tenure.

The Compensation and Nomination Committee

A List of the Compensation and Nomination Committee is as follows:

Name		Position	Note
1) Mr. Suphadej	Poonpipat	Chairman of the Compensation and Nomination Committee	
2) Ms. Panit	Pulsirivong	Member of the Compensation and Nomination Committee	Independent Director
3) Mr. Pracha	Jaidee	Member of the Compensation and Nomination Committee	Independent Director

For the year 2021, the number of meetings held by the Company's Compensation and Nomination Committee amounted to 3 meetings.

Purpose

The Board of Directors of MBK Public Company Limited appoints the Compensation and Nomination Committee in order to advise on policies, patterns, and rules of Compensation and Nomination for Directors, members of sub-committees, President, Senior Executive Vice President and Executive Vice President so that they can comply with principles of Good Governance and conform to the organization's vision and missions.

Principles of Compensation and Nomination

- The nomination of Directors, members of sub-committees, President, Senior Executive Vice President, and Executive Vice President has to strictly comply with regulations stated in relevant law and regulatory agencies, and qualifications for knowledge and abilities which are appropriate to the organization's culture, vision, missions, and value are taken into consideration.
- The compensation for Directors, members of sub-committees, President, Senior Executive Vice President, and Executive Vice President has to comply to the scope, duties, and responsibilities sufficiently enough to attract, maintain, and motivate them as well as according with the performance.
- The compensation and nomination for Directors, members of sub-committees, President, Senior Executive Vice President, and Executive Vice President have to provide clear and transparent procedures and processes, follow the principles of the corporate governance, and have accountability.

Structure of the Compensation and Nomination Committee

- It consists of at least 3 Directors whom are appointed by the Company's Board of Directors.
- Directors are non-executives and should be mostly Independent Directors.
- The secretary of the Board of Directors is appointed by the Compensation and Nomination Committee.

Duties and Responsibilities of the Compensation and Nomination Committee

- To advise the Board of Directors on the policy on the Compensation and Nomination of Directors, members on sub-committees, President, Senior Executive Vice Presidents, and Executive Vice Presidents.
- To advise the Board of Directors on forms and rules of the Compensation and Nomination of Directors, members on sub-committees, President, Senior Executive Vice Presidents, and Executive Vice Presidents.
- To specify rules of the performance evaluation of President, Senior Executive Vice Presidents, and Executive Vice Presidents as a supplement to annual remuneration consideration.
- To consider the selection and screening of people who are qualified for being appointed as Directors, members of sub-committees, President, Senior Executive Vice Presidents, and Executive Vice Presidents in order to ask for approval of the Board of Directors or shareholders (as the case may be).
- To recommend the annual remuneration of Directors, members of sub-committees, President, Senior Executive Vice Presidents, and Executive Vice Presidents as forms and rules of the remuneration as specified.
- To review the policy, forms, and rules of the Compensation and Nomination of Directors, members of sub-committees, President, Senior Executive Vice Presidents, and Executive Vice Presidents so that they are suitable for duties and responsibilities, and in harmony with market conditions.
- To follow up and supervise the Company so that a succession plan and continuity of appropriate management of top executives and key positions is regularly updated.
- To follow up and supervise a policy on employees' remuneration to be fair, competitive in the market, and able to maintain quality and potential employees.

Meetings of the Compensation and Nomination Committee

- The committee has to arrange at least 2 meetings per year.
- No less than half of the number of the committee's members has to attend each meeting. Also, Chairman has to attend each meeting. In case the Chairman cannot attend the meeting, the rest of the committee's members are allowed to propose one of Independent Directors to be appointed to chair such meeting.

- A meeting's resolution is passed by a majority of members specified by a quorum. Members and stakeholders will not attend a meeting for considering or adopting a resolution in which they are involved.
- A meeting's supporting documents have to submitted to the committee 7 days in advance.
- A draft of minuetts has to submitted to the committee in order to be checked within 14 days after the meeting.

Reporting

- Results of performance according to the scope stipulated by the charter have to reported the Board of Directors after the meeting every time as well as a summary in the annual report.

Disclosure

- The committee has to report and propose the remuneration paid each year of members to shareholders for their acknowledgement.
- To disclose duties and responsibilities of the committee.
- To disclose a number of organized meetings and a number of meetings which each member attends.
- To disclose forms or categories of the remuneration of members.

Tenure of the Compensation and Nomination Committee

The chairman and the members of the Compensation and Nomination Committee shall have the same tenure as the Board of Directors' tenure.

The Good Corporate Governance Committee

A list of the Good Corporate Governance Committee, its Secretary and their positions are as follows:

Name		Position
1) Mr. Banterng	Tantivit	Chairman of the Good Corporate Governance Committee
2) Mr. Suphadej	Poonpipat	Member of the Good Corporate Governance Committee
3) Mr. Kasama	Punyagupta	Member of the Good Corporate Governance Committee
4) Mr. Pracha	Jaidee	Member of the Good Corporate Governance Committee
5) Mr. Suwit	Rojanavanich	Member of the Good Corporate Governance Committee
6) Ms. Panit	Pulsirivong	Member of the Good Corporate Governance Committee
7) Mr. Piyaphong	Artmangkorn	Member of the Good Corporate Governance Committee
8) Mr. Suvait	Theeravachirakul	Member of the Good Corporate Governance Committee
9) Mr. Hatchapong	Phokai	Member of the Good Corporate Governance Committee
10) Mr. Atipon	Tantivit	Member of the Good Corporate Governance Committee
11) Mr. Wichak	Praditavanij	Member of the Good Corporate Governance Committee
12) Ms. Chonlada	Ngamnikulchalin	Secretary of the Good Corporate Governance Committee

Note: Mr. Hatchapong Phokai resigned from the position of Member of the Good Corporate Governance Committee on 31st December 2021 and the Board of Directors Meeting No. 1/65 resolved to appoint Mr. Wichak Praditavanij as a replaced Member of the Good Corporate Governance Committee, effective from 5th January 2022 onwards.

For the year 2021, the number of meetings held by the Company's Good Corporate Governance Committee amounted to 1 meeting.

Scope of Performance of the Good Corporate Governance Committee

To regulate operations of the Company and performance of executives and employees in compliance with the policy on Good Corporate Governance.

Duties and Responsibilities of the Good Corporate Governance Committee

- 1) To consider and review the policy on Good Corporate Governance and a code of conduct for corporate governance appropriate for the Company and conformed to international standards of Good Corporate Governance which comply with relevant law, rules, and regulations.
- 2) To regulate and provide consulting in order to follow the policy on Good Corporate Governance.
- 3) To regulate and reexamine the internal audit related to measures against corruption.

Tenure of the Good Corporate Governance Committee

The Chairman and the members of the Good Corporate Governance Committee shall have the same tenure as the Board of Directors' tenure.

7.4 Information on executives

7.4.1 A list and position of the Executive Management

Name		Position
1) Mr. Suwait	Theeravachirakul	CEO and President and Managing Director, Financial Business
2) Mr. Wichak	Praditavanij	Group Managing Director 1 : MBK
3) Mr. Kasemsuk	Chongmankhong	Managing Director, Golf Business, Managing Director, Auction Business Managing Director, Corporate Supporting Center, and Senior Executive Vice President, Finance & Administration Division
4) Mr. Somphol	Tripopnart	Managing Director, Shopping Center Business
5) Mr. Pongsak	Sabdasen	Senior Executive Vice President, President Office
6) Ms. Yupapun	Paritranun	Senior Executive Vice President, Internal Audit Division
7) Mr. Apichat	Kamoltham	Senior Executive Vice President, Legal Division
8) Mr. Satit	Saisorn	Senior Executive Vice President, Operation Division
9) Ms. Chaninchorn	Predeeprompan	Senior Executive Vice President, Human Resources Division
10) Mr. Wisarn	Sipiyarak	Senior Executive Vice President, Leasing and Tenant Relations Management Division and Acting Senior Executive Vice President, Marketing Division
11) Mr. Sakchai	Suthipipat	Executive Vice President, President Office

Note: 1. Mr. Wichak Praditavanij was appointed to the position of Group Managing Director 1: MBK on 1st November 2021.

Duties and responsibility of the CEO are as follows:

- 1) To regulate the operations of the Company's and its subsidiaries to be in line with the vision, missions, the committee policies, shareholders' resolution, regulations and objectives of the Company; for the highest efficiency and legitimacy of the Company's and its subsidiaries' business operations.

- 2) To manage and supervise the general administration of the Company and its subsidiaries in order to ensure that it is in line with the objectives, policies, rules and regulations of the Company as well as to monitor the performance of the management in order to report overall operations and performance of the Company's and its subsidiaries to the Board of Directors at all time.
- 3) To determine a policy on human resource management and encourage the operations of every department to be in line with the guidelines that the Board of Directors has established in order to develop and fully use the potential effectively.
- 4) To give advice and hand down the experience in business operations to the executives and staff for the benefits of the Company and its subsidiaries' business operations.
- 5) To manage finance of the Company and its subsidiaries and efficiently spend budget for the highest benefit.
- 6) To perform other assigned tasks according to resolutions approved by the Company's and its subsidiaries' Board of Directors Meeting and/or the shareholders' meeting; under the objectives, rules and related laws.

Additional information relating to the Directors and the Executives of the Company is as follows:

For the year 2021, no Director or Executive of the Company had any records of breaches of the law in respect of the following:

- 1) To be subject to a court judgment in respect of a criminal prosecution, except in the case of a prosecution arising from a traffic violation, petty offence, or any other similar offence;
- 2) To be adjudged a bankrupt person or placed under receivership in relation to his/her property;
- 3) To be an executive or a person nominating a company or partnership adjudged bankrupt or its asset being ordered to be placed under receivership;

Moreover, the Company and the subsidiaries appointed experts and executives from various departments to be in charge of considering and managing specific matters within the Company, ensuring that the matters were managed correctly, properly, efficiently, and effectively in the best interest of the Company. Committees and working groups were formed to promote employees at all levels to be participate in these committees and working groups in order to encourage the potential of the organization's personnel as follows:

1. The Quality Management System Committee
 - 1.1 The Strategic Planning and Balance Scorecard Management Committee
 - 1.2 The Risk Management Committee
2. The Committee on Prevention against Tenants Causing Damage to the Shopping Center
3. Thai Private Sector Collective Action Against Corruption
4. The Space Design and Corporate Image Committee
5. The Business Continuity Planning Committee
6. The ISO 9000 Quality Management System Committee
7. The Thailand Quality Award Committee (TQA)
8. The Welfare Committee
9. The Safety, Occupational Health, and Work Environment Committee
10. The Committee on Scholarships for Employees
11. The Committee on Personal Data Protection
12. The Committee on MBK Center Individual KPIs
13. The Committee on Space Design of the Shopping Center
14. The Committee on Personal Data Management

15. The Construction Project Supervision Committee
16. The Committee of Taking Care of Impacts on the Society and Communities
17. The Committee on the Energy Management System— ISO 50001
18. The Food Safety Management Project Committee
19. The Service Development Committee
20. The Committee on the Consideration of Merits and Mistakes of employees
21. The Procurement and Administration Committee
22. The Marketing Committee
23. The Savings and Credit Cooperative Committee of the MBK GROUP
24. The Committee on the Provident Fund of MBK's employees (which is already registered.)
25. The Committee and the Working Group of the Consideration of Corruption
26. The Committee and the Working Group of the Management and Quality Control over Services
27. The Committee and the Working Group of the Innovation
28. The Committee and the Working Group of Digital Transformation
29. The Committee and the Working Group of the Knowledge Management and Organizational Culture Development
30. The Committee and the Working Group of the System to Manage the Security by ISO/IEC 27001 Standards
31. The Committee and the Working Group of Human Resources
32. The Committee and the Working Group of Accounting
33. The Committee and the Working Group of Financial
34. The Committee and the Working Group of Information Technology
35. The Committee and the Working Group of Strategic & Operation System Management
36. The Committee and the Working Group of Legal
37. The Committee and the Working Group of Engineering
38. The Committee and the Working Group of Procurement Rules on the Construction Projects
39. The Committee and the Working Group of Remedy in case of Personal Data Disclosure
40. The Committee on Reviewing the Rental
41. The Working Group of Procurement System
42. The Working Group of the Development of the Good Relationship between Customers and Business groups
43. The Working Group of Internal Quality Audit
44. TQA Application Report Working Team
45. The Working Group of Energy Management
46. The Working Group of e-Tax Invoice & e-Receipt System Development
47. The Working Group of Insurance and Office Property of MBK GROUP
48. The Internal Audit Committee of Evaluators for Intraorganizational Energy Management by ISO 50001 Standards
49. The Internal Audit of the Information Technology Security System by ISO IEC 27001 Standards

MBK's Committees that are responsible for taking care of stakeholders such as users of the services, lessees, creditors and debtors are as follows:

1. The Procurement Committee
2. The Assets Sales Committee

Delegation of the Authority to act on behalf of the Company

The Company has put in place operational rules which provide details related to the exercise of the authority to approve transactions on behalf of the Company. The objective is to delegate the authority to the staff holding different positions and in charge of performing various duties. To make the performance of their duties more flexible and efficient, they are authorized to act on behalf of the Company within the scope of the authority specified by the Company. In this connection, the delegated authority is also subject to the Company's appropriate internal control system.

Company Secretary and the Company's Compliance Supervisor

On 1st November 2020, the Company has appointed Ms. Chonlada Ngamnikulchalin, to act as Company Secretary of MBK in accordance with the Securities and Exchange Act and the Good Corporate Governance practices of listed companies concerning the Responsibility of Directors, having the responsibility relating to the convening of meetings and the preparation and safe-keeping of documents, such as the register of directors, the notices for the convening of the meeting of the Board of Directors, the minutes of the meetings of the Board of Directors, the annual report of the Company, the notices for the convening of the meetings of the shareholders of the Company, the minutes of the meetings of the shareholders, and the report on the fact and the nature of conflicting of interests of the directors/executives, and the giving of recommendations, information/various regulations in respect of which the directors must have knowledge and compliance, and the attending to the various activities of the directors to enable them to discharge their duty efficiently and in the manner most beneficial to the Company.

Moreover, Ms. Chonlada Ngamnikulchalin also holds the position of Senior Vice President of the Compliance Department to supervise and ensure that the Company's performance is in accordance with the regulations of The Stock Exchange of Thailand, the Securities and Exchange Commission, and other related regulators.

The Company's secretary had training regarding to duties as a Company's secretary as follows:

Course	Institute	Date of Training
Fundamentals for Corporate Secretaries	Thai Listed Companies Association (TLCA)	3 rd -5 th November, 2020
Company Secretary Program (CSP) Class 114/2020	Thai Institute of Directors Association (IOD)	30 th November – 1 st December, 2020

7.4.2 Remuneration Policy of the Board of Directors and the Executives Management

Remuneration of the Board of Directors

The Board of Director has set up policies and regulations for the Directors and sub-committee's remuneration at which the rates is appropriate and in line with the Directors responsibilities that have to minister to be in comply with the stakeholders expectation and in accordance with the related laws and rules. The Company, therefore, is required to select directors with experience and appropriate qualifications. The Board of Director has also set up policies that will determine the remuneration of each director, where the remuneration rates will reflect the duties and responsibilities of each director, the Company's financial status and the remuneration rate. This can be compared with the similar size or the same industry of listed company on The Stock Exchange of Thailand along with to be able to practice in accordance with the Good Corporate Governance. The remuneration is revised annually.

The remuneration of the Board of Directors is paid in the form of the meeting allowances, director allowances and gratuity. The directors who also serve as members of other committees such as the Audit Committee and the Executive Committee will receive additional payments as deemed appropriate and in line with the resolution adopted at the shareholders' meeting.

The Annual General Meeting for the year 2021, held on 13th May 2021, approved the remuneration for Directors in the rate of 7,000,000 Baht per annum and privileges of 1,600,000 Baht per annum (To receive services from the Group's businesses, provided for Directors only. These services cannot be redeemed for cash such as the Hotel and Tourism Business and the Golf Business.), total amount of 8,600,000 Baht per annum for the Board of Directors, the Executive Committee, the Audit Committee, the Compensation and Nomination Committee, as details as follows;

1. Remuneration for Board of Directors meeting

	Director Allowances (Baht) per person/per month	Meeting Allowances (Baht) per person/per attendance	Total
- Chairman	28,750	28,750	57,500
- Vice Chairman	17,500	17,500	35,000
- Director	14,500	14,500	29,000

2. Remuneration for the Executive Committee

	Meeting Allowances (Baht) per person/per attendance
- Chairman	52,500
- Director	17,500

3. Remuneration for the Audit Committee

	Director Allowances (Baht) per person/per month	Meeting Allowances (Baht) per person/per attendance	Total
- Chairman	17,500	17,500	35,000
- Director	8,750	8,750	17,500

4. Remuneration for the Nomination and Remuneration Committee

	Meeting Allowances (Baht) per person/per attendance
- Chairman	35,000
- Director	17,500

5. Remuneration and privilege for the Board of Directors

	per person/per year
- Chairman	120,000
- Vice Chairman	120,000
- Director	120,000

The Remuneration of the Executive Management

The Board of Directors has policy and principle in consideration of top executives' remuneration in a short-term period with annual evaluation of the executives' performance based on Performance Management System (PMS) which consists of 2 performance evaluation factors— (1) Key Performance Indicators (KPIs), a crucial mission passed on by the Company in order to support its goals, strategies, operating results, and financial performance results, which are in accordance with duties and responsibilities of the executives, and (2) Competency as an instrument to assess the job performer's ability in terms of behaviors specified that the executives shall perform duties to achieve the organization's objectives and goals with quality.

The remuneration in short-term period is paid to the senior executives by means of monthly salaries, bonuses or other forms of remuneration according to the results of the Company's performance and the executives' performance, compared with a benchmark in the same industry.

The remuneration in the long term period is paid in the form of provident fund which the Company adds to the one paid by employees, according to the stipulated rate, and will increase according to the year in service in the Company. The Board still monitors the President and CEO to assess top executives in order to align with assessment principles.

The remuneration of President and CEO is specified under clear, transparent, fair, and rational rules. The duties, responsibilities, and the Company's performance results are taken into consideration by the Compensation and Nomination Committee.

7.4.3 Remunerations of the Executive Management

Remunerations of the Executive Management (1st January – 31st December 2021)

Executive Management	Number (persons)	Amount (Million Baht)
Executive Management	11	53.43

The Comparison of the Remunerations of the Executives Management from 2019 to 2021

Details	1 st January 2019 – 31 st December 2019		1 st January 2020 – 31 st December 2020		1 st January 2021 – 31 st December 2021	
	Number (persons)	Amount (Million Baht)	Number (persons)	Amount (Million Baht)	Number (persons)	Amount (Million Baht)
Remunerations of Top Executives (Level 17-19)	10	84.80	10	57.58	11	53.43

7.5 Information on employees

A Number of Employees

As of 31st December 2021, MBK Public Company Limited employed a total of 358 employees, consisting of the President, Senior Executive Vice Presidents, and Executive Vice Presidents total 11 people and 347 employees. Also, it included 3,085 employees all subsidiaries. A number of employees in each department is as follows:

Division	Number of Employees (person)*		
	1 st January 2019	1 st January 2020	1 st January 2021
	31 st December 2019	31 st December 2020	31 st December 2021
1. President Office	60	64	60
2. Legal Division	23	22	21
3. Business Development Division	22	23	17
4. Finance & Administration Division	112	113	95
5. Internal Audit Division	28	27	24
6. Marketing Division	85	86	76
7. Operation Division	173	163	20
8. Leasing and Tenant Relations Management Division	36	34	31
9. Human Resources Division	39	38	38

Note :

- A number of employees are calculated from the average of employees in each year.
- The total number of employees of subsidiaries in 2019-2021 are 3,641, 3,500 and 3,085 respectively.

Remunerations of Employees (Excluding the President and the Executive Management)

Details	1 st January 2019 to 31 st December 2019 (Baht)	1 st January 2020 to 31 st December 2020 (Baht)	1 st January 2021 to 31 st December 2021 (Baht)
Remunerations of Employees (MBK)	442,488,084.70	399,931,954.92	301,500,681.98

Remark: Remunerations are salaries, bonuses, overtime pay, retirement pensions, travelling expenses, etc.

Other Remunerations

The Company has provided for other remunerations and welfare benefits in addition to salaries, such as bonuses, savings and credit cooperative, working in the upcountry expenses, OT expenses, uniform expenses, provident funds, medical treatment costs, group insurance, social security and yearly check-ups.

The Company has established the provident fund entitled “MBK GROUP Staff Provident Fund” on 1st July 1992. Under the terms and conditions specified in the Provident Fund, the Company agrees to make its subsidies and the employees who are members of the Provident Fund also agree to make their contributions, the details of which are as follows:

Saving Rate of Employees		Subsidy Rate of the Company		Payments from the Fund	
- A member can choose to contribute more than 5%, but not exceed 15% of his/her wage, to the provident fund.	<u>Years of Membership</u>			<u>Years of Membership</u>	<u>Subsidy and Benefits (%)</u>
	Membership Commencement	Subsidy Rate	5%		
	2 years –less than 4 years	"	6%	Less than 1 year	0
	4 years- less than 6 years	"	7%	1 year–less than 3 years	30
	6 years- less than 8 years	"	8%	3 years–less than 5 years	50
	8 years-less than 10 years	"	9%	5 years- less than 7 years	70
	10 years or more	"	10%	7 years or more	100

Note :

- 1) According to the Notification of the Ministry of Finance, dated 5th January 2021 re: "Prescribing types of businesses, periods, and conditions for employees or employers to stop or postpone the remission of the contributions into the provident fund in the area of an economic crisis, a public disaster, or an event which affects the economic situation", the meeting of the Provident Fund Committee dated 22nd January 2021 unanimously approved MBK Public Company Limited to stop the remission of contributions of employees who hold the position below the manager level, to remit the contributions of employees who hold the manager position or higher, and to stop remit the contributions to the provident fund of all employee levels from January - June 2021.
- 2) According to the Notification of the Ministry of Finance, dated 5th January 2021 re: "Prescribing types of businesses, periods, and conditions for employees or employers to stop or postpone the remission of the contributions to the provident fund in the area of an economic crisis, a public disaster, or an event which affects the economic situation", the meeting of the Provident Fund Committee dated 21st July 2021 unanimously approved MBK Public Company Limited to stop the remission of contributions of employees who hold the position below the manager level, to remit the contributions of employees who hold the manager position or higher, and to stop remit the contributions to the provident fund of all employee levels from July - December 2021.

The Human Resources and the Organizational Development

The Company is well aware that each employee is a valuable resource in helping the Company to achieve its goals or vision and enhancing it into a leading company with sustainable growth. Therefore, the Company has adopted a policy to develop human resources for all levels of employees. The objectives of this policy are to increase the efficiency of human resources in skills, knowledge, competency, attitude and good working behavior in their field of work. The career path will encourage each individual to learn, do research and continuously share their experiences. These management and development courses such as developing the Human Resource Management System, training, giving scholarships to study in bachelor/ master levels, both domestic and international work field trips, employees and executives' development plans in order to carry on important position in the Company, performance management, increasing employee engagement and developing the Company to be the learning organization. These will lead the staff and Executive into topmost professionals.

The Development of the Human Resource Management System

1. To Use the Human Resource Information System (HRIS) Nowadays, there is a system of HRIS—Humatrix7 used for the MBK GROUP, which is the system with functions that fully support a management process in human resources such as a recruitment system of personnel, an employment system, a salary system, a time record system, a leave of absence system, a performance management system, succession management and progress in the career path system. Moreover, this program allowed the manager of each division and the employees to enter into the data and use the system for the management (Self Service). It can also be connected to a working system of other divisions, such as the Enterprise Resources Planning (ERP), and the Intranet-based Data System of Employees. This will enhance the efficiency in performance and improving the human resource management system into a higher level as well as enhance the level of satisfaction of employees and any related individuals.

2. To Use the Internal Application Online in order to improve the efficiency of Human Resources in the digital era by focusing on Outside-In performance. Then, the communication channel for the employees through intranet system in the organization called “Yeah Application” was developed. The employees who use services can have access to personnel management systems. Its various functions include channels of public relations, information, activities, regulations, announcements, data searching for employees, links to applications such as Humatrix7, Postcard, and Chatbot, messages of congratulations on birthday wishes and work anniversary wishes, the Point and Reward System MBK Gamification (Point and Reward). To have employees’ participation in various activities of the organization, the Company has applied a LINE Official Account, which is the Company’s internal LINE group under the name “MBK HR Channel” to increase communication efficiency for policies, news, and knowledge to employees thoroughly and promptly. The Company also has a GPS to record working hours when working out of the Company to provide the convenience when the employees have to travel to various locations so employees can record working hours and notify supervisors, etc.

To Strengthen and Develop the Personnel Competency

1. To Develop the Competency Model The Company employs the Competency Model to be used for the Human Resources Performance.

Also, the improved functional competency was applied to the human resource management system. For example, the employees’ recruitment and selection, training, non-classroom training, career path, high potential management programs, succession planning, and performance evaluation.

2. The Career Path The Company has utilized the competencies to further the career development in order to create career models of various types of the job family, both for within the same job family and across the job families, resulting in the personnel competency development’s clear goals and responses to both business demands and employees’ career development. In 2021, the Company communicated principles of the career path development, promotion criteria, and success in the career path development of MBK’s employees and executives, including providing a Career Clinic project for employees to have the opportunity to consult with the Human Resources Development Department in order to be guidelines on the career path development for the employees.

3. Training and Development From the outbreaks of the Corona Virus 2019 (COVID-19) in 2021, the business operations were affected. The Company had to change its directions of taking care of and enhancing the personnel’s abilities to be consistent with occurred crises by focusing on the personnel’s learning development according to 70:20:10 and specifying 4 development courses— knowledge of administration, knowledge of management, specific knowledge of job families, and the development of leadership. It is viewed that the development is one of key elements to increase the efficiency of the Company’s personnel by focusing on developing employees at every level to have competencies beyond standards and can compete with other leading companies in the business as well as having abilities to develop the organization aiming to be the continuously developed and sustainable organization. The Company has set an Individual Development Plan (IDP) on a competency basis in order to develop each individual for organizing training needs and the annual personnel development plan.

In 2021, the Company selected and developed both internal and external training courses, emphasizing the response to strategic objectives; and the development of core competency, managerial competency, and functional competency as it follows:

3.1 MBK Core Course Basic knowledge courses for every employees which are the work's system course, the stipulated law course, and the course on the organization's cultural development which emphasizes the reinforcement of desired behavior and attitudes according to the 'MBKYES' ideology as well as promoting and supporting the Company's business ethics. The Company provides training in Good Corporate Governance and Collective Action Coalition Against Corruption which their contents emphasize a code of ethics regarding stakeholders and employees' code of conduct regarding themselves and their colleagues, their company, their customers, and the society. This core course is a compulsory course which every employee has to attend annually, including courses which lead to achieve the organization's missions and response to the organization's business plans provided for new employees and current employees to have continuous training.

3.2 The Managerial Course The Managerial Course is arranged to increase knowledge and managerial skills for a position as a manager upward in order that they can manage their work performance, their teams, and the organization; and can be efficient change leaders. According to the managerial competency, the course can be divided into 3 categories as follows:

- Agility, be flexible, adaptable, and accept change
- Digital Innovation
- Systematic Decision Making
- Coaching & Developing Others

In 2021, the Company developed its online learning-based course, in collaboration with standardized external learning institutions, by co-creating an individual learning track, an online learning type with the flexibility of individual self-learning when readiness. Such learning types emphasized knowledge development of the functional and core&managerial competencies and the digital transformation. Moreover, the Company promoted top executives to build up a network with personnel and organizations as alliances for the sake of exchanging useful information about business operations as well.

3.3 The Functional Course The Functional Course is provided in order to develop abilities for specific work according to the scope of functions by focusing on providing knowledge which employees have to take responsibility for their own job-based performance by means of various development types such as training, on-the-job training (OJT), coaching, and knowledge sharing.

The Company particularly attaches significance to the evaluation of the effectiveness and the efficiency of the learning system as well as the development of training courses which support strategic objectives and summaries of the development and learning so that they can be information prepared for the strategic planning next year.

3.4 The Digital Course is provided in order to prepare employees at every level to have digital knowledge and skills, leading to the organization's change to modernity which responds to rapidly changing business operations in the future. In 2021, digital-related courses— such as Data Analytics for executives, usage of Microsoft Forms & OneDrive, usage of Digi ISO (ISO Document Management System in the organization), and usage of SEE KPI System for Performance Evaluation, etc.

Moreover, various methods of employee development have been improved in order to support changing learning behavior of the employees. Various training courses are improved by adding an E-Learning method so that every employee can learn everywhere, every time, through technological devices such as computers, tablets, or mobile phones, in order to emphasize the employees' learning development continuously and to stimulate the employees to learn by themselves more. In 2021, there were 10 E-Learning courses in order to develop knowledge and skills necessary for business operations and the promotion of the organization's efficiency, which adaptation to current situations was taken into consideration such as the course on SEE KPI system, course on ISO 9001 : 2015, and the course on Personal Data Protection Law.

3.5 The Scholarships The Company has adopted a strong will to support employees to increase their knowledge and abilities, and develop their potential, and want to study further by providing scholarships for junior high school, senior high school, bachelor's and master's degrees in order to increase opportunities for employees to self-develop to have progress and succeed in their career path.

The Preparedness of the Personnel

1. The High Potential Management and the Succession Plan, The Company has prepared the readiness of the employees to meet the present and future's demands in order to support the business expansion by establishing the High Potential Management Program (HIPO) Project, making the Succession Planning for top executives and Individual Development Plans for employees, which are considered from functional, core and managerial competencies that suits with the present and future responsibilities.

In 2021, an individual development plan was made. The Company prepared to cope with business expansion. Then, the Company developed career advances for high potential and outstanding abilities of personnel from operators to top executives, for a total number of 130 people which was divided into 112 high potential employees (HIPO) and 18 successors. Each employee in such project was determined to develop his/her own Individual Career Development Plan (ICDP) by employing the guidelines on 70:20:10 personnel development. It was found that in the previous year, the top three courses which the personnel wanted for self-development were leadership, thinking and analysis, and knowledge on specific work. As well, individual personnel advances in his/her own development plan were followed up in order that the personnel who participated in such project had development as determined.

2. The Performance Management , The Company aims at executives and employees of all levels to be involved in and sets the organization's direction and expected results by brainstorming ideas, specifying goals, Key Performance Indicators (KPIs) and action plans at the organizational level, department level and divisional level, and individual level. This is to ensure that the performance and success of employees will be part of the success of the organization.

The performance evaluation is set once a year, the Company applies the assessment to the core competency, functional competency, managerial competency, results measured by Key Performance Indicators (KPIs) and time attendance in order to manage the performance so that planning to improve the efficiency of the performance and employees' competency can be continuously improved.

The Employee Engagement

The Company is well aware that "the personnel" are important resources which will lead the organization to be successful according to its set goals. To encourage the employee engagement is one important factor in exerting and dedicating oneself to work and having a feeling of ownership or participation. This will help the Company reach its goals. The Company has guidelines on improving the level of the engagement of the organization's personnel which helps build the participation, happiness with work, pride in be part of the organization, building the commitment to the organization in the long term through activities continuously, taking care of the Quality of Work Life (QWL), as well as encouraging the employees to be part in specifying benefits through the Welfare Committee. The Savings and Credit Union and the provident fund are also established in order to make a financial plan through saving for the sake of the employees' security.

The Development of the Knowledge Management and Organizational Culture

The Company places significance to the development and the encouragement to behavior conforming to the organization's vision and its goal of sustainable growth by establishing the Committee and the working group of the knowledge management and the encouragement of the organizational culture. The Committee and the working group as representatives of top executives from different units are the ones who set the policy together as well as encouraging the employees to have their own participation in order to build awareness and promote desired behavior as follows:

1. The organizational culture called “MBKYES”

MBKYES is the behavior which everyone in the organization holds to as common guidelines and has an impact on the employees' behavior. This is considered as a standard for achieving the organization's goal. The organizational culture “MBKYES” as follows:

MODERN

To be updated and modern in thinking and actions. To have a positive attitude. To understand technology and changing behavior all the time. To be adaptative. Not to stop improvement. To know competitors' tricks and to be ready for coping with changes in the future through accumulating knowledge and skills in order to drive the organization to be always modern and make business progress in advance.

BELIEF

To make oneself reliable and trustworthy and to receive customers' confidence from both inside and outside the organization by the system and the working culture which sticks to transparency, moral principles and ethics, honesty, sincerity, keeping promises, having responsibility for oneself, stakeholders, and the organization, as well as anti-corruption in all forms so that customers feel professionalism at work.

KEYS

To always offer options or alternatives as various answers for customers through the procurement of products and services in order to respond to cover all target groups— both internal customers (colleagues) and external customers (business alliances), and to be able to solve problems according to occurred situations for the customers accurately, rapidly, and to most satisfy the customers.

YOU

To understand real needs of both internal and external customers by holding to customer-centric base as the first priority through care, attention to detail, listening, learning of the customers' changing behavior and needs. Even down to the smallest detail, it has to attach importance to response to each customer exactly by building customer lifetime value as well as attaching importance to benefits which the customers and the organization mutually gain in order to develop and drive the organization to be always number one in the customers' heart.

EASY-GOING

To build a good relationship with customers and colleagues in a friendly way. To be accessible or get in touch easily, simply, conveniently, rapidly, and accurately. To provide friendly environment and atmosphere in the workplace. To have a good attitude and feeling mutually until impression and sustainable friendship is built.

STYLE

To have thoughts which are proactive and different from competitors. To be able to develop working types, products, services, and the personnel in the organization creatively, uniquely, and outstandingly until the customers remember and always think of our organization before others.

In addition, the Company has realized the importance of developing the personnel to become good citizens and participate in developing and helping the society, communities, and the environment (Corporate Social Responsibility) on the basis of the Good Corporate Governance, as a framework to which the executives and the employees adhere.

3. Knowledge Management (KM)

The Company has used the Knowledge Management (KM) system as one of strategies, focusing on learning and developing of the personnel to be in time with the expanding of business and to become the Learning Organization (LO). In 2021, the Company focused on the systematic knowledge management structure with the following actions:

- **Knowledge Mapping** for identifying key knowledge topics according to the work system and prioritizing the urgency in order to be used as data for the knowledge management within the organization
- **Knowledge Capture** by emphasizing knowledge collection from retirees and from the work process to publish in additional 51 topics
- **Knowledge Sources Developing (KM Website)** for internally collecting and distributing knowledge in the organization and organizing activities to encourage employees to use it. The statistic in 2021 presented that there were 88,245 times, which was increased more than 59% compared to 2020.
- **Organizing activities to promote learning in the organization (Learning Activities)** to promote learning behaviors and to share knowledge learned from daily life and work, such as Learn & Share activity that allows employees to share knowledge from books, movies, or work experiences, and After Action Review (AAR) activity to summarize lessons received during the implementation of various projects between related persons to share and use such lesson learned in the future. In 2021, there were over 178 times of knowledge sharing both at the executive and operational levels.

7.6 Other significant information

7.6.1 Responsible Persons for the Corporate Governance of the Company

The list of persons assigned to be responsible for the corporate governance of the Company in various fields are as follows:

Detail	List Name	Position
The person responsible for most of the accounting and finance departments	Mr. Kasemsuk Chongmankhong	Senior Executive Vice President, Finance & Administration Division
Accounting Supervisor	Ms. Wanpen Rungrojchanathip	Assistant Senior Executive Vice President 1, Finance & Administration Division

Detail	List Name	Position
Head of the Internal Audit Department	Ms. Yupapun Paritranun	Senior Executive Vice President, Internal Audit Division
The Company Secretary and the Company's Compliance Supervisor	Ms. Chonlada Ngamnikulchalin	Company Secretary & Senior Vice President, Compliance Department

Note: Profiles and qualifications are presented in attachments 1 and 3.

7.6.2 The Company's Investor Relations Unit

The Company has established an investor relations unit responsible for disclosing information to shareholders, investors, and stock analysts through its website (www.mbkgroup.co.th) under the tab entitled Investor Relations. The available information includes the information sent to the Stock Exchange of Thailand and the Securities and Exchange Commission, information about the Company's shareholders, analyses, as well as its quarterly investor magazine entitled "MBK TODAY" which contains information such as the Company's quarterly performance, share price movements, businesses of MBK GROUP's member companies and the Company's activities in the past quarter. The information on the website is regularly updated. The objective is to enable investors and interested members of the general public to have efficient and equitable access to the information.

However, in 2021, the Company disclosed information as required to the Stock Exchange of Thailand completely, accurately, and stipulated by principles of the disclosure of such information.

The Company respects the rights and treats shareholders, investors, and security analysts with fairness. The Company is also ready to listen to opinions and questions as well as gain a mutual understanding with stakeholders in order that the shareholders, investors, and security analysts gain the confidence that the Company operates in accordance with the regulations and transparent and fair information disclosure.

In 2021, the Company took care of the shareholders, investors, and security analysts as follows:

- | | |
|--|---------|
| 1. The Annual General Meeting of Shareholders | 1 time |
| 2. The Extraordinary General Meeting of Shareholders No. 1/2021 | 1 time |
| 3. The disclosure of every quarterly turnover on the Company's website | 4 times |
| 4. To provide a quarterly magazine for investors called MBK Today | 4 times |
| 5. To meet and talk with investors and analysts | 5 times |
| 6. To answer questions sent through telephone call and e-mail channels | |

Investor Relations Unit realizes the importance of the disclosure of significant information in order that the shareholders, investors, and security analysts have sufficient data for the analysis and confidence that the Company's disclosure of its performance conforms to rules and regulations and this disclosure of information is transparent and fair.

Interested person can contact of the Company's Investor Relations Unit at

Contact Person:	Mr. Somboon Prasobpiboon Acting Vice President, Business Investment Department
Address :	MBK Public Company Limited 444, 8 th Floor, MBK Center Building, Phayathai Road, Wang Mai, Pathumwan, Bangkok 10330
Telephone number:	0-2853-7151
Fax number:	0-2853-7138
Contact Center:	1285
E-mail:	inv@mbkgroup.co.th
Website:	www.mbkgroup.co.th

7.6.3 Audit Fee

Audit Fee

The Company and its subsidiaries paid the audit fee to

- The Company's auditor (Ms. Ginkarn Atsawarangsarit or Mr. Chayapol Suppasedtanon or Ms. Orawan Techawatanasirikul or Ms. Sumana Punpongsanon)
 - In the previous year, with a total amount of -0- Baht
- An audit office where an auditor worked for (EY Office Limited), any individuals or businesses relating to an auditor and an audit office where an auditor worked for, in the previous accounting year, with a total amount of 12,914,506 Baht as follows:
 - MBK Company Limited 2,154,268 Baht
 - Subsidiaries 10,760,238 Baht

Non-Audit Fee

- None -

8. Report on key operating results of corporate governance

8.1 Summary of duty performance of the Board of Directors in the past year

8.1.1 Selection, development and evaluation of duty performance of the Board of Directors.

The Independent Director

Definitions and Qualification of the Independent Director

The definitions and qualifications of the independent director according to the Company's policy on Good Corporate Governance are in line with the criteria established by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), which details are as follows:

1. Not to hold more than 1 percent of the voting shares of the Company, subsidiaries, joint-venture companies, major shareholders, or people who have control authority of the Company. In any respect, shareholding of people who have connections with such independent director is counted.
2. Not to be or used to be a director who take part in being an executive, an officer, an employee, a consultant being paid a fixed salary or having control authority of the Company, subsidiaries, joint-venture companies, major shareholders, or people who have control authority of the Company, with the exception of being discharged from mentioned above characteristics not less than 2 years before the appointment date. In any respect, the prohibition does not include a case that an independent director used to be a government officer or a consultant for the government sector which is a major shareholder or has control authority of the Company.
3. Not to be related by blood or by legal registration as a parent, a spouse, siblings, children, and including spouses of children of a director, an executive, a major shareholder, a person who has control authority, or a person who is appointed as a director, an executive or a person having control authority of the Company or its subsidiaries.
4. Not to have or used to have a business relationship with the Company, subsidiaries, joint-venture companies, major shareholders, or people who have control authority of the Company which may render a director to be unable to give an independent opinion, including not to be or used to be a shareholder with significance or a person who has control authority of people who have a business relationship with the Company, subsidiaries, joint-venture companies, major shareholders, or people who have control authority of the Company, with the exception of being discharged from mentioned above characteristics not less than 2 years before the appointment date.
5. Not to be or used to be an auditor of the Company, subsidiaries, joint-venture companies, shareholders, people who have control authority of the Company, and not to be a shareholder with significance, a person who has control authority, or a partner in an audit firm where auditors of the Company, subsidiaries, joint-venture companies, shareholders, or people having control authority work for, with the exception of being discharged from mentioned above characteristics not less than 2 years before the appointment date.

6. Not to be or used to be a provider for any professional service, including legal or financial consulting which its consulting fee is paid for more than 2 million Baht per year from the Company, subsidiaries, joint-venture companies, shareholders, or people who have control authority of the Company, and not to be a shareholder with significance, a person who has control authority, or a partner of such professional services provider, with the exception of being discharged from mentioned above characteristics not less than 2 years before the appointment date.

7. Not to be a director whom is appointed to be a representative of a director of the Company, major shareholders, or shareholders who are related to major shareholders.

Tenure of Independent Directors

For the year 2015, the Board of Directors conducted a review of tenure of independent directors. The Board came to the conclusion that the Company's independent directors held their positions not exceeding 9 years. This tenure of the directorship has been used since 2015.

Nomination of Directors and Top Executives

The Nomination of Directors

In relation to selecting the candidates appointed or to be appointed as the Company's Directors, the candidates are elected by the Compensation and Nomination Committee according to the specified Directors' qualifications that should be in accordance with the Company's Strategy in operating business. The mechanism which the Company appoints its Directors is specified in the Company's Articles of Association which details are as follows:

- 1) The number of the Company's Directors shall be determined by the shareholders' approval at their meeting, provided that the number is not less than five. The Directors may hold shares in the Company. However, at least half of the member of the Board of Directors must be residents in Thailand.
- 2) The Directors shall be appointed at the shareholders' meeting in line with the rules and mechanism as follows:
 - (1) Each shareholder shall have one vote for each of the shares held. (Each share entitles the holder to one vote.)
 - (2) The Directors may be appointed by casting votes for each Director or a number of Directors at the same time or by any other procedures as the shareholders' meeting deems appropriate, provided that, at each voting, the shareholders shall cast all their votes in Item (1) without allocating some of their votes to any particular Directors.
 - (3) The persons in order of the votes received, starting from the one with the highest votes, shall be appointed to fill the vacant directorships. In an event that the persons appointed to fill the remaining vacant directorships receive the same number of votes (In case of ties), the Chairperson of the meeting shall cast the deciding vote.

The Company has defined qualifications for the Company's Directors as follows:

Qualifications for Company's Directors

- 1) To be fully qualified and not be prohibited according to:
 - (1) Public Company Act
 - (2) Securities and Exchange Act
 - (3) Securities and Exchange Commission
 - (4) The Stock Exchange of Thailand
 - (5) The Company's Articles of Association
 - (6) The Principles of the Company's Good Corporate Governance

- 2) To have knowledge, skills and experiences that is beneficial to the company's business.
- 3) To be dedicated to perform all the duties as assigned.

The Nomination of Top Executives

The nomination of President, Senior Executive Vice Presidents, Executive Vice Presidents, has to strictly comply with regulations stated in relevant law and regulatory agencies, and qualifications for knowledge and abilities which are appropriate to the organization's culture, vision, missions, and value are taken into consideration.

The nomination of President, Senior Executive Vice Presidents, Executive Vice Presidents, has to provide clear and transparent procedures and processes, follow the principles of the good corporate governance, and have accountability.

Moreover, in selecting candidates appointed or to be appointed as Executive Management, the Company stipulates rules and approaches to nomination by assigning the Compensation and Nomination Committee— together with the CEO and the President— to review the rules and approaches to the nomination.

Training and Development of Directors

The Company regularly places importance in training and development of the directors. All the newly appointed directors is required to attend the orientation session which will provide them with adequate information about the Company before they start carrying out their responsibilities. The information includes the Company's vision, missions, strategies, goals, Memorandum of Association, Articles of Association, roles and responsibilities of the Board of Directors, a policy on Good Corporate Governance, code of business ethics, code of conduct for directors, and business information of related companies, as well as related rules and regulations. The Company promotes and supports all the directors to regularly participate in the training and develop knowledge. No matter whether the training courses that are related to the performance of their responsibilities as director, are organized by the Thai Institute of Directors Association (IOD), the Stock Exchange of Thailand, the Securities and Exchange Commission or other institutes; the Company will regularly inform the directors of the details about these courses in advance. The training will enable the directors to carry out their responsibilities and look after the Company's business affairs in an efficient manner. The directors who have participated in the training courses organized by the Thai Institute of Directors Association (IOD) include the following:

Name of Directors		Name of Training Course from the Thai Institute of Directors
1. Mr. Banterng	Tantivit	- Director Accreditation Program (DAP) Course
2. Mr. Suphadej	Poonpipat	- Director Accreditation Program (DAP) Course - Role of the Compensation Committee (RCC) - Role of the Chairman Program (RCP) - Financial Institutions Governance Program (FGP)
3. Mr. Kasama	Punyagupta	- Directors Certification Program (DCP) Course
4. Mr. Pracha	Jaidee	- Director Accreditation Program (DAP) Course - Audit Committee Program (ACP) Course
5. Mr. Suwit	Rojanavanich	- Directors Certification Program (DCP) Course
6. Ms. Panit	Pulsirivong	- Director Accreditation Program (DAP) Course - Directors Certification Program (DCP) Course - Audit Committee Program (ACP) Course - Role of the Compensation Committee (RCC)

Name of Directors		Name of Training Course from the Thai Institute of Directors
7. Mr. Piyaphong	Artmangkorn	- Director Accreditation Program (DAP) Course
8. Mr. Suvait	Theeravachirakul	- Directors Certification Program (DCP) Course - Audit Committee Program (ACP) Course - Successful Formulation & Execution of Strategy (SFE) Course
9. Mr. Hatchapong	Phokai	- Director Accreditation Program (DAP) Course
10. Mr. Atipon	Tantivit	- Directors Certification Program (DCP) Course
11. Mr. Wichak	Praditavanij	- Directors Certification Program (DCP) Course

Remark : Mr, Hatchapong Phokai resigned his position as Director on 31st December 2021, and at the meeting of the Company's Board of Directors, no. 1/65, Mr. Wichak Praditavanij was appointed as Director in his place. The appointment has been effective since 5th January 2022.

In 2021, member of the Board of Directors attended the training courses in order to promote and support the knowledge development of the director continuously as follows:

Name of Directors	Course	Institute	Date
1. Mr. Suvait Theeravachirakul	Data Analytics for Executives	MBK Training Center Co., Ltd	25 th March 2021
	Agile for Executives	MBK Training Center Co., Ltd	17 th November 2021
	OKR Management	MBK Training Center Co., Ltd	24 th -25 th November 2021
2. Mr. Hatchapong Phokai	Data Analytics Executives	MBK Training Center Co., Ltd	25 th March 2021
	Agile Management Executives	MBK Training Center Co., Ltd	18 th August 2021
	OKR Management	MBK Training Center Co., Ltd	24 th -25 th November 2021
3. Mr. Wichak Praditavanij	Directors Certification Program (DCP)	The Thai Institute of Directors	21 st February – 18 th April 2022

The Performance Assessment of the Board of Directors and the Committees

1) The Performance Assessment of the Board of Directors

The Company has annually assessed the performance of the Board of Directors by means of the board assessment and the individual assessment. The Board Self-Assessment conforming to an approach used by the Stock Exchange of Thailand (SET), which is improved in order to be able to reflect the efficiency of performance and complies to principles of Good Corporate Governance, is used. The Company's secretary makes a start on preparing the performance assessment for the Board of Directors' both board and individual assessment. The Board Self-Assessment requires each director of the Board to have self-assessment through responding a questionnaire and sending it back to the Company's secretary. These responded questionnaires are then summarized and the result of the assessment will be presented in a Board of Directors' meeting by the Company's secretary. The assessment's result is used to consider an appropriation of the Board of Directors' composition and review the performance, problems and obstacles faced during the previous year and to help encourage the Board of Directors' effectiveness of the performance. Moreover, it also helps improve a relationship between the Board of Directors and the Management Team.

- The criteria for the performance assessment of the Board of Directors, according to the Board Self-Assessment in each assessment topic, are divided into 5 levels as follows:
 - 0 = Extremely disagree or not carry out such topic
 - 1 = Disagree or carry out such topic little
 - 2 = Agree or carry out such topic moderately
 - 3 = Quite agree or carry out such topic well
 - 4 = Extremely agree or carry out such topic excellently
- The criteria for the performance assessment of the Board of Directors are divided into 5 levels as follows:
 - More than 90 equals 'excellent'.
 - More than 80 equals 'very good'.
 - More than 70 equals 'good'.
 - More than 60 equals 'fairly'.
 - Less than 60 equals 'It should be improved'.

The result of the Board Self-Assessment for the year 2021 can be summarized as follows:

The result of self-assessment of the performance through the board assessment

Topic to be assessed (The board assessment)	Result of the assessment	
	Full marks	Average marks
1) Structure and qualifications of the Board of Directors	20.00	19.04
2) Roles, duties, and responsibilities of the Board of Directors	30.00	28.76
3) Meeting of the Board of Directors	15.00	14.33
4) The Board of Directors' execution of duties	15.00	14.30
5) Relationship with the Management Team	10.00	9.50
6) Self-development of the Board of Directors and development of executives	10.00	9.21
Total	100.00	95.15

The result of self- assessment of the performance through the individual assessment

Topic to be assessed (The individual assessment)	Result of the assessment	
	Full marks	Average marks
1) Structure and qualifications of the Board of Directors	30.00	28.13
2) Meeting of the Board of Directors	30.00	29.63
3) Roles, duties, and responsibilities of the Board of Directors	40.00	38.80
Total	100.00	96.55

2) The Performance Assessment of the Committees

For the year 2021, the Company assessed the performance of every committee. They were the Executive Committee, the Audit Committee, the Compensation and Nomination Committee, and the Good Corporate Governance Committee. The Board Self-Assessment conforming to an approach used by the Stock Exchange of Thailand (SET), which is improved in order to be able to reflect the efficiency of performance and complies to principles of Good Corporate Governance, is used. The Company's secretary or each committee's secretary makes a start on preparing the performance assessment for every committee. The Board Self-Assessment requires each director of the committees to have self-assessment through responding a questionnaire and sending it back to the Company's secretary or to each committee's secretary. These responded questionnaires are then summarized and the result of the assessment will be presented in a Board of Directors' meeting annually.

- The criteria for the performance assessment of the Board of Directors, according to the Board Self-Assessment in each assessment topic, are divided into 5 levels as follows:
 - 0 = Extremely disagree or not carry out such topic
 - 1 = Disagree or carry out such topic little
 - 2 = Agree or carry out such topic moderately
 - 3 = Quite agree or carry out such topic well
 - 4 = Extremely agree or carry out such topic excellently
- The criteria for the performance assessment of the Board of Directors are divided into 5 levels as follows:
 - More than 90 equals 'excellent'.
 - More than 80 equals 'very good'.
 - More than 70 equals 'good'.
 - More than 60 equals 'fairly'.
 - Less than 60 equals 'It should be improved'.

The result of the Board Self-Assessment executed by the committees for the year 2021 can be summarized as follows:

The result of the self-assessment of the Executive Committee, the Audit Committee, the Compensation and Nomination Committee, and the Good Corporate Governance Committee

Topic to be assessed (The committee assessment)	Result of the assessment				
	Full marks	Average marks			
		The Executive Committee	The Audit Committee	The Compensation and Nomination Committee	The Good Corporate Governance Committee
1) Structure and qualifications of the Committee	20.00	18.75	19.79	20.00	18.75
2) Meeting of the Committee	20.00	19.69	20.00	20.00	19.75
3) Roles, duties, and responsibilities of the Committee	60.00	60.00	58.75	60.00	58.20
Total	100.00	98.44	98.54	100.00	96.70

3) The Performance Assessment of President and CEO

The Board of Directors evaluate the performance of President and CEO. The Compensation and Nomination Committee is appointed by the Board of Directors to consider President and CEO's remuneration by means of consideration of their suitability for assigned duties and responsibilities, the Company's business operations compared with the Company's goals, actual economic situations, and a remuneration comparison with other companies in the similar industry, in order to present obtained results of the assessment to Board of Directors' meetings for approval.

Nevertheless, a conclusion to the performance assessment of President and CEO is individual confidential which cannot be disclosed. Criteria for the assessment can be divided into 2 parts as follows:

Part 1: The Assessment of Key Performance Indicator (KPI)

Part 2: The Assessment of Competency

8.1.2 Meeting attendance and remuneration payment to each Board member

Meetings of the Board of Directors

The Company's various committees including the Board of Directors, the Executive Committee, and the Audit Committee plan their official meeting schedules for the whole year in advance. They are required to hold their meeting at least once a month. They may organize additional meetings as deemed appropriate, to consider special agenda items. The purpose is to acknowledge and monitor the Company's performance and business operations.

For any meeting of the Board of Directors which needs a meeting's resolution, not less than two-thirds of all Directors of the Board have to attend the meeting. Such resolution is passed by majority vote. One Director has one vote. If an equal number of votes occurs, Chairman of the meeting has an additional vote as a casting vote. Any Director who has a conflict of interest in any matter, he/she does not have the right to vote in such matter.

There will be the Company's top executives who will directly declare some relevant information technology to the Board of Directors for the presentation of each agenda. The Company will send the notice of the meeting together with the agenda and supporting documents to each director at least 5 working days before the Board of Directors' meeting so that the directors will have adequate time to read through the documents. In addition, if the Board of Directors acquires additional information, they can contact with the Company's secretary or President and CEO. At the meetings, the directors can give their opinions openly and independently. The minutes of the meetings will be taken and made available for the parties concerned for future reference. For the Compensation and Nomination Committee's part, their meeting will be held when the Company has to nominate directorships or when the performance of the President and CEO has to be evaluated. For the Corporate Governance Committee's part, the meeting will be held when there are consideration and reviews of a policy on Good Corporate Governance, including auditing the internal control which is relevant to measures against corruption. For the year 2021, the various committees regularly held their meetings within the scope of their prescribed duties.

Meeting Attendance of the Company's Directors for the year 2021

Name List	Meeting Attendances of the Members (Attendances/ Total Meetings)		
	The Board of Directors (12 meetings)	The Annual General Meeting of Shareholders 2021 (1 meeting)	The Extraordinary General Meeting of Shareholders No. 1/2021 (1 meeting)
1. Mr. Banterng Tantivit	12/12	1/1	1/1
2. Mr. Suphadej Poonplipat	12/12	1/1	1/1
3. Mr. Kasama Punyagupta	12/12	1/1	1/1
4. Mr. Pracha Jaidee	12/12	1/1	1/1
5. Mr. Suwit Rojanavanich	12/12	1/1	1/1
6. Ms. Panit Pulsirivong	12/12	1/1	1/1
7. Mr. Piyaphong Artmangkorn	12/12	1/1	1/1
8. Mr. Suvait Theeravachirakul	12/12	1/1	1/1
9. Mr. Hatchapong Phokai	12/12	1/1	1/1
10. Mr. Atipon Tantivit	12/12	1/1	1/1

Moreover, in 2021, Non-Executive Directors (NEDs) had meetings among themselves in order to discuss issues relevant to the management in focus without the attendance of the Management Team. The key issue for the consideration of Non-Executive Directors was the diversification of MBK GROUP's businesses. The organization had to have strategic planning, risk management, and personnel development in order to conform to each business group, and keeping up with the pace of rapidly changing situations and technology, particularly the situation of the outbreak of the Corona Virus (COVID-19). One of important issues was to make the Succession Plan for the Company's top executives.

One meeting was held in August.

Remunerations of Directors

Directors' Remunerations (1st January – 31st December 2021)

List of Name	Director Allowance (Baht)	Meeting Allowance (THB)				Gratuity (Baht)	Total Remuneration (Baht)
		Board of Directors	Audit Committee	Executive Committee	Compensation and Nomination Committee		
1. Mr. Banterng Tantivit	273,125.00	273,125.00				-	546,250.00
2. Mr. Suphadej Poonpipat	166,250.00	166,250.00		525,000.00	52,500.00	-	910,000.00
3. Mr. Kasama Punyagupta	137,750.00	137,750.00	393,750.00			-	669,250.00
4. Mr. Pracha Jaidee	137,750.00	137,750.00	196,875.00		26,250.00	-	498,625.00
5. Mr. Suwit Rojanavanich	137,750.00	137,750.00	196,875.00			-	472,375.00
6. Ms. Panit Pulsirivong	137,750.00	137,750.00			26,250.00	-	301,750.00
7. Mr. Piyaphong Artmangkorn	137,750.00	137,750.00		175,000.00		-	450,500.00
8. Mr. Suvait Theeravachirakul	137,750.00	137,750.00				-	275,500.00
9. Mr. Hatchapong Phokai	137,750.00	137,750.00				-	275,500.00
10. Mr. Atipon Tantivit	137,750.00	137,750.00		175,000.00		-	450,500.00
Total	1,541,375.00	1,541,375.00	787,500.00	875,000.00	105,000.00	-	4,850,250.00

The comparison of Directors' remunerations from 2017 – 2021

Remunerations	1 st January 2017 – 31 st December 2017		1 st January 2018 – 31 st December 2018		1 st January 2019 – 31 st December 2019		1 st January 2020 – 31 st December 2020		1 st January 2021 – 31 st December 2021	
	Number (persons)	Amount (Baht)	Number (persons)	Amount (Baht)	Number (persons)	Amount (Baht)	Number (persons)	Amount (Baht)	Number (persons)	Amount (Baht)
Meeting Allowances	10	11,756,000.00	11	12,116,000.00	11	12,309,000.00	10	6,451,000.00	10	4,850,250.00
Directors' Commissions	10	11,200,000.00	11	11,900,000.00	11	12,700,000.00	11	3,380,000.00	10	-
Total		22,956,000.00		24,016,000.00		25,009,000.00		9,831,000.00		4,850,250.00

Other Remunerations

At an Annual General Meeting of Shareholders 2021 held on 13th May 2021 a resolution on other remunerations (To receive services from the Group's businesses, provided for Directors only. These services cannot be redeemed for cash such as the Hotel and Tourism Business and the Golf Business.), for the Board of Directors, the Executive Committee, the Audit Committee, and the Compensation and Nomination Committee was approved, as the equivalent of 1,600,000 Baht.

The Directors' Remunerations as the Directors of the Subsidiary (MBK Resort Public Co., Ltd.)

List of Name	Director Allowance (Baht)		Director Meeting Allowance (Baht)		Total Remuneration (Baht)	
1. Mr. Banterng Tantivit	144,000.00		144,000.00		288,000.00	
2. Mr. Suphadej Poonpipat	72,000.00		72,000.00		144,000.00	
3. Mr. Suvaith Theeravachirakul	72,000.00		72,000.00		144,000.00	
4. Mr. Hatchapong Phokai	72,000.00		72,000.00		144,000.00	
5. Mr. Pracha Jaidee	72,000.00		72,000.00		144,000.00	
Total	432,000.00		432,000.00		864,000.00	

8.1.3 Supervision of the subsidiaries and associated companies

The investment policy in the subsidiaries and associated companies

The Company and its subsidiaries have the investment policy which is implemented in subsidiaries and associated companies as follows:

The investment policy in the subsidiaries

- 1) To invest in business which is consistent with the Company's current business— the Shopping Center or Department Store Business, the Hotel and Tourism Business, The Golf Business, the Real Estate Business, The Food Solution, the Financial Business, the Auction Business, and the Corporate Supporting Center.
- 2) To have good returns on the investment
- 3) It is the business which does not have a negative impact on the Company's reputation and image.

The investment policy in the associated companies

In general, the Company usually makes an investment by holding more than 50% of shares for the sake of the convenience of the management. In case that the Company holds less than 50% of shares of any company, what the Company has to take into consideration are as follows:

- 1) The major shareholders of the company in which the Company intends to invest. This ensures that there will be no problem of co-management in the future.
- 2) To have high enough returns on the investment.

The management policy in the subsidiaries and associated companies

The management policy in the subsidiaries

The Company has the policy of the conservative management. Therefore, the Company mostly controls subsidiaries circumspectly. Main management is centralized. This does not indicate that the Company will control everything in subsidiaries. In other words, for the operational management, the subsidiaries have independence of management and decision by themselves. In case that the subsidiaries require experts, the Company will hire experts to help the management— the hotel management, for example.

PRG is a subsidiary which MBK holds 74.52% of shares has its independent management. The role of MBK is to control the subsidiary's core policy only.

In addition, PRG is also a major shareholder of MBK. Nowadays, PRG holds 28.34% of shares of MBK which provides PRG with the right to vote at the meeting.

The management policy in the associated companies

When the Company has joint venture with other company. The Company will send its representative to be the Director in the Board of such an associated company in order to supervise the associated company's performance that follows the Company's expected guidelines.

8.1.4 Monitoring of compliance with the corporate governance policy and guidelines

The Conflicts of Interest

The Board of Directors has adopted a policy and various measures that serve as guidelines for dealing with conflicts of interest. The policy and the measures are in compliance with the guidelines given by the Stock Exchange of Thailand. In this connection, all employees of the Company are required to take into consideration the best

interest of the Company when they make business decisions. In addressing conflicts of interest, the employees have to consider carefully and adhere to the principles of honesty, integrity and rationality as well as independence within the framework of good ethics. The Board of Directors also ensures that complete information is disclosed, mainly in the best interest of the Company. In considering and deciding on matters which require approval, those with conflicts of interest or those who are involved in the matters under consideration are prohibited from participating in the process. At the meetings of the Board of Directors in the past year, if there was an agenda item in which a director might have a conflict of interest, the director concerned would refrain from giving opinions or voting on the item.

As regards the transactions which may involve a conflict of interest, the Audit Committee will consider such related-party transactions or any transactions in an appropriate and careful manner and in compliance with the requirements imposed by the Stock Exchange of Thailand before proposing them to the Board of Directors for consideration and approval. The information about the transactions has to be disclosed in the Form 56-1 One Report.

To follow the principles of the Good Corporate Governance, the Company has determined that the directors and executives have to report their advantages and disadvantages, including their involved parties, according to laws and regulations, to the secretary of the Company as crucial information for following up and monitoring the directors and executives, their involved parties, in the management of the Company and its subsidiaries.

In 2021, there was no event shown inappropriate behavior or practice involving a conflict of interest.

The Supervision of Use of Insider Information

The Company places strong emphasis on the supervision of use of insider information. As a result, it has adopted a policy on Good Corporate Governance. As well, it has established its Code of Ethics and the Code of Conduct. The directors, executives and staff are prohibited from using insider information for their own benefits by taking advantage of their positions. They are also prohibited from getting involved in either any business that competes with the Company or any other related businesses. As well, they shall not use insider information in trading the company shares for their own or others' benefits, and shall give insider information to other people with caution. The related details are as follows:

The Company's Trading of Securities

The Company has imposed regulations on the prohibition period of buying or selling the Company's securities by specifying the certain period that directors, executives, and agencies receiving inside information are prohibited from trading the Company's securities between 6 days before the Company's financial statement submission to the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and within 24 hours since the date that the Company submitted the financial statement, and are prohibited from disclosing insider information to outsiders or people who do not have related duties as well as from using such information for their own or other people's direct and indirect benefits.

If any person violates these regulations, he/she has to be penalized according to the Securities and Exchange Act B.E. 2535 (as additional amendments) and if he/she is the Company's official or employee, he/she also has to be penalized according to the Company's regulations on work performance.

In 2021, there was neither misbehavior nor misconduct regarding using the Company's insider information.

The Changes in Holding Securities

The Board of Directors, top executives, or first 4 people holding the positions at the management level next below the executive with the highest position, everyone who holds the position equivalent to the one having the fourth-ranked position at the management level, and the one who holds the position higher or equivalent to the accounting manager, including their spouses and minor children are required to prepare and disclose reports annually to the Securities and Exchange Commission (SEC) when there are changes in their holding securities of

MBK Public Co., Ltd., in compliance with Section 59 of the Securities and Exchange Act B.E. 2535. (as additional amendments) within 3 days since the date which changes are occurred.

Moreover, it specifies that Directors have to report trade in shares and/or possession of assets of the Company which have changes to the meeting of the Board of Directors for acknowledgement every time.

The Quiet Period

Giving information is limited prior to the date of the announcement of financial statements. The Company sets a prohibited period of giving information about the Company's business profits to specific individual groups such as analysts, investors, and shareholders at least 14 days prior to the revelation of the Company's financial statements; so that they acknowledge information on the same date with shareholders and general small investors who will be informed of business profits, when the Company holds a meeting of the Audit Committee in order to certify and reveal the above-mentioned financial statements.

Anti-Corruption

The Board of Directors is well aware and places importance in operating the business on the principle of honesty, transparency and fairness to all parties, as well as operates the business with a focus of practicing in accordance with the rules of the established laws, the regulations and ethics in order to build confidence for employees and all stakeholders.

Moreover, in 2011, the Company declared its intention to participate in the anti-corruption campaign "Private Sector Collective Action Coalition Against Corruption. Nowadays, the campaign's name has been changed to "Thai Private Sector Collective Action Against Corruption" (CAC). The campaign includes 8 organizations— Thai Institute of Directors, Thai Chamber of Commerce, Foreign Chamber of Commerce in Thailand, Thai Listed Companies Association, Thai Banks Association, Federation of Thai Capital Market Organizations, Federation of Thai Industries, and Tourism Council of Thailand in order to declare its intention to operate a transparent business, and stand against corruption with the consideration of the utmost benefits of all stakeholders.

On 14th October 2016, the Company was certified as a member of Thai Private Sector Collective Action Coalition Against Corruption (CAC) the first time. The certificate's validity period was 3 years and would expire in 2019. Therefore, the Company applied to renew its membership of CAC and then the Company was certified on 5th August 2019. This indicated the Company's determination to implement its anti-corruption intention obviously. In 2021, the Company was preparing document in order to file for the renewal of CAC's membership within the 1st quarter of 2022.

Moreover, the Company has a policy that its subsidiaries have to participate in Thai Private Sector Collective Action Against Corruption (CAC) and prepare themselves to file for being certified as members. The Company's already certified subsidiaries are PRG Corporation Public Company Limited (PRG), Paradise Park Company Limited (PDP), Riverdale Golf and Country Club Company Limited (RDGCC), and MBK Enterprise Company Limited (MBK-EP).

The Anti-Corruption Policy

The Company sets out its Anti-Corruption policy by prohibiting directors, executives, and employees of the Company and its subsidiaries from directly and indirectly having or involving in every form of corruption for the benefits of themselves, or the Company, or other parties involving with them. The Anti-Corruption policy is thoroughly declared on the Company's website www.mbkgroup.co.th

The Assessment of Risk Caused by the Anti-Corruption

The Company determines that the corruption-involved risk assessment is conducted by the internal unit within the organization through analyzing, assessing, and reviewing the risk management involving the organization's both internal and external factors. Then, the Strategic and Operational Management Team takes responsibility for

the coordination, consulting, collection of information about the risk assessment, measures, solutions, and guidelines on controlling corruption-involved risk from various involved units. This collective information is submitted to the CAC Committee (MBK CAC and CAC of the Company's affiliates) and to the Risk Management Committee (MBK RMC and RMC of the Company's affiliates) for consideration and verification of information on corruption-involved risk performance. Corruption-involved risk is also reviewed every year.

The Guidelines on Regulations and Internal Control of Anti-Corruption

The Company lays down the guidelines on regulations and internal control of Anti-Corruption by providing sufficient and proper internal control in order to prevent employees from not complying with policies, law, rules and regulations both inside and outside the organization; submitting accurate and transparent financial reports; managing risks involving corruption; regularly providing an audit process of procurement by clearly specifying steps and levels of procurement approval for the sake of accuracy and transparency; and regularly providing examinations and reviews of the compliance with the Anti-Corruption policy in order to conform to changes in business, rules and regulations, and the law.

The Communication and Training

The Company disseminates and publicizes its policies on Anti-Corruption and Whistle Blowing and Complaints to the directors, executives, and employees of the Company and its subsidiaries, and the public through the Company's website. The Company also campaigns to send a letter to its every customer, business trader, and supporter in order to ask for cooperation in abstaining from giving presents during the New Year's celebration or other occasions in accordance with guidelines of the Thai Private Sector Collective Action Against Corruption.

Moreover, the Company provides training and a test on Good Corporate Governance and anti-corruption through an online channel for executives and employees of the Company and its subsidiaries at all levels every year in order to acknowledge and abide by the common practices within the organization.

The Policy on Whistle Blowing and Complaints

The Company issues the policy on Whistle Blowing and Complaints caused by abuses of law, rules, regulations, ethics, improper code of conduct, and behavior implying corruption of anyone in the organization and any stakeholder from every group. This policy allows a mechanism for protecting anyone who informs or complains about corruption, informants in good faith, and anyone who opposes corruption. Clues and complaints are treated as strictly confidential in order to give the informants, complainers, and anyone who opposes corruption confidence. The clues and complaints can be informed through channels of communication as follows:

- 1) The E-mail Channel
 - The Audit Committee
E-mail address: ac@mbkgroup.co.th
 - The President and CEO
E-mail address: asksuvait@mbkgroup.co.th
 - The Senior Executive Vice President of the Internal Audit Division
E-mail address: ia@mbkgroup.co.th
- 2) The Letter to Persons Indicated above Channel
MBK Public Company Limited
8th Floor, MBK Center
444 Phayathai Road, Wang Mai, Pathumwan, Bangkok 10330

The Operational Procedure for Whistle Blowing and Complaints

- 1) The person who receives a complaint has to inform an authority in charge of this complaint within 7 working days of receiving it.
- 2) A complaint relevant to or implying corruption has to be submitted to the Internal Audit Department 1 and the Internal Audit Department 2. Also, it has to be submitted to the Corruption Examination Committee or the Corruption Examination Working Group in order to conduct an inquiry to discover the facts. The CEO will be notified of it.
- 3) A complaint irrelevant to or not implying corruption has to be submitted to the Human Resources Management Department according to the specified regulations. The CEO will be notified of its action result.
- 4) The Corruption Examination Committee or the Corruption Examination Working Group considers the facts and directs action to further follow the Company's procedure.

The Protection of Informers, Complainers, Informants, or Anyone Who Opposes Corruption

The Company will afford the protection of informers, complainers, or informants as follows:

- 1) The identity of informers, complainers, informants, or opponents of the corruption is not disclosed. If necessary, only essential information is revealed with regard to their safety and risks posed to them and concerned parties.
- 2) Their work is not affected nor changed such as disemployment, suspension, job mobility, intimidation or any action unfair to informers, complainers, informants, or anyone who opposes corruption.
- 3) The person who acknowledges a complaint or information relevant to the complaint has to keep it confidential and undisclosed to other people with regard to their safety and risks posed to them. In intentional contravention of this, that person will be face disciplinary actions and/or legal actions depending on circumstances.

8.2 The report of the duty performance's result of the Audit Committee in the past year

8.2.1 A number of meetings and attendances of each individual member the Audit Committee

Meeting attendances of the Audit Committee for the year 2021

Name List		The Audit Committee Meeting (Attendances/ Total Meetings) 16 meetings
1. Mr. Kasama	Punyagupta	16/16
2. Mr. Pracha	Jaidee	16/16
3. Mr. Suwit	Rojanavanich	16/16

8.2.2 The explanation of the performance's result of the Audit Committee

It is presented in the report of the Audit Committee, in the attachment No.6.

8.3 Summary of the duty performance's result of Sub-committees

8.3.1 A number of meetings and attendances of each individual member the Sub- committees

Meeting attendances of the Company's Sub-committees for the year 2021

Name List		The Sub-committees' meetings (Attendances/ Total Meetings)		
		The Executive Committee (12 meetings)	The Compensation and Nomination Committee (3 meetings)	The Good Corporate Governance Committee (1 meeting)
1. Mr. Banterng	Tantivit	-	-	1/1
2. Mr. Suphadej	Poonplipat	12/12	3/3	1/1
3. Mr. Kasama	Punyagupta	-	-	1/1
4. Mr. Pracha	Jaidee	-	3/3	1/1
5. Mr. Suwit	Rojanavanich	-	-	1/1
6. Ms. Panit	Pulsirivong	-	3/3	1/1
7. Mr. Piyaphong	Artmangkorn	12/12	-	1/1
8. Mr. Suvait	Theeravachirakul	12/12	-	1/1
9. Mr. Hatchapong	Phokai	-	-	1/1
10. Mr. Atipon	Tantivit	12/12	-	1/1

Notes:

The Sub-committees:

- The Executive Committee is comprised of 4 persons. They are the name list no. 2, 7, 8 and 10.
- The Compensation and Nomination Committee is comprised of 3 persons. They are the name list no. 2, 4 and 6.
- The Good Governance Committee is comprised of 10 persons. They are the name list no. 1-10.

8.3.2 The explanation of the duty performance's results of the Sub-committees assigned by the Board of Directors

It is presented in the report of the Sub-committees, in the attachment No. 6.



9. Internal control and related party transactions

9.1 Internal control

The Board of Directors and the Management Team have continuously placed importance on the internal control which is a part of Good Corporate Governance to the Company to be able to run its business and achieve its goals efficiently and effectively sustainable in order to gain long term returns, use resources and asset management, report financial information, have trustworthy operations, comply with the law, rules, and prevent or reduce risks of any actions which may damage the Company's assets and reputation. The international framework for internal control of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) has been applied as a guideline of the Company.

The Board of Directors allows the Audit Committee to supervise the internal control system, the risk management system, the Corporate Governance system, and follow the Company's policy and anti-corruption measures so that they are appropriate and efficient, including the compliance of related laws, orders and

regulations, preventing conflicts of interest, related transactions to control and utilizing assets. To prevent corruption or misconduct and to supervise the Company's and subsidiaries' operations to ensure that their assets are not misappropriated or unauthorizedly used, and to adequately prevent transactions with persons who may have conflicts of interest and related persons, the Company sets up an auditing mechanism for checks and balances by establishing the internal audit division which is independent and reports directly to the Audit Committee. It performs audit, evaluates the efficiency and sufficiency of the internal control system, the risk management system and the Corporate Governance system in the performances of all units in the Company and its subsidiaries. Including, anti-corruption measures in order to allow the Company's performance to pursue the utmost of operational performance efficiently and effectively. The management of an internal control of the Company is classified according to an international standard of COSO as follow:

The Environment of the Control

The Company provides a good atmosphere in the internal control. The roles and responsibilities of various committees and management functions are clearly specified. The duties compliance is supervised. The organization structure and definite line of command are balanced. In addition, the policy and procedure on Good Corporate Governance and the policy on anti-corruption are established, and the Board of Directors, executives, and employees must comply with them accordingly.

From a policy on Good Corporate Governance, business ethics and a code of conduct for the Company's directors, executives, and employees, a policy and its anti-corruption measures, a policy on notification of clues or complaints, the imposition of penalties for discipline violations and serious mistakes. The Company has monitored that aforementioned policies which are implemented. Its performance is efficient, transparent, and equitable. There is ongoing communication so that all employees acknowledge these policies and seriously implement them. It has also launched a campaign to promote every employee to have awareness and continuously act on this practice by providing the employees with knowledge training, reviewing and improving a manual of authority and a manual of operation systems which are used as guidelines on performance and help with flexible and systematic business operations. The scope of duties and responsibilities, and the internal control system are taken into consideration in order that a system of the internal control is appropriate, sufficient, and efficient for the business operation.

The Risk Assessment

The Company realizes the importance of the risk management, the Company's Risk Management Committee (RMC) establishes a policy for risk management throughout the organization. It supervises and supports the implementation of corporate risk management in accordance with the strategy and business goals including the changing situations. The risks from external and internal factors -covering different aspects of the risks - are evaluated and managed. For example, strategies,

operations, finance, compliance. MBK GROUP, Business Units (BU), important working functions, and Sub Business Units (SBU) are categorized by arranging a quarterly meeting, and annually reviewing risk factors which are changing externally and internally that may affect the organization. It is regarded that the risk management is both duty and responsibility of every unit for its management and risk control. Moreover, a report is specified to be submitted to the Audit Committee and the Board of Directors in order that the risk management of the Company's operations is at acceptable level. The communication of risk management is also made to the executives and employees regularly.

The Operational Control

The Company has established policies, regulations, procedures, and written approval authority. They are regularly reviewed and updated. The management is based on the principles of Good Corporate Governance which is one of the company's missions. There are ethics and codes of conduct including Good Corporate Governance policies for employees to follow. The duties and responsibilities are clearly specified. The internal audit team regularly reviews the adequacy and appropriateness of the control system. The audit also covers critical operational processes.

The Information Technology System and the Communication

The Company realizes the importance of the IT system and the communication, which is an important part to support the efficiency of the internal audit, and always encourages the improvement of the system continuously in order to ensure that all information is accurate, sufficient, up-to-date, and catching up with expanding and changing circumstances of business operations as well as changing consumer behavior. The efficient and modern IT system, as well as information security from the process of collecting, processing, and storing, to following-up to bring such data, is adopted for work performance and important information are used for management by directors, executives, employees, shareholders, customers, or stakeholders.

The information is complete, accurate, sufficient, and within an appropriate time so that it can be used in the business decision making. A policy regarding the security in the information technology is also specified the level of information secrecy and guideline to store important documents and controlled documents in order to ensure that the Company has appropriate safety measures of information. Various channels of communication are opened from both inside and outside the organization in order to have access easily and rapidly. Due to the Corona Virus (COVID-19), the Company has digital management to support the business to be able to adapt and respond to changes on time and be able to continually operate the business. Digital management is made for the efficiency and safety of the employees who work from home, such as providing a notebook computer to employees and providing software to support working at home or teleconference via electronic media. The adequacy of resources is closely monitored to ensure that employees can efficiently perform their duties like they do in normal situations. In the part of reporting corruption clues, the Company provides a channel for whistleblowing. Employees and stakeholders can be directly notified through various channels to the Audit Committee, CEO and President, and the Internal Audit Division. The Internal Audit Division will search for information and examine facts of notifications and complaints, including providing protection for whistle blowers or informants.

The System of Monitoring Activities

The Company provides a system to assess and monitor performance results by comparing operational results with the Company's goals which are then submitted to the Executive Committee and the Board of Directors every month. The Audit Committee is assigned to check the internal control system through the Internal Audit Division which is an independent division with responsibility for checking and verifying the performance, evaluating the sufficiency of the internal control system for risk management, regulating the operation of various functions and consulting on the Good Corporate Governance procedures, monitoring divisions and following up the results of corrections made

by checked divisions in every issue until they are already corrected; in order to ensure that the internal control system appropriately and fully operates as specified and can manage the changing risks in each period in time. Any issue impacting on the internal control will be reported to any persons in charge. Significant issues will be reported to top executives, the Executive Committee, the Audit Committee, and the Board of Directors within proper period.

For internal audit for accounting and finance is carried out by certified accountants and presented to the Audit Committee for consideration on a quarterly and yearly basis. As a result of reviews conducted by certified accountants, no significant fault is found.

The Audit Committee and the Board of Directors have assessed the sufficiency of the Internal Control System in accordance with guidelines stipulated by Securities and Exchange Commission (SEC). However, has not found drawbacks which are significant to the Company's Internal Control System. It is concluded that the Company has the sufficient and appropriate internal control and risk management for business operations which is consistent with the auditors' opinions.

The Audit Committee has monitored the Internal Audit Division to perform its duties with independence, fairness, ethics, and compliance with International Standards for the Professional Practice of Internal Auditing (IIA) so that assurance can be built and consultation is given in order that the working process within the organization monitors business, manages the risks, carries out the internal control, conforms to the law, rules, and regulations, as well as the accuracy of information of the Company and its subsidiaries. A report is submitted to the Audit Committee. Also, performance according to advice— as a result of what was found in monitoring— is followed up regularly, particularly, important or high risk-related issues and acknowledgement of reports on abnormal incidents such as corruption and malpractice in order to find causes and measures to prevent damage or reoccurrence so that it can ensure that the Company's performance has the sufficient, appropriate, and efficient internal control system as well as the risk management at the Company's acceptable level. For the Company's Good Corporate Governance,

the Charters of the Audit Committee and the Charters of the Internal Audit Division and internal auditors' code of conduct are clearly set as guidelines for operations. Also, these are annually reviewed for their appropriateness.

The Internal Audit Division has developed the internal audit system to accord with the International Standards for the Professional Practice of Internal Auditing (IIA) by utilizing the Information Technology System to help the audits. Due to the Corona Virus (COVID-19) in 2021 resulting in a review of the internal audit process of the Company. Most of which involve the applying of information technology and other tools to auditing operations. Moreover, has the satisfaction assessment of monitored executives. They are submitted to the Audit Committee annually and are used as data for the improvement of the working performance of the Internal Audit Division. Including, audit competency is imposed to assess the performance quality of internal auditors in order to continuously improve efficiency and effectiveness of the Internal Audit Division and recognize actual conditions and work performance so that problems, obstacles and working limitations related to work performance can be properly analyzed. Also, the internal auditors are developed so that their knowledge, skills, and competency meet an international standard and they can conduct the auditing more efficiently by

means of encouraging them to receive training such as knowledge, professional expertise in internal audits, businesses of the Company Group, knowledge of other professionalism, and self-development by taking examinations to get professional certificates of auditing or other auditing-related professions, for example.

Head of the Internal Audit

The Audit Committee has approved Ms.Yupapun Paritranun to take the position of Senior Executive Vice President , Internal Audit Division to control the operation of the internal audit function. She understands MBK GROUP's business with knowledge, skills, and experience in internal auditing for more than 20 years. She is responsible for internal auditing and overseeing the internal control system of the Company and its subsidiaries under the professional practice of internal auditing, the charter of the internal audit function, and the code of Conduct for internal auditors. Board of Directors and high-level executives of the Company and its subsidiaries will be reported continuously. The approval for the appointment, removal, transfer, and evaluation of the internal audit supervisor's performance must be approved by the Audit Committee. Details about the supervisor of the Internal Audit function are present in Attachment 3.

9.2 Related Transactions

Policy on MBK's Related Transactions

The Board of Directors and the Audit Committee consider and give opinions about related transactions or transactions possibly causing conflicts of interest between MBK and its subsidiaries by holding principles of prudence, rationality, fairness, consideration of stakeholders' involved interest, and disclosure of sufficient information to comply with rules and regulations of the Stock Exchange of Thailand (SEI) and the Securities and Exchange Commission (SEC).

9.2.1 For the year ended 31 December 2021, 2020 and 2019 the Company and its subsidiaries have entered into related party transactions as set forth below:

Name of Entities	Country of incorporation / nationality	Nature of relationships
Glas Haus Ratchada Company Limited	Thailand	Direct subsidiary of the Company
MBK Square Company Limited	Thailand	Direct subsidiary of the Company
MBK Smart Force Security Guard Company Limited	Thailand	Direct subsidiary of the Company
MBK Hotels and Resorts Company Limited	Thailand	Direct subsidiary of the Company
Supsinthanee Company Limited	Thailand	Direct subsidiary of the Company
Lanta Land Development Company Limited	Thailand	Direct subsidiary of the Company
MBK Business Company Limited	Thailand	Direct subsidiary of the Company
MBK Hotels and Tourism Company Limited	Thailand	Direct subsidiary of the Company
Riverdale Golf and Country Club Company Limited	Thailand	Direct subsidiary of the Company
PRG Corporation Public Company Limited (Formerly known as "Palum Rico Mill and Granary Public Company Limited")	Thailand	Direct subsidiary of the Company
Primacy Elegance Investments Limited	British Virgin Island	Direct subsidiary of the Company
MBK Premium Company Limited	Thailand	Direct subsidiary of the Company
T Leasing Company Limited	Thailand	Direct subsidiary of the Company
X Gen Premium Company Limited	Thailand	Direct subsidiary of the Company
MBK Center Company Limited	Thailand	Direct subsidiary of the Company
MBK Asset Company Limited	Thailand	Direct subsidiary of the Company
MBK Shopping Center Company Limited	Thailand	Direct subsidiary of the Company
MBK Training Center Company Limited	Thailand	Direct subsidiary of the Company

Name of Entities	Country of incorporation / nationality	Nature of relationships
MBK Innovation Company Limited	Thailand	Direct subsidiary of the Company
MBK Insurance Broker Company Limited	Thailand	Direct subsidiary of the Company
MBK Charan Company Limited	Thailand	Direct subsidiary of the Company
Technology Gateway Company Limited (Formerly known as "MBK Service Solution Company Limited")	Thailand	Direct subsidiary of the Company
MBK Real Estate Company Limited	Thailand	Direct subsidiary of the Company
MBK Enterprise Company Limited	Thailand	Direct subsidiary of the Company
MBK Contact Center Company Limited	Thailand	Direct subsidiary of the Company
MBK Online Company Limited	Thailand	Direct subsidiary of the Company
Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	Thailand	Direct subsidiary of the Company
MBK Food System Company Limited	Thailand	Direct subsidiary of the Company
Apple Auto Auction (Thailand) Company Limited ³	Thailand	Direct subsidiary of the Company
MBK Guarantee Company Limited ⁴	Thailand	Direct subsidiary of the Company
M G 1 Company Limited	Thailand	Direct subsidiary of the Company
MBK Properties Company Limited ⁵	Thailand	Direct subsidiary of the Company
The Nine Center Company Limited	Thailand	Indirect subsidiary of the Company
Paradise Park Company Limited	Thailand	Indirect subsidiary of the Company
Paradise Retail Company Limited	Thailand	Indirect subsidiary of the Company
Paradise Place Suanluang Company Limited	Thailand	Indirect subsidiary of the Company
Glas Haus Building Company Limited	Thailand	Indirect subsidiary of the Company
MBK Capital Company Limited	Thailand	Indirect subsidiary of the Company
Absolute Travel Company Limited	Thailand	Indirect subsidiary of the Company
MBK Leisure Company Limited	Thailand	Indirect subsidiary of the Company
Tantara Gallery Company Limited	Thailand	Indirect subsidiary of the Company
MBK Resort Public Company Limited	Thailand	Indirect subsidiary of the Company
NASSET PROPERTY FUND1	Thailand	Indirect subsidiary of the Company
Phuket Loch Palm Golf Club Company Limited	Thailand	Indirect subsidiary of the Company
Plan Estate Company Limited	Thailand	Indirect subsidiary of the Company
Crystal Lake Properties Company Limited	Thailand	Indirect subsidiary of the Company

Name of Entities	Country of incorporation / nationality	Nature of relationships
C L P Management Company Limited	Thailand	Indirect subsidiary of the Company
Plan Appraisal Company Limited	Thailand	Indirect subsidiary of the Company
Lan Bangna Company Limited	Thailand	Indirect subsidiary of the Company
PRG Properties Company Limited (Formerly known as "PRG Granary Company Limited")	Thailand	Indirect subsidiary of the Company
Ratchsima Rice Company Limited	Thailand	Indirect subsidiary of the Company
PRG Logistics Company Limited (Formerly known as "Sima Pac Company Limited")	Thailand	Indirect subsidiary of the Company
MBK Food and Entertainment Company Limited	Thailand	Indirect subsidiary of the Company
MBK Food Island Company Limited	Thailand	Indirect subsidiary of the Company
Innofood (Thailand) Company Limited	Thailand	Indirect subsidiary of the Company
MBK Restaurant Group Company Limited	Thailand	Indirect subsidiary of the Company
MBK Food Service Company Limited	Thailand	Indirect subsidiary of the Company
Kathu Land Company Limited	Thailand	Indirect subsidiary of the Company
MBK Residence Company Limited	Thailand	Indirect subsidiary of the Company
MBK Advance Company Limited	Thailand	Indirect subsidiary of the Company
MBK Sukhumvit Company Limited	Thailand	Indirect subsidiary of the Company
M G 3 Company Limited	Thailand	Indirect subsidiary of the Company
M G 4 Company Limited	Thailand	Indirect subsidiary of the Company
MBK Realty Company Limited	Thailand	Indirect subsidiary of the Company
The Nine Tiwanon Company Limited	Thailand	Indirect subsidiary of the Company
MBK Golf Management Company Limited	Thailand	Indirect subsidiary of the Company
The Olympic Fitness Club Company Limited	Thailand	Indirect subsidiary of the Company
M G 6 Company Limited	Thailand	Indirect subsidiary of the Company
MBK Trading Company Limited	Thailand	Indirect subsidiary of the Company
MG 7 Company Limited	Thailand	Indirect subsidiary of the Company
MG 8 Company Limited	Thailand	Indirect subsidiary of the Company
MBK Broker Company Limited ^D	Thailand	Indirect subsidiary of the Company
Q Mall Company Limited ^T	Thailand	Indirect subsidiary of the Company

Name of Entities	Country of incorporation / nationality	Nature of relationships
Siam Piwat Company Limited ^C	Thailand	Direct associate of the Company
Max Asset Management Company Limited	Thailand	Direct associate of the Company
Puen Pob Patt Company Limited	Thailand	Direct associate of the Company
Lam Luk Ka Golf and Country Club Company Limited	Thailand	Direct associate of the Company
MBK Life Assurance Public Company Limited ^G	Thailand	Direct subsidiary of controlling shareholder of the Company
MT Service 2016 Company Limited ^G	Thailand	Direct subsidiary of controlling shareholder of the Company
TM Broker Company Limited ^C	Thailand	Direct subsidiary of controlling shareholder of the Company
Paemala Spa Company Limited	Thailand	Indirect associate of the Company
DMS Property Investment Private Limited	Maldives	Indirect associate of the Company
TM Communication and Brand Management Company Limited	Thailand	Direct joint venture of the Company
Rehappy Plus Company Limited	Thailand	Indirect joint venture of the Company
Thanachart Capital Public Company Limited	Thailand	Controlling shareholder of the Company and common director
Thanachart Insurance Public Company Limited	Thailand	Direct subsidiary of controlling shareholder of the Company
NFS Asset Management Company Limited	Thailand	Direct subsidiary of controlling shareholder of the Company
IS Asset Management Company Limited	Thailand	Direct subsidiary of controlling shareholder of the Company
Thanachart Securities Public Company Limited	Thailand	Indirect associate of controlling shareholder of the Company
Thanachart Fund Management Company Limited	Thailand	Direct subsidiary of controlling shareholder of the Company
Ratchthani Leasing Public Company Limited	Thailand	Direct subsidiary of controlling shareholder of the Company

Name of Entities	Country of incorporation / nationality	Nature of relationships
TMB Thanachart Bank Public Company Limited (Formerly known as “Thanachart Bank Public Company Limited”)	Thailand	Indirect associate of controlling shareholder of the Company
IMB Thanachart Broker Company Limited (Formerly known as “Thanachart Broker Company Limited”)	Thailand	Indirect associate of controlling shareholder of the Company
Siam Pwat Retail Holding Company Limited	Thailand	Subsidiary of associate of the Company
Siam Professional management Company Limited	Thailand	Subsidiary of associate of the Company
Supremo Company Limited	Thailand	Subsidiary of associate of the Company

^A As at 31 December 2020, The Company has the indirect holding of 100.00% (2019: The Company has the direct holding of 66.67% and the indirect holding of 33.33% through Riverdale Golf and Country Club Company Limited, total direct and indirect holding of 100.00%.)

^B On 26 December 2019, the Company purchased additional shares from other shareholders. As a result, that company changed its status from a Direct to a subsidiary.

^C On 1 July 2020, the Company purchased additional shares from other shareholders. As a result, that company changed its status from an associate to a subsidiary.

^D On 5 August 2020, the Company purchased additional shares from other shareholders. As a result, that company changed its status from a joint venture to a subsidiary.

^E Proportion of investment in ordinary and preferred shares.

^F On 1 February 2021, MBK Shopping Center Company Limited, which is the Company's 100% owned subsidiary, acquired 100% of share capital of Q Mall Company Limited (formerly known as “Bangkok - Tokyu Department Store Co., Ltd”).

^G On 3 August 2021, the Company had entered into the Shares Purchase Agreement with Thanachart Capital Public Company Limited to dispose investments in MBK Life Assurance Public Company Limited in share proportion of 49%, MI Service 2016 Company Limited in share proportion of 49% and IM Broker Company Limited in share proportion of 49% to Thanachart Capital Public Company Limited.

9.2.2 Pricing Policy

The pricing policies for particular types of transactions are explained further below:

Transaction	Pricing Policies
Rental income	Market Price
Consulting fees	The same rate as the third parties
Management fees	Contract price
Dividend income	As declared
Employee expenses	115% of salary of hotel staff paid by a subsidiary for parent company
Hotel management fees	Contract price
Security expense	115% of security cost paid by subsidiary for parent company
Interest income	MOR and MOR rate less a fix rate and MLR and MLR rate less a fix rate
Interest expenses	MOR and MOR rate less a fix rate and fixed deposit rate of a local commercial bank per annum plus a fixed percentage
Purchase of investment in subsidiary	Contract price
Shared service income	Market price
Project management and sales commission income	The same rates as the third parties
Advertising and public relations fee	Contract price
Insurance premium	The same rate as the third parties
Operating fee	Contract price

9.2.3 Significant transactions for the year ended 31 December 2021, 2020 and 2019 with related parties were as follows:

Transactions with related parties

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
(Unit: Million Baht)						
Transaction with subsidiaries						
(Eliminated from the consolidated financial statement)						
Rental income :						
MBK Food Island Company Limited	-	-	-	14.02	11.57	20.60
MBK Food and Entertainment Company Limited	-	-	-	-	1.92	3.03
MBK Guarantee Company Limited	-	-	-	2.40	2.45	0.50
MBK Restaurant Group Company Limited	-	-	-	-	-	1.40
Innotfood (Thailand) Company Limited	-	-	-	-	1.18	4.56
MBK Hotels and Tourism Company Limited	-	-	-	5.22	5.37	4.31
The Olympic Fitness Club Company Limited	-	-	-	0.11	3.66	-
Total	-	-	-	21.75	26.11	34.10
Consulting fees :						
Plan Estate Company Limited	-	-	-	0.84	0.84	0.84
Plan Appraisal Company Limited	-	-	-	0.28	0.36	0.36
Lan Bangna Company Limited	-	-	-	-	0.06	0.06
MBK Real Estate Company Limited	-	-	-	1.24	1.31	1.31

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
(Unit: Million Baht)						
Transaction with subsidiaries						
(Eliminated from the consolidated financial statement)						
Consulting fees : (Cont'd)						
MBK Resort Public Company Limited	-	-	-	0.11	0.04	0.12
MBK Hotels and Resorts Company Limited	-	-	-	0.09	-	0.14
PRG Corporation Public Company Limited (Formerly known as "Patum Rice Mill and Granary Public Company Limited")	-	-	-	0.48	0.44	0.44
Supsinthanaee Company Limited	-	-	-	-	-	0.06
I Leasing Company Limited	-	-	-	0.85	0.20	0.12
MBK Guarantee Company Limited	-	-	-	0.14	0.08	0.09
MBK Hotels and Tourism Company Limited	-	-	-	0.07	-	-
Lanta Land Development Company Limited	-	-	-	-	-	0.07
Riverdale Golf and Country Club Company Limited	-	-	-	0.12	0.06	0.09
MBK Square Company Limited	-	-	-	0.04	0.04	0.07
MBK Realty Company Limited	-	-	-	0.04	0.04	-
The Nine Center Company Limited	-	-	-	0.11	0.11	0.06
Apple Auto Auction (Thailand) Company Limited*	-	-	-	0.33	0.19	-
MBK Enterprise Company Limited	-	-	-	0.09	0.06	-
Absolute Travel Company Limited	-	-	-	0.07	-	-
MBK Properties Company Limited	-	-	-	0.86	-	-

	(Unit: Million Baht)				
	Consolidated financial statement		Separate financial statement		
	2021	2020	2018	2021	2020
Transaction with subsidiaries					
(Eliminated from the consolidated financial statement)					
Consulting fees : (Cont'd)					
Paradise Park Company Limited	-	-	-	0.16	0.11
X-Gen Premium Company Limited	-	-	-	0.16	-
The Olympic Fitness Club Company Limited	-	-	-	0.04	-
Total	-	-	-	6.12	3.94
Management fees :					
MBK Hotels and Resorts Company Limited	-	-	-	-	24.40
T Leasing Company Limited	-	-	-	3.90	5.29
MBK Guarantee Company Limited	-	-	-	17.06	14.72
Riverdale Golf and Country Club Company Limited	-	-	-	1.67	1.68
The Nine Center Company Limited	-	-	-	2.30	2.30
MBK Enterprise Company Limited	-	-	-	1.95	2.35
Apple Auto Auction (Thailand) Company Limited	-	-	-	6.29	6.89
MBK Smart Force Security Guard Company Limited	-	-	-	-	0.15
MBK Training Center Company Limited	-	-	-	-	0.87
MBK Real Estate Company Limited	-	-	-	0.39	-
Paradise Park Company Limited	-	-	-	4.56	13.77
Total	-	-	-	38.12	48.02
					66.28

Transaction with subsidiaries

(Eliminated from the consolidated financial statement)

Dividend income :

PRG Corporation Public Company Limited (Formerly

known as "Patum Rice Mill and Granary Public Company Limited")

Riverdale Golf and Country Club Company Limited

MBK Hotels and Resorts Company Limited

Glas Haus Hatchada Company Limited

MBK Business Company Limited

MBK Premium Company Limited

Supsinthance Company Limited

MBK Asset Company Limited

MBK Smart Force Security Guard Company Limited

MBK Center Company Limited

MBK Shopping Center Company Limited

MBK Square Company Limited

MBK Hotels and Tourism Company Limited

T Leasing Company Limited

MBK Training Center Company Limited

MBK Service Solution Company Limited

MBK Innovation Company Limited

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
	-	-	-	178.85	268.28	268.28
	-	-	-	183.00	337.50	307.50
	-	-	-	33.00	374.00	1,383.80
	-	-	-	-	81.80	60.02
	-	-	-	-	55.83	46.42
	-	-	-	-	32.50	29.50
	-	-	-	-	-	11.50
	-	-	-	-	18.00	16.80
	-	-	-	3.90	3.20	3.50
	-	-	-	-	3.30	1.44
	-	-	-	-	43.75	280.00
	-	-	-	-	6.20	9.32
	-	-	-	-	-	7.80
	-	-	-	690.70	-	-
	-	-	-	-	1.95	2.30
	-	-	-	-	10.88	6.00
	-	-	-	0.10	-	0.10

	(Unit: Million Baht)				
	Consolidated financial statement		Separate financial statement		
	2021	2020	2019	2021	2020
Transaction with subsidiaries					
(Eliminated from the consolidated financial statement)					
Dividend income : (Cont'd)					
MBK Guarantec Company Limited	-	-	-	120.00	-
Apple Auto Auction (Thailand) Company Limited	-	-	-	26.03	20.24
Total	-	-	-	1,154.58	1,257.43
					2,434.28
Employee expense:					
MBK Business Company Limited	-	-	-	64.49	103.75
					221.58
Hotel management fees:					
MBK Hotels and Tourism Company Limited	-	-	-	15.83	27.46
					48.26
Security expense:					
MBK Smart Force Security Guard Company Limited	-	-	-	61.42	59.65
					62.29
Interest income:					
Riverdale Golf and Country Club Company Limited	-	-	-	248.11	521.62
T Leasing Company Limited	-	-	-	78.79	170.03
					418.05
MBK Smart Force Security Guard Company Limited	-	-	-	1.26	0.02
					0.06
MBK Hotels and Tourism Company Limited	-	-	-	1.32	0.26
					-
MBK Training Center Company Limited	-	-	-	0.13	0.06
					0.08
MBK Real Estate Company Limited	-	-	-	19.45	22.77
					-
MBK Contact Center Company Limited	-	-	-	2.91	2.00
					1.57

Transaction with subsidiaries

(Eliminated from the consolidated financial statement)

Interest income (Con'd):

MBK Properties Company Limited

Intelligent Creative & Marketing Company Limited

(Formerly known as "Intel Data Company Limited")

MBK Guarantee Company Limited

Total

Interest expense :

MBK Business Company Limited

MBK Smart Force Security Guard Company Limited

MBK Hotels and Resorts Company Limited

Supsinthanee Company Limited

MBK Asset Company Limited

MBK Premium Company Limited

Glas Haus Ratchada Company Limited

MBK Shopping Center Company Limited

MBK Square Company Limited

MBK Center Company Limited

Primacy Elegance Investments Limited

Lanta Land Development Company Limited

X-Gen Premium Company Limited

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
						(Unit: Million Baht)
	-	-	-	-	0.01	10.45
	-	-	-	0.03	0.01	0.02
	-	-	-	284.91	19.48	-
	-	-	-	388.80	462.75	951.85
	-	-	-	8.37	16.67	18.98
	-	-	-	37.63	2.25	0.08
	-	-	-	59.00	45.34	48.37
	-	-	-	26.55	19.78	21.26
				6.71	15.14	16.57
	-	-	-	10.16	25.05	26.97
	-	-	-	11.16	44.61	47.63
	-	-	-	56.69	46.49	46.48
	-	-	-	4.76	4.94	5.30
	-	-	-	0.27	0.10	0.03
	-	-	-	18.77	13.20	12.80
	-	-	-	4.05	4.22	4.37
	-	-	-	3.13	3.03	3.39

(Unit: Million Baht)

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
Transaction with subsidiaries						
(Eliminated from the consolidated financial statement)						
Interest expense: (Cont'd)						
MBK Training Center Company Limited				0.05	0.04	0.06
MBK Insurance Broker Company Limited	-	-	-	0.11	0.08	0.08
MBK Innovation Company Limited	-	-	-	0.12	0.10	0.11
MBK Charan Company Limited	-	-	-	0.63	0.48	0.55
MBK Hotels and Tourism Company Limited	-	-	-	-	0.08	1.22
MBK Service Solution Company Limited	-	-	-	4.25	6.70	7.51
MBK Enterprise Company Limited	-	-	-	111.55	79.76	83.26
Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	-	-	-	0.08	0.07	0.01
MBK Properties Company Limited	-	-	-	19.66	0.02	0.03
MBK Online Company Limited	-	-	-	-	0.02	0.03
MBK Food System Company Limited	-	-	-	41.76	29.81	30.92
Apple Auto Auction (Thailand) Company Limited	-	-	-	4.96	5.71	-
M G 1 Company Limited				1.73	2.31	0.06
Total	-	-	-	432.15	372.82	376.04
Purchase of investment in subsidiary:						
MDK Guarantee Company Limited	-	-	-	-	904.80	1,600.00
M G 1 Company Limited	-	-	-	-	-	533.50
Total	-	-	-	-	904.80	2,133.50

	Consolidated financial statement				Separate financial statement			
	2021	2020	2019		2021	2020	2019	
Transaction with associate and joint venture								
Share service income:								
Paemala Spa Company Limited	0.63	0.94	2.08	0.63	0.94	2.08		
Rental Income:								
Max Asset Management Company Limited	0.29	0.43	0.42	0.29	0.43	0.42		
Rehappy Plus Company Limited			0.33			0.33		
TM Communication and Brand Management Company Limited	1.62	0.89	-	1.62	0.89	-		
Total	1.91	1.32	0.75	1.91	1.32	0.75		
Management fees:								
Apple Auto Auction (Thailand) Company Limited	-	-	6.58	-	-	6.58		
Dividend income :								
Siam Pivat Company Limited	-	-	-	-	-	-		
Apple Auto Auction (Thailand) Company Limited	-	-	-	-	-	-		
Lam Luk Ka Golf and Country Club Company Limited	-	-	-	-	-	-		
Total	-	-	-	-	-	-		
Project management and sales commission income:								
Max Asset Management Company Limited	10.25	4.92	8.10	-	-	-		

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
Transaction with associate						
Interest income :						
Paenala Spa Company Limited	0.18	0.18	0.21	-	-	-
Max Asset Management Company Limited	2.26	2.64	4.55	2.26	2.64	4.55
TM Broker Company Limited	0.11	0.11	0.10	0.11	0.11	0.10
DMS Property Investment Private Limited	-	-	0.12	-	-	-
Lam Luk Ka Golf and Country Club Company Limited	0.57	-	-	0.57	-	-
MBK Broker Company Limited	-	-	0.65	-	-	0.18
Total	3.12	2.93	5.63	2.94	2.75	4.65
Interest expense :						
Apple Auto Auction (Thailand) Company Limited			5.26			5.26
Lam Luk Ka Golf and Country Club Company Limited	-	-	0.18	-	-	0.18
Total			5.44			5.44
Advertising and public relations fee :						
TM Communication and Brand Management Company Limited	10.54	-	-	10.54	-	-

(Unit: Million Baht)

(Unit: Million Baht)

	Consolidated financial statement		Separate financial statement	
	2021	2020	2021	2020

Transaction with related parties

Rental income :

Thanachart Capital Public Company Limited	15.95	14.69	12.44	15.95	14.58	12.44
TMB Thanachart Bank Public Company Limited (Formerly known as "Thanachart Bank Public Company Limited")	43.03	84.26	94.59	7.80	31.74	45.86
Thanachart Securities Public Company Limited	24.02	25.32	27.39	24.02	25.02	27.39
Thanachart Insurance Public Company Limited	51.08	36.50	35.77	-	-	-
IMB Ihanachart Broker Company Limited (Formerly known as "Thanachart Broke Company Limited")	11.25	11.03	10.78	-	-	-
Total	145.33	171.80	180.91	41.11	71.34	85.69

Transaction with related parties

Dividend income :

Thanachart Capital Public Company Limited	400.00	398.74	906.54	389.74	398.74	883.42
Total	400.00	398.74	906.54	389.74	398.74	883.42

Project management and sales commission income :

Thanachart Capital Public Company Limited	13.77	15.96	27.44	-	-	-
TMB Thanachart Bank Public Company Limited (Formerly known as "Thanachart Bank Public Company Limited")	21.31	22.09	19.87	-	-	-
NFS Asset Management Company Limited	4.83	4.66	5.59	-	-	-
TS Asset Management Company Limited	2.89	4.14	10.56	-	-	-
Total	42.80	46.85	63.46			

	Consolidated financial statement			Separate financial statement			(Unit: Million Baht)
	2021	2020	2019	2021	2020	2019	
Transaction with related parties							
Hotel franchise fee:							
Dusit Thani Thai Property Public Company Limited	-	0.30	1.20	-	-	-	-
Insurance expense:							
Thanachart Insurance Public Company Limited	0.30	0.32	0.73	0.30	0.28	0.46	0.46
MPK Life Assurance Public Company Limited	0.29	0.19	0.23	-	0.05	-	-
Total	0.59	0.51	0.96	0.30	0.33	0.46	0.46
Bank fees:							
TMB Thanachart Bank Public Company Limited (Formerly known as "Thanachart Bank Public Company Limited")	0.02	0.30	0.05	-	-	-	-
Operating fees:							
TMB Thanachart Bank Public Company Limited (Formerly known as "Thanachart Bank Public Company Limited")	34.00	27.00	-	-	-	-	-
Sale of investment in current company:							
Siam Piwat Retail Holding Company Limited	-	-	129.43	-	-	-	-
Siam Professional management Company Limited	-	-	28.81	-	-	-	-
Supremo Company Limited	-	-	79.98	-	-	-	-
Total	-	-	238.22	-	-	-	-

Remaining balance of related parties as at 31 December 2021, 2020 and 2019 were as follows:

	Consolidated financial statement		Separate financial statement		(Unit: Million Baht)
	2021	2020	2021	2020	2019
Trade and other receivables:					
Subsidiaries :					
PRG Corporation Public Company Limited (Formerly known as "Patum Rice Mill and Granary Public Company Limited")	-	-	0.03	0.03	0.01
Ratchisima Rice Company Limited	-	-	0.01	-	-
MBK Business Company Limited	-	-	0.22	0.30	0.46
MBK Smart Force Security Guard Company Limited	-	-	0.86	0.03	0.01
MBK Hotels and Resorts Company Limited	-	-	-	0.22	24.41
Supsinthanee Company Limited	-	-	0.14	0.31	0.02
MBK Resort Public Company Limited	-	-	0.18	0.28	0.15
Glas Haus Ratchada Company Limited	-	-	0.02	0.03	0.01
Absolute Travel Company Limited	-	-	0.08	0.33	0.04
MBK Food Island Company Limited	-	-	0.29	0.71	0.63
Plan Estate Company Limited	-	-	-	-	0.05
Plan Appraisal Company Limited	-	-	-	-	0.01
MBK Square Company Limited	-	-	0.83	0.03	0.01
MBK Guarantee Company Limited	-	-	17.56	16.90	17.08
Riverdale Golf and Country Club Company Limited	-	-	1.86	0.03	1.90
MBK Premium Company Limited	-	-	0.25	-	-
MBK Hotels and Tourism Company Limited	-	-	0.23	0.09	0.13
T Leasing Company Limited	-	-	9.31	6.10	4.63

	(Unit: Million Baht)			
	Consolidated financial statement		Separate financial statement	
	2021	2020	2021	2020
Trade and other receivables: (Cont'd)				
Subsidiaries :				
Glas Haus Building Company Limited	-	-	0.01	0.04
MBK Golf Management Company Limited	-	-	0.02	-
The Nine Center Company Limited	-	-	3.29	2.37
Lanta Land Development Company Limited	-	-	0.12	0.03
MBK Training Center Company Limited	-	-	-	0.01
Paradise Park Company Limited	-	-	14.82	0.26
MBK Real Estate Company Limited	-	-	-	0.09
MG1 Company Limited	-	-	0.01	-
MBK Realty Company Limited	-	-	0.42	0.02
MBK Sukhumvit Company Limited	-	-	10.84	0.02
Innofood (Thailand) Company Limited	-	-	-	0.05
MBK Contact Center Company Limited	-	-	0.16	0.17
Intelligent Creative & Marketing Company Limited	-	-	-	-
(formerly known as "Intel Data Company Limited")	-	-	0.02	0.21
MBK Restaurant Group Company Limited	-	-	-	-
The Olympic Fitness Club Company Limited	-	-	0.72	1.21
Technology Gateway Company Limited (Formerly known as "MBK Service Solution Company Limited")	-	-	0.03	-
Paradise Place Suanluang Company Limited	-	-	0.02	0.07
Paradise Retail Company Limited	-	-	0.02	-

	Consolidated financial statement			Separate financial statement			(Unit: Million Baht)
	2021	2020	2019	2021	2020	2019	
Trade and other receivables: (Cont'd)							
Subsidiaries :							
MBK Enterprise Company Limited	-	-	-	-	-	-	2.35
MBK Properties Company Limited	-	-	-	12.30	-	-	-
Apple Auto Auction (Thailand) Company Limited				1.21	0.60		0.21
MBK Online Company Limited	-	-	-	0.03	-	-	-
The Nine Tiwanon Company Limited	-	-	-	0.51	-	-	-
Interest receivables - Riverdale Golf and Country Club Company Limited	-	-	-	-	0.37		46.79
Interest receivables - T Leasing Company Limited	-	-	-	5.37	9.06		34.62
Interest receivables - MBK Training Center Company Limited	-	-	-	0.04	0.01		0.01
Interest receivables - MBK Real Estate Company Limited				1.47	2.65		1.33
Interest receivables - MBK Guarantee Company Limited		-	-	8.81	17.71		-
Interest receivables - Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	-	-	-	0.01	-		-
Interest receivables - MBK Smart Force Security Guard Company Limited	-	-	-	0.25	-		-
Interest receivables - MBK Hotels and Tourism Company Limited	-	-	-	0.14	0.07		-
Interest receivables - MBK Contact Center Company Limited	-	-	-	0.26	0.24		0.16

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
(Unit: Million Baht)						
Trade and other receivables: (Cont'd)						
Associates :						
Paemala Spa Company Limited	0.09	0.14	0.22	0.09	0.14	0.22
Max Asset Management Company Limited	-	0.05	0.30	-	-	-
TM Broker Company Limited	-	2.06	2.64	-	-	-
MBK Life Assurance Public Company Limited	-	-	0.20	-	-	-
Apple Auto Auction (Thailand) Company Limited	-	-	-	-	-	0.21
Lam Luk Ka Golf and Country Club Company Limited	0.02	-	-	0.02	-	-
Interest receivables - Lam Luk Ka Golf and Country Club Company Limited	0.09	0.02	-	0.09	0.02	-
Joint venture :						
TM Communication and Brand Management Company Limited	0.29	0.02	-	0.29	0.02	-
Rehappy Plus Company Limited	-	1.28	0.68	-	0.50	0.33
Related parties :						
TMB Thanachart Bank Public Company Limited (Formerly known as "Thanachart Bank Public Company Limited")	1.37	0.24	0.22	0.75	0.01	-
Thanachart Capital Public Company Limited	0.01	4.40	0.03	-	4.39	-
Thanachart Securities Public Company Limited	0.01	0.03	-	0.01	0.02	-
Thanachart Fund Management Company Limited	-	-	0.01	-	-	-
NF-S Asset Management Company Limited	-	-	0.14	-	-	-
TMB Thanachart Broker Company Limited (Formerly known as "Thanachart Broker Company Limited")	5.86	6.35	6.58	-	-	-

	Consolidated financial statement		Separate financial statement		(Unit: Million Baht)
	2021	2020	2021	2020	
Trade and other receivables: (Cont'd)					
Related parties :					
Thanachart Insurance Public Company Limited	25.14	20.19	23.27	0.03	-
TS Asset Management Company Limited	0.01	-	0.01	-	-
Ratchthani Leasing Public Company Limited	-	-	0.02	-	-
Total	32.89	34.78	94.04	68.47	140.33
Short term loan to :					
Subsidiaries :					
Riverdale Golf and Country Club Company Limited	-	-	-	-	5,660.29
MBK Hotels and Resorts Company Limited	-	-	-	13.53	-
T Leasing Company Limited	-	-	2,634.74	2,806.91	3,619.62
MBK Training Center Company Limited	-	-	8.41	3.23	6.23
MBK Real Estate Company Limited	-	-	269.20	433.03	353.91
MBK Hotels and Tourism Company Limited	-	-	27.78	-	-
MBK Contact Center Company Limited	-	-	51.27	46.71	41.35
MBK Guarantee Company Limited	-	-	4,761.59	3,806.61	-
MBK Smart Force Security Guard Company Limited	-	-	50.53	0.17	-
MBK Online Company Limited	-	-	0.05	-	-
Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	-	-	2.49	-	0.98

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
(Unit: Million Baht)						
Trade and other receivables: (Cont'd)						
Related parties :						
Thanachart Insurance Public Company Limited	25.14	20.19	23.27	0.03	-	-
TS Asset Management Company Limited	0.01	-	0.01	-	-	-
Ratchthani Leasing Public Company Limited	-	-	0.02	-	-	-
Trade and other receivables: (Cont'd)						
Associates : (Cont'd)						
Paemala Spa Company Limited	2.98	2.98	4.05	-	-	-
TM Broker Company Limited	-	3.43	0.75	-	3.43	0.75
Max Asset Management Company Limited	31.80	48.36	51.67	31.80	48.36	51.67
Lam Luk Ka Golf and Country Club Company Limited	30.00	-	-	30.00	-	-
Total	64.78	54.77	56.47	61.80	7,161.98	9,734.80
Dividend receivable :						
Subsidiaries :						
MBK Business Company Limited	-	-	-	-	31.03	-
MBK Service Solution Company Limited	-	-	-	-	4.88	-
Related party:						
Thanachart Capital Public Company Limited	-	-	533.28	-	-	519.66
Total	-	-	533.28	-	35.96	519.66
Long term investment available for sales - Related party:						
Thanachart Capital Public Company Limited	5,000.14	4,599.00	7,151.02	4,871.79	4,482.00	6,950.42

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
Trade and other payables						
Subsidiaries :						
MBK Smart Force Security Guard Company Limited	-	-	-	11.71	7.82	4.79
MBK Hotels and Resorts Company Limited	-	-	-	0.03	-	0.12
MBK Resort Public Company Limited	-	-	-	0.01	0.01	0.05
MBK Food and Entertainment Company Limited	-	-	-	-	-	0.02
MBK Food Island Company Limited	-	-	-	0.01	0.10	0.08
Plan Estate Company Limited	-	-	-	0.01	-	-
MBK Square Company Limited	-	-	-	12.60	1.63	0.95
C L P Management Company Limited	-	-	-	-	0.01	-
MBK Training Center Company Limited	-	-	-	7.11	6.68	9.34
MBK Business Company Limited	-	-	-	6.14	8.75	36.94
MBK Restaurant Group Company Limited	-	-	-	0.14	-	-
PRG Corporation Public Company Limited (Formerly known as "Patum Rice Mill and Granary Public Company Limited")	-	-	-	0.05	0.09	0.02
Riverdale Golf and Country Club Company Limited	-	-	-	0.13	0.03	0.06
Paradise Park Company Limited	-	-	-	0.24	0.04	-
MBK Online Company Limited	-	-	-	0.03	-	-
Crystal Lake Properties Company Limited	-	-	-	-	0.04	-
PRG Properties Company Limited	-	-	-	-	-	-
(Formerly known as "PRG Granary Company Limited")	-	-	-	-	-	0.28

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
Trade and other payables (cont'd)						
Subsidiaries :						
Intelligent, Creative & Marketing Company Limited	-	-	-	1.32	1.57	1.12
(Formerly known as "Intel Data Company Limited")						
MBK Hotels and Tourism Company Limited	-	-	-	0.32	0.34	1.80
The Olympic Fitness Club Company Limited	-	-	-	0.01	0.04	0.31
MBK Enterprise Company Limited	-	-	-	-	0.03	-
MBK Contact Center Company Limited	-	-	-	0.17	0.10	0.56
MBK Trading Company Limited	-	-	-	4.24	11.16	4.53
Accrued interest expenses MBK Business Company Limited	-	-	-	0.06	1.86	1.50
Accrued interest expenses-Riverdale Golf and Country Club Company Limited	-	-	-	4.68	2.25	-
Accrued interest expenses MBK Smart Force Security Guard Company Limited	-	-	-	-	-	0.02
Accrued interest expenses-MBK Hotels and Resorts Company Limited	-	-	-	5.03	4.92	3.01
Accrued interest expenses-Supsinthanee Company Limited	-	-	-	2.30	2.25	1.76
Accrued interest expenses-MBK Asset Company Limited	-	-	-	0.58	1.16	1.36
Accrued interest expenses-MBK Premium Company Limited	-	-	-	0.89	2.68	2.23
Accrued interest expenses-Glas Haus Ratchada Company Limited	-	-	-	0.95	4.75	3.95

(Unit: Million Baht)

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
Trade and other payables (cont'd)						
Subsidiaries :						
Accrued interest expenses MBK Shopping Center Company Limited	-	-	-	4.86	5.35	3.92
Accrued interest expenses - MBK Square Company Limited	-	-	-	0.32	0.56	0.44
Accrued interest expenses - MBK Center Company Limited	-	-	-	0.03	0.02	0.01
Accrued interest expenses - Lanta Land Development Company Limited	-	-	-	0.30	0.41	0.36
Accrued interest expenses - MBK Innovation Company Limited	-	-	-	0.01	0.01	0.01
Accrued interest expenses - X-Gen Premium Company Limited	-	-	-	0.27	0.26	0.28
Accrued interest expenses - MBK Golf Management Company Limited	-	-	-	-	-	0.04
Accrued interest expenses - MBK Insurance Broker Company Limited	-	-	-	0.01	0.01	0.01
Accrued interest expenses - MBK Hotels and Tourism Company Limited	-	-	-	-	-	0.02
Accrued interest expenses - Technology Gateway Company Limited (Formerly known as "MBK Service Solution Company Limited")	-	-	-	0.15	0.74	0.61
Accrued interest expenses - MBK Charan Company Limited	-	-	-	0.05	0.05	-
Accrued interest expenses - M G 1 Company Limited	-	-	-	0.13	0.18	-

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
(Unit: Million Baht)						
Trade and other payables (cont'd)						
Subsidiaries :						
Accrued interest expenses - MBK Enterprise Company Limited	-	-	-	9.67	9.15	6.98
Accrued interest expenses -Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	-	-	-	-	0.01	-
Accrued interest expenses - MBK Food System Company Limited				3.64	3.44	2.60
Accrued interest expenses - MBK Food System Company Limited	-	-	-	3.64	3.44	2.60
Accrued interest expenses - Apple Auto Auction (Thailand) Company Limited	-	-	-	0.98	1.03	-
Associates :						
MBK Life Assurance Public Company Limited	-	-	0.02	-	-	-
Apple Auto Auction (Thailand) Company Limited						1.16
Related parties :						
TMB Thanachart Bank Company Limited (Formerly known as "Thanachart Bank Company Limited")	45.45	78.92	71.63	-	-	-
Thanachart Insurance Public Company Limited	0.10	0.10	-	-	-	-
Thanachart Capital Public Company Limited	-	0.01	-	-	-	-
Ratchthani Leasing Public Company Limited	0.76	-	0.10	-	-	-
Total	49.87	79.03	71.75	82.71	79.96	91.21

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
Short term loan from :						
Subsidiaries :						
MBK Business Company Limited	-	-	-	11.99	370.51	371.22
Riverdale Golf and Country Club Company Limited	-	-	-	977.23	561.98	-
MBK Smart Force Security Guard Company Limited	-	-	-	-	-	5.09
MBK Hotels and Resorts Company Limited	-	-	-	992.73	978.99	963.78
Supsinthanee Company Limited	-	-	-	455.65	446.06	438.81
MBK Asset Company Limited	-	-	-	114.57	109.29	340.18
MBK Premium Company Limited	-	-	-	174.87	160.71	558.98
Glas Haus Ratchada Company Limited	-	-	-	186.90	179.91	993.42
MBK Shopping Center Company Limited	-	-	-	990.72	1,063.73	1,002.66
MBK Square Company Limited	-	-	-	76.85	110.87	109.33
MBK Center Company Limited	-	-	-	5.69	3.62	2.37
Primacy Elegance Investments Limited	-	-	-	333.48	311.98	279.18
Lanta Land Development Company Limited	-	-	-	59.95	81.32	88.56
X-Gen Premium Company Limited	-	-	-	53.73	51.21	71.39
MBK Insurance Broker Company Limited	-	-	-	1.90	1.83	1.75

	Consolidated financial statement			Separate financial statement		
	2021	2020	2019	2021	2020	2019
Short term loan from (Cont'd) :						
Subsidiaries :						
MBK Golf Management Company Limited	-	-	-	-	-	10.58
MBK Charan Company Limited	-	-	-	10.74	10.84	-
MBK Hotels and Tourism Company Limited	-	-	-	-	-	9.72
Technology Gateway Company Limited (Formerly known as "MBK Service Solution Company Limited")	-	-	-	34.51	147.11	153.56
MBK Enterprise Company Limited	-	-	-	1,920.36	1,811.04	1,749.69
Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	-	-	-	720.97	1.00	-
MBK Online Company Limited	-	-	-	-	0.07	0.55
MBK Food System Company Limited	-	-	-	-	680.34	651.65
MBK Properties Company Limited	-	-	-	346.40	330.40	-
M G 1 Company Limited	-	-	-	24.54	36.30	61.70
Apple Auto Auction (Thailand) Company Limited	-	-	-	572.00	482.00	-
Associates :						
Apple Auto Auction (Thailand) Company Limited	-	-	-	8,067.56	7,897.11	360.00
Total	-	-	-	-	-	8,226.50

(Unit: Million Baht)

	Consolidated financial statement		Separate financial statement		(Unit: Million Baht)
	2021	2020	2021	2020	
Other current liabilities – advance rental and deposit					
Advance rental and service deposits					
Subsidiary:					
MBK Food Island Company Limited	-	-	254.07	276.54	299.06
Deposits					
Subsidiaries :					
MBK Food and Entertainment Company Limited	-	-	-	-	4.26
MBK Food Island Company Limited	-	-	0.71	0.31	0.31
MBK Guarantee Company Limited	-	-	0.51	0.60	-
MBK Hotels and Tourism Company Limited	-	-	1.18	1.31	1.31
Innofood (Thailand) Company Limited					2.44
Joint venture :					
Rehappy Plus Company Limited	-	0.40	-	0.40	-
TM Communication and Brand Management Company Limited	0.36	-	0.36	-	-

	Consolidated financial statement		Separate financial statement		
	2021	2020	2019	2021	2020
(Unit: Million Baht)					
Other current liabilities – advance rental and deposit (Cont'd) :					
Deposits (Cont'd) :					
Related parties :					
Thanachart Capital Public Company Limited	2.56	5.34	3.24	2.56	3.24
TMB Thanachart Bank Company Limited (Formerly known as "Thanachart Bank Company Limited")	24.45	37.43	25.87	11.29	13.09
Thanachart Securities Public Company Limited	7.28	6.00	6.37	7.28	6.37
Thanachart Insurance Public Company Limited	10.14	9.20	9.20	-	-
TMB Thanachart Broker Company Limited (Formerly known as "Thanachart Broker Company Limited")	3.00	2.88	2.77	-	-
Total	47.79	61.25	47.45	23.92	25.32
Long-term liabilities under finance lease agreement – Subsidiary:					
MBK Premium Company Limited	-	-	-	4.16	10.06
					13.86

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MBK Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of MBK Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of MBK Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of MBK Public Company Limited and its subsidiaries and of MBK Public Company Limited as at 31 December 2021, their financial performances and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matters

My opinion is not modified in respect of these matters. I draw attention to Note 1.2 and Note 3.3 to the consolidated financial statements. Due to the impact of Coronavirus disease 2019 pandemic, in preparing the consolidated financial statements for the year 2021, the subsidiaries, which operate in financial business, have adopted the Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy issued by the Federation of Accounting Professions. Since the Coronavirus disease 2019 pandemic and government measure in prevention and control of disease affects the Group's business activities in terms of services of shopping centers, hotels and golf courses. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has made estimates and exercised judgement in respect of various issues as the situation has evolved.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

The Group is organised into many business segments based on its products and services, with major revenues of the Group derived from shopping center business. The Group has entered into lease and service agreements with a large number of customers, which incorporate a variety of conditions. Therefore, revenue recognition needs to take into account differences in the timing of revenue recognition.

I have examined the revenue recognition of the Group by assessing the accounting policies related to the revenue recognition, assessing the effectiveness of Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test; the operation of the designed controls. I also applied a sampling method to select rental and service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement and in compliance with the Group's accounting policies, examined supporting documents for revenue transactions occurring during the year and near the end of the accounting period, reviewed credit notes that the Group issued after the period-end, performed analytical procedures on disaggregated such revenue data to review possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Allowance for expected credit losses for loans to customers

As described in Note 9 to the consolidated financial statements, as at 31 December 2021, the Group had total loans to customers of Baht 15,444 million and allowance for expected credit losses of Baht 645 million.

In determining an expected credit losses of loans to customers, a complex financial model with significant judgement and estimation from management was required. I involved the auditors of the subsidiaries in assessing and testing the reasonableness of the expected credit losses of loans to customers model, by comparing with the requirements of TFRS 9, the assessment and test, on a sampling basis, of the effectiveness of the Group's internal controls relevant to the estimation of allowance for expected credit losses. I assessed the assumptions significant to the model and considered the reasonableness of the assumptions in the forward-looking information and the appropriateness of the weighting economic factors adopted. I reviewed the model development documentation and tested, on a sampling basis, the accuracy of the data used in the model, the methods and assumptions applied by the Group in the calculation of the allowance for expected credit losses. I also assessed and considered the reasonableness of the overlays

applied by management. Moreover, the test of the calculation of the allowance for expected credit losses at the end of the accounting period was performed on a sampling basis. In addition, I assessed on the Group's disclosures regarding the allowance for expected credit losses for loans to customers.

Fair value disclosure for investment properties

As discussed in Note 16 to the consolidated financial statements. The Group disclosed investment properties at the fair value determined by an independent appraiser. The fair value of the land awaiting sale mainly been determined based on market approach, while that of the land, building, building improvement and right-of-use assets, for rent, have been determined using the income approach. The key assumptions applied in the valuation depend on management's judgement with respect to the assumptions related to projections of future operating performance, assessment of plans for management of assets of the Group located in various geographical locations, and determination of an appropriate discount rate and other key assumptions.

I assessed management disclosure of fair value of investment properties by making inquiry of the management for the valuation process. I reviewed the appraisal report prepared by the independent appraiser and considered the reasonableness of the selection of financial model used in the fair value measurement by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with how assets are utilised. In addition, I gained an understanding of and assessed, the key assumptions applied in preparing plans and cash flow projections for the Group, based on the understanding of the process by which the figures were arrived at. Such figures were compared to the external sources of information based on the knowledge and past experience of the independent appraiser.

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

In preparing the financial statements, management is responsible for assessing the Group'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 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 Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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 ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Gingkarn Atsawarangsalit

Certified Public Accountant (Thailand) No. 4496

EY Office Limited

Bangkok: 25 February 2022

STATEMENT OF FINANCIAL POSITION

MBK Public Company Limited and its subsidiaries
As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	7	4,448,804,675	3,841,661,459	3,573,691,381	3,238,841,348
Other current financial asset		3,478,250	3,287,859	-	-
Trade and other receivables	6, 8	1,026,342,469	914,503,752	520,277,333	399,435,126
Short-term loans to related companies	6	64,775,200	54,765,200	7,867,856,665	7,161,975,341
Current portion of loans to customers	9	5,053,524,119	4,218,991,079	-	-
Inventories	10	2,297,350,433	2,840,430,770	30,305,759	32,487,330
Dividend receivable	6	-	-	-	35,950,000
Other current assets	11	165,741,011	125,997,206	56,461,377	38,506,447
Total current assets		13,060,016,157	11,999,637,325	12,048,592,515	10,907,195,592
Non-current assets					
Restricted fixed deposits		3,033,669	3,026,193	-	-
Investments in associates	12	5,107,604,126	5,918,519,814	4,211,570,364	4,828,822,967
Investments in joint ventures	13	4,279,536	3,345,431	2,500,000	2,500,000
Investments in subsidiaries	14	-	-	20,570,500,926	22,121,109,829
Other non-current financial assets	6, 15	5,067,505,044	4,708,028,157	4,916,761,839	4,571,024,620
Loans to customers - net of current portion	9	9,744,965,185	11,310,334,507	-	-
Investment properties	16	13,065,117,327	13,914,081,813	9,480,755,373	10,135,454,785
Land held for development	17	1,797,088,529	1,666,419,700	-	-
Property, plant and equipment	18	5,622,845,068	5,926,230,018	1,446,957,641	1,628,493,056
Goodwill	19	71,793,178	71,793,178	-	-
Intangible assets	20	144,557,216	132,574,513	116,616,391	105,404,942
Deferred tax assets	40	776,683,157	781,491,108	574,533,496	565,741,236
Property foreclosed	21	389,551,885	287,109,676	-	-
Other non-current assets	22	402,379,887	419,668,946	52,750,327	30,378,277
Total non-current assets		42,197,403,807	45,142,623,054	41,372,946,357	43,988,929,712
Total assets		55,257,419,964	57,142,260,379	53,421,538,872	54,896,125,304

The accompanying notes are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION (Con't)

MBK Public Company Limited and its subsidiaries
As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	23	990,000,000	768,003,111	-	
Other current financial liabilities		895,799	-	-	-
Trade and other payables	6, 24	1,016,399,414	1,065,488,579	388,144,335	392,029,154
Short-term loans from related companies	6	-	-	8,067,546,361	7,933,380,970
Current portion of long-term loans from					
financial institutions	25	734,667,334	283,333,333	-	-
Current portion of long-term debentures	27	1,043,390,757	-	1,043,390,757	-
Current portion of rental and service income received					
in advance		198,746,827	280,218,100	182,966,111	245,796,055
Current portion of lease liabilities	28	634,650,382	665,526,233	609,698,464	613,782,954
Corporate income tax payable		142,851,940	208,145,973	-	-
Other current liabilities	26	784,591,174	743,315,149	114,018,648	111,718,870
Total current liabilities		5,546,193,627	4,014,030,478	10,405,764,676	9,296,708,003
Non-current liabilities					
Long-term loans from financial institutions - net of					
current portion	25	1,505,686,889	2,102,777,778	-	
Long-term debentures - net of current portion	27	13,833,273,382	15,762,262,906	13,833,273,382	15,762,262,906
Rental and service income received in advance -					
net of current portion		122,210,871	304,623,781	346,177,821	548,712,427
Lease liabilities - net of current portion	28	11,049,809,046	11,496,949,387	10,750,670,419	11,185,204,353
Provision for long-term employee benefits	29	324,688,627	324,276,674	99,955,558	119,205,808
Deferred tax liabilities	40	1,035,313,332	907,829,013	708,249,709	600,433,042
Deposits		736,879,654	819,144,719	360,711,938	419,023,987
Other non-current liabilities	30	45,256,578	25,259,209	1,490,807	2,689,640
Total non-current liabilities		28,653,118,379	31,743,123,467	26,100,529,634	28,637,532,163
Total liabilities		34,199,312,006	35,757,153,945	36,506,294,310	37,934,240,166

The accompanying notes are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION (Con't)

MBK Public Company Limited and its subsidiaries
As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Shareholders' equity					
Share capital	31				
Registered					
2,405,583,548 ordinary shares of Baht 1 each					
(2020: 2,262,719,920 ordinary shares of Baht 1 each)		2,405,583,548	2,262,719,920	2,405,583,548	2,262,719,920
Issued and paid-up					
1,761,921,389 ordinary shares of Baht 1 each					
(2020: 1,694,923,000 ordinary shares of Baht 1 each)		1,761,921,389	1,694,923,000	1,761,921,389	1,694,923,000
Premium on ordinary shares		1,420,302,888	1,289,074,500	1,420,302,888	1,289,074,500
Difference between the lower acquisition					
cost of business and fair value		172,206,406	172,206,406	-	-
Surplus from the change in the ownership interests					
in subsidiaries		402,385,063	402,385,063	-	-
Retained earnings					
Appropriated - statutory reserve	32	226,280,000	226,280,000	226,280,000	226,280,000
Unappropriated		14,707,008,398	15,555,663,718	10,941,897,963	11,502,216,611
Other components of shareholders' equity		2,549,046,305	2,202,806,294	2,564,842,322	2,249,391,027
Equity attribute to owners of the Company before					
treasury stock and non-controlling interests					
of the subsidiaries		21,239,150,449	21,543,338,981	16,915,244,562	16,961,885,138
Less: Treasury stock	33	(711,993,784)	(711,993,784)	-	-
Equity attributable to owners of the Company	34	20,527,156,665	20,831,345,197	16,915,244,562	16,961,885,138
Non-controlling interests of subsidiaries		530,951,293	553,761,237	-	-
Total shareholders' equity		21,058,107,958	21,385,106,434	16,915,244,562	16,961,885,138
Total liabilities and shareholders' equity		55,257,419,964	57,142,260,379	53,421,538,872	54,896,125,304

The accompanying notes are an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

MBK Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales		2,617,701,923	2,471,893,072	-	-
Rental income		1,504,647,915	2,382,985,801	834,709,796	1,520,655,271
Service income		890,985,440	825,427,196	-	-
Revenue from hotel operations		205,989,121	469,753,437	97,201,565	156,998,173
Interest revenue from financial business	36	2,411,233,867	2,485,530,967	2,829,799	2,639,197
Other income					
Dividend income	6	399,943,200	467,123,950	1,544,573,069	1,709,242,000
Gain from disposal of investments in associates		46,675,461	-	-	-
Gain from disposal of assets		11,769,121	-	-	667,508
Others		100,870,872	98,798,977	59,782,501	114,220,809
Total revenues		8,189,816,920	9,201,513,400	2,539,096,730	3,504,422,958
Expenses					
Cost of sales		1,874,355,517	1,900,382,154	-	-
Cost of rental		1,672,613,170	1,726,477,202	950,052,397	922,874,687
Cost of service		557,447,393	455,585,345	-	-
Hotel operating expenses		417,526,863	595,189,966	117,955,488	231,007,098
Selling and distribution expenses		654,992,767	657,618,122	139,725,618	140,584,287
Administrative expenses		1,907,074,520	1,931,352,035	690,116,478	493,654,230
Difference from discount on rental		-	158,642,638	-	158,642,638
Total expenses		7,084,010,230	7,425,247,462	1,897,849,981	1,946,762,940
Profit from operating activities		1,105,806,690	1,776,265,938	641,246,749	1,557,660,018
Share of loss from investments in associates and joint ventures	12.2, 13.2	(334,004,679)	(227,249,073)	-	-
Finance income		17,558,666	32,869,239	402,673,078	499,538,743
Finance costs	37	(1,264,341,814)	(1,134,681,162)	(1,584,076,888)	(1,411,184,817)
Profit (loss) before income tax expenses		(474,981,137)	447,204,942	(540,157,061)	646,013,944
Income tax expenses	40	(269,125,639)	(255,436,848)	(20,161,587)	(29,298,694)
Profit (loss) for the year		(744,106,776)	191,768,094	(560,318,648)	616,715,250

The accompanying notes are an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME (Con't)

MBK Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods - net of income tax</i>	40				
Unrealised gains (losses) on investments in loans		3,656,735	(796,269)	3,656,735	(796,269)
Unrealised losses on investments in loans of an associate		-	(16,910,717)	-	-
Translation adjustment of an associate		1,116,679	6,270,802	-	-
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods - net of income tax</i>		4,773,414	(11,436,184)	3,656,735	(796,269)
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods - net of income tax</i>	40				
Actuarial gains		-	10,188,545	-	13,452,559
Actuarial gains of associates		-	2,474,895	-	-
Gains (losses) on investments in equity designated					
at fair value through other comprehensive income		325,001,502	(2,701,262,888)	311,794,560	(2,605,377,196)
Losses on investments in equity designated					
at fair value through other comprehensive income					
of an associate		(27,173,499)	(52,099,085)	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods - net of income tax</i>		297,828,003	(2,740,698,533)	311,794,560	(2,591,924,637)
Other comprehensive income for the year		302,601,417	(2,752,134,717)	315,451,295	(2,592,720,906)
Total comprehensive income for the year		(441,505,359)	(2,560,366,623)	(244,867,353)	(1,976,005,656)
Profit (loss) attributable to:					
Equity holders of the Company		(804,475,422)	149,187,843	(560,318,648)	616,715,250
Non-controlling interest of the subsidiaries		60,368,646	42,580,251		
		(744,106,776)	191,768,094		
Total comprehensive income attributable to:					
Equity holders of the Company		(502,415,309)	(2,605,731,264)	(244,867,353)	(1,976,005,656)
Non-controlling interest of the subsidiaries		60,909,950	45,364,641		
		(441,505,359)	(2,560,366,623)		
Earnings (loss) per share	41				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		(0.60)	0.11	(0.33)	0.36
Dilute earning per share					
Profit attributable to equity holders of the Company		-	0.11	-	0.36

The accompanying notes are an integral part of the financial statements.

MBK Public Company Limited and its subsidiaries
For the year ended 31 December 2021

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Con't)

MBK Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Separate financial statements						
	Other components of shareholders' equity						Total shareholders' equity
	Other comprehensive income					Total other components of shareholders' equity	
	Retained earnings		Fair value reserve	Unrealised gains (losses) on investments in loans			
Issued and paid-up share capital	Premium on ordinary shares	Appropriated Statutory reserve				Unappropriated	
Balance as at 1 January 2020	1,694,923,000	1,289,074,500	200,000,000	12,541,102,033	3,925,259,589	3,924,658,921	19,649,758,454
Profit for the year	-	-	-	616,715,250	-	-	616,715,250
Other comprehensive income for the year	-	-	-	13,452,559	(2,605,377,196)	(2,606,173,465)	(2,592,720,906)
Total comprehensive income for the year	-	-	-	630,167,809	(2,605,377,196)	(2,606,173,465)	(1,976,005,656)
Dividend paid (Note 47)	-	-	-	(711,867,660)	-	-	(711,867,660)
Transfer retained earnings - unappropriated to statutory reserve (Note 32)	-	-	26,280,000	(26,280,000)	-	-	-
Loss on derecognition of financial assets measured at fair value through other comprehensive income	-	-	-	(930,905,571)	930,905,571	930,905,571	-
Balance as at 31 December 2020	1,694,923,000	1,289,074,500	226,280,000	11,502,216,611	2,250,787,964	2,249,391,027	16,961,885,138
Balance as at 1 January 2021	1,694,923,000	1,289,074,500	226,280,000	11,502,216,611	2,250,787,964	2,249,391,027	16,961,885,138
Loss for the year	-	-	-	(560,318,648)	-	-	(560,318,648)
Other comprehensive income for the year	-	-	-	-	311,794,560	315,451,295	315,451,295
Total comprehensive income for the year	-	-	-	(560,318,648)	311,794,560	315,451,295	(244,867,353)
Warrant to subscribe for ordinary shares (Note 35)	66,998,389	131,228,388	-	-	-	-	198,226,777
Balance as at 31 December 2021	1,761,921,389	1,420,302,888	226,280,000	10,941,897,963	2,562,582,524	2,564,842,322	16,915,244,562

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

MBK Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit (loss) before tax	(474,981,137)	447,204,942	(540,157,061)	646,013,944
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation	1,771,397,346	1,511,364,124	1,056,791,142	773,614,558
Amortisation of intangible asset	28,700,366	32,108,829	20,256,570	24,730,495
Amortisation of underwriting fee	1,946,948	3,120,368	1,946,948	3,120,368
(Gains) losses on sales of investments in associates	(46,675,461)	-	136,453,493	-
Gain on decrease of investment in subsidiary	-	-	-	(62,610,000)
Losses on investments in loans	-	578,904	-	578,904
Losses on written-off of investments in loans	2,044,458	-	2,044,458	-
(Gains) losses on fair value adjustments of financial instrument	1,046,336	(3,287,859)	-	-
(Gains) losses on disposal/write-off of investment properties and property, plant and equipment	8,945,060	6,713,305	13,442,962	(667,508)
Losses on write-off of intangible asset	68,785	104,764	-	-
(Gains) losses on disposal of property foreclosed	(4,621,268)	11,083,586	-	-
Losses on disposal of land held for development	535,750	-	-	-
Reversal of allowance for impairment of investments in subsidiaries	-	-	(1,803,322)	(2,226,750)
Allowance for impairment of plant and equipment (reversal)	280,095	(2,749,370)	-	-
Allowance for impairment of intangible assets (reversal)	207,785	(53,657)	-	-
Reversal of allowance for impairment loss on investment properties	-	(34,774,436)	-	-
Allowance for impairment of property foreclosed (reversal)	371,215	(10,611,313)	-	-
Unrealised gains on foreign exchange	-	(33,093,122)	-	-
Allowance for expected credit losses (reversal / written-off)	(84,856,675)	187,027,746	49,205,423	1,127,579
Allowance for diminution in value of inventories (reversal)	(2,926,866)	2,829,908	-	-
Difference from discount on rental	-	158,642,638	-	158,642,638
Rental cost discount	(292,880,000)	-	(292,880,000)	-
Provision for long-term employee benefits	15,962,884	33,463,733	7,301,885	10,242,850
Interest income	(17,558,666)	(32,869,239)	(402,673,078)	(499,538,743)
Interest expenses	624,414,866	709,859,580	962,581,057	1,005,387,821
Finance costs from lease liabilities	635,507,200	420,825,192	617,857,264	402,661,888
Dividend income	(399,943,200)	(467,123,950)	(1,544,573,069)	(1,709,242,000)
Shares of loss from investments in associates and joint ventures	334,004,679	227,249,073	-	-
Profit from operating activities before changes in operating assets and liabilities	2,100,990,500	3,167,613,746	85,794,672	751,836,044
Net movements in operating assets and liabilities (Note 42)	651,405,255	(1,813,254,416)	(452,853,962)	(1,052,692,831)
Cash flows from (used in) operating activities	2,752,395,755	1,354,359,330	(367,059,290)	(300,856,787)
Cash paid for employee benefits	(15,550,931)	(10,790,781)	(26,831,330)	(4,455,134)
Cash paid for corporate income tax	(306,347,553)	(247,242,637)	(21,986,367)	(30,123,839)
Net cash flows from (used in) operating activities	2,430,497,271	1,096,325,912	(415,876,987)	(335,435,760)

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS (Con't)

MBK Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Increase in other current financial assets	(340,928)	(118,079,011)	-	-
Cash receipts from sales of other non-current financial assets	-	1,439,998,453	-	1,324,823,048
Cash payments for purchases of other non-current financial assets	(28,689,953)	-	(28,719,693)	-
Cash payments for short-term loans to related companies	(30,000,000)	(2,450,000)	(9,641,872,959)	(14,175,690,430)
Cash receipts from short-term loans to related companies	19,990,000	4,382,000	8,935,791,635	16,748,522,166
Interest income	17,474,697	32,870,460	416,356,856	552,323,950
Cash receipts from investments in loans	-	14,255,229	-	14,255,229
Cash payment for investments in loans	(40,477,606)	-	(40,477,606)	-
Net cash receipts from purchase of investment in subsidiary	131,517,400	-	-	-
Cash receipts from share capital reduction of subsidiaries	-	-	1,542,500,000	1,433,864,470
Net cash payment from purchase of investments in the subsidiaries	-	(35,326)	-	-
Cash payments for purchases of investments in the subsidiary	-	-	-	(1,254,810,000)
Cash payments for purchases of investments in the subsidiary from non-controlling interest of the subsidiary	-	(9,901,292)	-	-
Cash receipts from sales of investments in associates	486,515,342	-	486,515,342	-
Cash payments for purchases of investments in associates and joint ventures	(5,716,233)	(151,732,601)	(5,716,233)	(151,732,601)
Cash receipts from share capital reduction of investment in an associate	-	439,281,850	-	-
Dividend receipts from investments	409,224,395	1,000,381,550	1,580,523,069	2,192,949,600
Cash receipts from sales of property, plant and equipment and investment properties	41,015,779	53,133,837	10,818,625	4,050,684
Cash payments for purchases of property, plant and equipment and investment properties	(733,741,552)	(650,096,811)	(204,669,283)	(277,214,245)
Cash receipts from sales of land held for development	1,498,014	-	-	-
Cash payments for investments in land held for development	(196,402)	-	-	-
Cash payments for purchases of intangible assets	(41,811,605)	(61,912,210)	(33,203,147)	(57,842,884)
Cash receipts from sales of property foreclosed	92,934,370	47,893,701	-	-
Net cash flows from investing activities	319,195,718	2,037,989,829	3,018,046,606	6,353,498,987

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS (Con't)

MBK Public Company Limited and its subsidiaries
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from financing activities				
Increase (decrease) in bank overdrafts	(3,111)	1,506	-	-
Cash receipts from short-term loans from related companies	-	-	1,921,317,196	3,018,433,195
Cash payments for short-term loans from related companies	-	-	(1,787,151,805)	(3,311,549,908)
Cash receipts from short-term loans from financial institutions	3,868,000,000	2,578,000,000	500,000,000	-
Cash payments for short-term loans from financial institutions	(3,646,000,000)	(2,497,000,000)	(500,000,000)	-
Cash receipts from long-term loans from financial institutions	1,350,000,000	2,400,000,000	-	-
Cash payment for long-term loans from financial institutions	(1,495,756,889)	(213,888,889)	-	-
Cash payments for long-term liabilities under financial lease agreements	(842,978,842)	(784,502,537)	(766,548,376)	(741,446,000)
Interest payments	(634,240,982)	(735,592,860)	(977,150,747)	(989,650,864)
Dividend payments	(76,832)	(559,335,220)	(12,631)	(715,877,023)
Dividend payments to non-controlling interests of the subsidiaries	(83,719,894)	(62,463,631)	-	-
Cash receipts from long-term debentures	1,000,000,000	3,795,971,758	1,000,000,000	3,795,971,758
Repayment of long-term debentures	(1,856,000,000)	(4,000,000,000)	(1,856,000,000)	(4,000,000,000)
Cash receipts from exercise warrants	198,226,777	-	198,226,777	-
Net cash flows used in financing activities	(2,142,549,773)	(78,809,873)	(2,267,319,586)	(2,944,118,842)
Net increase in cash and cash equivalents	607,143,216	3,055,505,868	334,850,033	3,073,944,385
Cash and cash equivalents at beginning of year	3,841,661,459	786,155,591	3,238,841,348	164,896,963
Cash and cash equivalents at the end of year	4,448,804,675	3,841,661,459	3,573,691,381	3,238,841,348
Supplemental cash flows information:				
Operational cash flows from interest	2,411,233,867	2,477,237,436	2,829,799	2,639,197
Interest paid capitalised as property development for sale and land held for development	3,451,728	(31,889,925)	-	-
Non-cash transactions:				
Share capital reduction receivable of investment in subsidiary	-	-	9,912,225	-
Transfer from rental and service income received in advance to investments in loans	36,736,125	-	36,736,125	-
Dividend receivable	-	-	-	35,950,000
Transfer investment in associated company to investment in subsidiary	-	-	-	(489,633)
Transfer from inventories to land held for development	(12,824,888)	-	-	-
Transfer from investment property to land held for development	(98,178,922)	-	-	-
Transfer from property, plant and equipment to inventories	(4,819,523)	-	-	-
Transfer between investment properties and property, plant and equipment	(1,804,694)	(27,318,983)	-	17,746,725
Transfer from property, plant and equipment to land held for development	(21,502,381)	-	-	-
Transfer from intangible assets to property, plant and equipment	(851,966)	-	(1,735,128)	-
Increase (decrease) in purchase of property, plant and equipment and investment properties that have yet to be paid	36,860,702	(18,225,128)	35,460,803	(5,195,435)
Property foreclosed transferred from loans to customers	191,126,526	239,138,276	-	-

The accompanying notes are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MBK Public Company Limited and its subsidiaries
For the year ended 31 December 2021

1. General information

1.1 General information of the Company and its subsidiaries

MBK Public Company Limited (the “Company”) is a public company incorporated and domiciled in Thailand and listed on the Stock Exchange of Thailand. Its registered office is at 8th Floor MBK Center Building, 444 Phayathai Road, Pathumwan, Bangkok 10330. The principal business operations of the Company and its subsidiaries (“the Group”) are summarised as follows:

- Shopping center business
- Hotel and tourism business
- Golf business
- Real estate business
- Food solution business
- Financial business
- Auction business
- Corporate supporting center and other business

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic and government measure in prevention and control of disease may bring uncertainties and has an impact on the environment of businesses in which the group operates. This situation affects the Group’s business activities as follows:

In terms of service provision with respect to shopping centers, the Group has considered to offer the rental discount to affected shopping center tenants. Since the government implemented measures to control the spread of the Coronavirus disease 2019 pandemic, certain areas of shopping centers and golf business of some locations have temporarily ceased the operations between July 2021 to 31 August 2021 (according to the latest government announcement) and reopening at present.

For the hotel business since the government implemented measures to control and the number of foreign and local tourists has decreased, during current year, the Group ceased the operation of one hotel and temporarily closed some hotels during a low season for the purpose of cost control with reopening as from October 2021. This is impacting the Group's operating results and cash flows at present, and is expected to do so in the future. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of MBK Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
			%	%
Directly owned				
Glas Haus Ratchada Company Limited	Property for lease	Thailand	100.00	100.00
MBK Square Company Limited	Property management service	Thailand	100.00	100.00
MBK Smart Force Security Guard Company Limited	Security service	Thailand	99.97	99.97
MBK Hotels and Resorts Company Limited	Hotel	Thailand	100.00	100.00
Supsinthanee Company Limited	Hotel (cease operation from March 2021)	Thailand	100.00	100.00

Company's name	Nature of business	Country of	Percentage of shareholding	
		incorporation	2021	2020
			%	%
Directly owned (continued)				
Lanta Land Development Company Limited	Hotel	Thailand	100.00	100.00
MBK Business Company Limited	Personnel management service	Thailand	100.00	100.00
MBK Hotels & Tourism Company Limited	Hotel management and travel	Thailand	100.00	100.00
Riverdale Golf and Country Club Company Limited	Golf course and real estate	Thailand	100.00	100.00
PRG Corporation Public Company Limited (Formerly known as “Patum Rice Mill and Granary Public Company Limited”)	Processing and packaging rice	Thailand	74.52	74.52
Primacy Elegance Investments Limited	Investment	British Virgin Island	100.00	100.00
MBK Premium Company Limited	Leasing and hire purchase	Thailand	100.00	100.00
T Leasing Company Limited	Motorcycle hire purchase	Thailand	100.00	100.00
X-Gen Premium Company Limited	Property for lease (2020: Dormant)	Thailand	100.00	100.00
MBK Center Company Limited	Car park rental	Thailand	99.99	99.99
MBK Asset Company Limited	Dormant	Thailand	100.00	100.00
MBK Shopping Center Company Limited	Investment	Thailand	100.00	100.00
MBK Training Center Company Limited	Training service to affiliates	Thailand	99.99	99.99
MBK Innovation Company Limited	Dormant	Thailand	99.99	99.99
MBK Insurance Broker Company Limited	Dormant	Thailand	99.99	99.99
MBK Charan Company Limited	Real estate	Thailand	100.00	100.00
Technology Gateway Company Limited (Formerly known as “MBK Service Solution Company Limited”)	IT service to affiliates (2020: Dormant)	Thailand	100.00	100.00
MBK Real Estate Company Limited	Property management service	Thailand	100.00	100.00
MBK Enterprise Company Limited	Golf course and property for lease	Thailand	100.00	100.00
MBK Contact Center Company Limited	Call Center	Thailand	99.99	99.99
MBK Online Company Limited	Online selling	Thailand	99.97	99.97
Intelligent Creative & Marketing Company Limited (Formerly known as “Intel Data Company Limited”)	The provision of services of CRM loyalty program	Thailand	99.99	99.99
MBK Food System Company Limited	Dormant	Thailand	99.99	99.99
Apple Auto Auction (Thailand) Company Limited	Vehicle broker	Thailand	53.56	53.56
MBK Guarantee Company Limited	Lending	Thailand	100.00	100.00
M G 1 Company Limited	Hotel	Thailand	100.00	100.00
MBK Properties Company Limited	Property for lease	Thailand	100.00	100.00

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
			%	%
Indirectly owned				
The Nine Center Company Limited	Shopping center, property for lease and real estate	Thailand	100.00	100.00
Paradise Park Company Limited	Shopping center and property for lease	Thailand	100.00	100.00
Paradise Retail Company Limited	Property for lease (cease operation from April 2020)	Thailand	100.00	100.00
Paradise Place Suanluang Company Limited	Shopping center and property for lease	Thailand	99.99	99.99
Glas Haus Building Company Limited	Property for lease (cease operation from September 2020)	Thailand	100.00	100.00
MBK Capital Company Limited	Land rental	Thailand	99.99	99.99
Absolute Travel Company Limited	Hotel	Thailand	99.99	99.99
MBK Leisure Company Limited	Dormant	Thailand	100.00	100.00
Tantara Gallery Company Limited	Space rental	Thailand	99.99	99.99
MBK Resort Public Company Limited	Golf course, hotel and real estate	Thailand	72.99	72.99
NASSET PROPERTY FUND1	Property fund (The Fund matured and dissolution on 31 August 2015)	Thailand	72.45	72.45
Phuket Loch Palm Golf Club Company Limited	Dormant	Thailand	72.99	72.99
Plan Estate Company Limited	Real estate and property management service	Thailand	72.99	72.99
Crystal Lake Properties Company Limited	Real estate	Thailand	72.99	72.99
C L P Management Company Limited	Property management service	Thailand	72.99	72.99
Plan Appraisal Company Limited	Survey and appraisal services	Thailand	72.99	72.99
Lan Bangna Company Limited	Dormant	Thailand	72.99	72.99
PRG Properties Company Limited	Warehouse and land rental and transportation	Thailand	74.52	74.52
Ratchsima Rice Company Limited	Distribution and improving the quality of rice, plant and factory building rental	Thailand	74.52	74.52
PRG Logistic Company Limited (Formerly known as “Sima Pac Company Limited”)	Factory building rental and transportation	Thailand	74.52	74.52
MBK Food and Entertainment Company Limited	Dormant	Thailand	74.52	74.52

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
			%	%
Indirectly owned (continued)				
MBK Food Island Company Limited	Food center	Thailand	74.52	74.52
Innofood (Thailand) Company Limited	Space rental with restaurant's supplies (cease operation from February 2020)	Thailand	74.52	74.52
MBK Restaurant Group Company Limited	Dormant	Thailand	74.52	74.52
MBK Food Service Company Limited	Dormant	Thailand	74.52	99.99
Kathu Land Company Limited	Dormant	Thailand	70.36	70.36
MBK Residence Company Limited	Real estate	Thailand	100.00	100.00
MBK Advanced Company Limited	Dormant	Thailand	99.89	99.89
MBK Sukhumvit Company Limited	Real estate	Thailand	100.00	100.00
M G 3 Company Limited	Held property foreclosed	Thailand	99.97	99.97
M G 4 Company Limited	Held property foreclosed	Thailand	99.97	99.97
MBK Realty Company Limited	Real estate	Thailand	69.00	69.00
The Nine Tiwanon Company Limited	Shopping center	Thailand	99.70	99.70
MBK Golf Management Company Limited	Personnel management services	Thailand	100.00	100.00
The Olympic Fitness Club Company Limited	Fitness center	Thailand	99.97	99.97
M G 6 Company Limited	Real estate	Thailand	99.97	99.97
MBK Trading Company Limited	Inventory trading	Thailand	90.00	90.00
MG 7 Company Limited	Dormant	Thailand	99.97	99.97
MG 8 Company Limited	Dormant	Thailand	99.97	99.97
MBK Broker Company Limited	Insurance broker	Thailand	99.99	99.99
Q Mall Company Limited	Dormant	Thailand	99.99	

During the year 2021, there were the following significant changes:

Q Mall Company Limited (Indirectly owned)

On 1 February 2021, MBK Shopping Center Company Limited, which is the Company's 100% owned subsidiary, acquired 100% of share capital of Q Mall Company Limited (formerly known as "Bangkok - Tokyu Department Store Co., Ltd"). The subsidiary has determined the acquisition of such company in accordance with Thai Financial Reporting Standard No. 3 (revised 2020) and has considered that this acquisition is, in substance, an asset acquisition. The subsidiary recorded this acquisition at purchase price as specified in the share purchase agreement. Net value of assets acquired and liabilities assumed from such company as at the acquisition date in the consolidated financial statements are as follows:

(Unit: Thousand Baht)

Net assets acquired and liabilities assumed as at acquisition date

Cash	161,092
Trade account receivable	9,550
Other receivable	2,658
Other non-current assets	1,546
Trade account payable	(128,885)
Other payable	(12,109)
Unearned income	(1,703)
Other current liabilities	(2,574)
Net value at purchase price	<u>29,575</u>

MBK Business Company Limited (Directly owned)

On 18 February 2021, the Extraordinary General Meeting of shareholders No. 1/2021 of MBK Business Company Limited (subsidiary) passed a resolution granting approval to decrease the registered share capital from Baht 570 million to Baht 240 million (3.3 million preferred shares with par value of Baht 100 per share, totaling Baht 330 million). On 14 May 2021, the Company had already received all amount of capital reduction. The decrease of capital has not affected to the Company's shareholding percentage in that company.

Technology Gateway Company Limited (Directly owned)

On 18 February 2021, the Extraordinary General Meeting of shareholders No. 1/2021 of Technology Gateway Company Limited (subsidiary) passed a resolution granting approval to decrease the registered share capital from Baht 150 million to Baht 37.5 million (1.13 million ordinary shares with par value of Baht 100 per share, totaling Baht 113 million). On 14 May 2021, the Company had already received all amount of capital reduction. The decrease of capital has not affected to the Group's shareholding percentage in that company.

MBK Enterprise Company Limited (Directly owned)

On 18 February 2021, the Extraordinary General Meeting of shareholders No. 1/2021 of MBK Enterprise Company Limited (subsidiary) passed a resolution granting approval to decrease the registered share capital from Baht 3,000 million to Baht 2,454 million (5.46 million preferred shares with par value of Baht 100 per share, totaling Baht 546 million) with the purpose of deficit reduction totaling Baht 536 million and repayment to shareholder totaling Baht 10 million. As at 31 December 2021, the portion of such repayment presented as part of "Trade and other receivables" in the separate statement of financial position. The subsidiary

registered the capital reduction on 8 April 2021. The decrease of capital has not affected to the Company's shareholding percentage in that company.

T Leasing Company Limited (Directly owned)

On 15 October 2021, the Extraordinary General Meeting of shareholders No. 1/2021 of T Leasing Company Limited (subsidiary) passed a resolution granting approval to decrease the registered share capital from Baht 3,500 million to Baht 2,400 million (110 million ordinary shares with par value of Baht 10 per share, totaling Baht 1,100 million). On 28 December 2021, the Company had already received all amount of capital reduction and the subsidiary registered capital decrease with the Ministry of Commerce. The decrease of capital has not affected to the Group's shareholding percentage in that company.

PRG Corporation Public Company Limited (Directly owned)

On 19 November 2021, the Extraordinary General Meeting of shareholders No.1/2021 of the PRG Corporation Public Company Limited (subsidiary) passed a resolution to approve the following:

- a) Decrease in registered share capital of the subsidiary from Baht 900 million to Baht 600 million by cancelling not paid-up ordinary shares in the amount of 300 million shares at a par of Baht 1 each. The subsidiary registered capital decrease with the Ministry of Commerce on 30 November 2021. The decrease of capital has not affected to the Company's shareholding percentage in that company.
- b) Increase in the registered share capital of the subsidiary from Baht 600 million to Baht 810 million by increasing the registered share capital to reserve for the exercise of the subsidiary's warrants (PRG-W1) to purchase ordinary shares by issuing not exceeding 30 million new ordinary shares at a par of Baht 1 each and increasing the registered share capital under the General Mandate by issuing 180 million new ordinary shares at a par of Baht 1 each for offering to existing shareholders of the subsidiary in proportion to their respective shareholdings. The subsidiary registered capital increase with the Ministry of Commerce on 1 December 2021. The increase of capital has not affected to the Company's shareholding percentage in that company.
- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

Furthermore, the Group elected to adopt the amendments to TFRS 16, *Leases*, relating to COVID-19 related rent concessions. These amendments provide a practical expedient that permits a lessee to not assess whether rent concessions are lease modifications. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the conditions are met, i.e., the change in lease payments results in a revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease preceding the change; any reduction in lease payments affects only payments originally due on or before 30 June 2022; and there is no substantive change to other terms and conditions of the lease.

The Group applies the practical expedient all rent concessions that meet the above conditions and the effects of the application of this expedient, due to the changes in payments under leases recognised in profit or loss. There was no impact on the opening balance of retained earnings.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

3.3 Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy. Its objectives are to provide temporary relief measures solely for entities providing assistance to debtors impacted by the situations that affect the Thai economy, such as COVID-19, economic conditions, trade wars and drought, and to provide an alternative for all entities providing assistance to debtors in accordance with measures to assist debtors specified in the circular of the Bank of Thailand No. BOT.RPD.(23)C. 276/2563 "Guidelines on providing assistance to debtors impacted by situations that affect the Thai economy" and the circular of the Bank of Thailand No. BOT.RPD.(01)C. 380/2563 "Measures to provide additional assistance to debtors during the COVID-19 situation" or any other measures announced by the Bank of Thailand. Such entities include credit card businesses, businesses providing loans secured against vehicle registrations without collateral, personal loan businesses under the supervision of the Bank of Thailand and certain entities not under the supervision of the Bank of Thailand, such as leasing, hire-purchase, motorcycle hire-purchase and factoring businesses. Entities providing assistance to debtors in accordance with the Bank of Thailand's measures and electing to apply this Accounting Treatment Guidance have to apply all temporary relief measures in this guidance.

The Accounting Treatment Guidance is effective for entities providing assistance to debtors impacted by situations that affect the Thai economy during the period from 1 January 2020 to 31 December 2021 or until the Bank of Thailand makes changes, with which the entities are to comply. The guidance applies to large debtors, small- and medium-sized debtors and retail debtors who have the ability to run a business or to pay debts in the future and who have been impacted directly or indirectly by such situations, considering the following guidelines.

- Debtors who were not yet non-performing (Stage 1 or Stage 2) on or after 1 January 2020
- Debtors who became non-performing (Stage 3) on or after 1 January 2019, unless the entity is able to prove that the debtors becoming non-performing before 1 January 2019 are non-performing loans affected by the economic conditions

Since the Group is an entity providing assistance to affected debtors in accordance with the Bank of Thailand's guidelines, it applies these procedures.

- Loans that are not yet non-performing (Non-NPL) are classified as loans with no significant increase in credit risk (Performing or Stage 1), provided that analysis of its status and business shows that the debtor is able to comply with the debt restructuring agreement without compliance monitoring and the debt restructuring is considered a pre-emptive debt restructuring rather than a troubled debt restructuring. If it is a provision of assistance to debtors in accordance with the circular of the Bank of Thailand No. BOT.RPD.(01)C. 380/2563, classification of the debtor remains at the same stage as before.
- Non-performing loans (NPL) are classified as performing loans if the debtor is able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period.
- Additional working capital loans provided to a debtor in order to increase liquidity and enable the debtor to continue its business operations during the debt restructuring are classified by account level if the debtor has cash flows to support repayment or if, considering other factors, the debtor has the ability to pay the debt.
- The guidelines specified in the appendix of the circular of the Bank of Thailand relating to assessment of whether there has been a significant increase in credit risk are applied to assess whether a debtor is to move to Stage 2.
- Expected credit losses are determined based on the outstanding balance of the drawn down portion only.

- A newly calculated effective interest rate is applied to determine the present value of loans that have been restructured in accordance with guidelines to assist debtors specified in the circulars of the Bank of Thailand, if the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan. In addition, provided that the provision of assistance is in compliance with the circular of the Bank of Thailand No. BOT.RPD.(01)C. 380/2563, the Group recognises interest income on the basis of this new effective interest rate during the grace period, or in accordance with the Bank of Thailand's new guidelines if there are changes.
- Consideration is given to placing less weight on forward-looking information that is the result of the temporary crisis than on information reflecting ability of debt payment from historical experience, in cases where a general approach is used in determining expected credit losses.

3.4 Accounting Guidance on the Guidelines Regarding the Provision of Financial Assistance to Debtors Affected by COVID-19 that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions announced Accounting Guidance on the Guidelines Regarding the Provision of Financial Assistance to Debtors Affected by COVID-19. Its objectives are to provide temporary relief measures and an alternative for all entities providing assistance to debtors in accordance with the measures to assist debtors specified in the circular of the Bank of Thailand No. BOT.RPD2.C. 802/2564 "Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)" or any other measures announced by the Bank of Thailand. Such entities include credit card businesses, businesses providing loans secured against vehicle registrations without collateral, personal loan businesses under the supervision of the Bank of Thailand and certain entities not under the supervision of the Bank of Thailand, such as leasing, hire-purchase, motorcycle hire-purchase and factoring businesses.

The accounting guidance is effective for entities that provide assistance to debtors impacted by COVID-19 during the period from 1 January 2022 to 31 December 2023 or until the Bank of Thailand makes changes with which the entities are to comply. The guidance applies to the staging assessment and setting aside of provisions for qualified debtors, and covers all types of debtors, namely large debtors, small- and medium-sized debtors and retail debtors.

- a) In cases of debt restructuring for the purpose of reducing the debt burden of debtors that involve more than just extending the payment timeline, the applicable procedures are as follows:

- Loans that are not yet non-performing (Non-NPL) are classified as loans with no significant increase in credit risk (Performing or Stage 1) without compliance monitoring, provided that the payment terms and conditions are clearly stated in the debt restructuring agreement and the debtor is considered able to comply with the debt restructuring agreement.
 - Non-performing loans (NPL) are classified as performing loans or Stage 1 if the debtor is able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period.
 - Additional loans provided to a debtor for use as additional working capital or to increase liquidity to enable the debtor to continue its business operations during the debt restructuring are classified as performing loans or Stage 1 if the debtor is considered able to comply with the debt restructuring agreement.
 - Loans are classified as loans that there has been a significant increase in credit risk (Under-performing or Stage 2) when principal or interest payments are more than 30 days past due or 1 month past due.
 - A new effective interest rate is applied to determine the present value of loans that have been restructured if the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan.
- b) In cases of the debt restructuring involving only a payment timeline extension, the applicable procedures are as follows:
- The staging assessment and setting aside of provisions are performed in accordance with the relevant financial reporting standards.
 - The guidelines specified in the appendix of the circular of the Bank of Thailand No. BOT.RPD2.C. 802/2564 “Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)” relating to assessment of whether there has been a significant increase in credit risk are applied to assess whether a debtor is to move to under-performing stage or Stage 2.
- c) Expected credit losses are determined based on the outstanding balance of the drawn down portion only. No expected credit loss is calculated for unused credit lines.

- d) For retail debtors and SME debtors who are in the process of debt restructuring and unable to complete the process by 31 December 2021 in accordance with guidelines specified in the circular of the Bank of Thailand No. BOT.RPD2.C. 594/2564 "Guidelines regarding debt restructuring to assist debtors affected by COVID-19", classification of the debtors remains at the same stage as before restructuring until 31 March 2022 or until the Bank of Thailand makes changes with which the entities are to comply.

For debtors whose debt is restructured between 1 January 2021 and 31 December 2021, in accordance with the above clauses no. a) and b), the guidelines on staging assessment and provisioning under this accounting guidance apply from 1 January 2022 to 31 December 2023. However, for the year 2021 entities can still apply the Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy.

The management of the Group is currently evaluating the impact of these standard on the financial statement in the year when they are adopted.

3.5 Impact of discontinuing Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

During the year, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets, provisions and liabilities. As the temporary relief measures on accounting alternatives is no longer applicable for the period after 31 December 2020, the Group has no significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Revenue from sales of real estate

Revenue from sales of land, land and houses and residential condominium units is recognised at the point in time when control of the real estate is transferred to the customer, generally upon transfer of the legal ownership and receiving payment from customer. Revenue from sales of real estate is measured at the amount of the consideration received after deducting discounts and considerations payable to the customer. The terms of payment are in accordance with the payment schedule specified in the customer contract. Considerations

received before transferring control of the real estate to the customer are presented under the caption of “Advances received from customers” in the statement of financial position.

For sales of land and houses to foreigners, since there are restrictions on land ownership by foreigners, the Group makes legally enforceable agreements in the form of long-term lease contracts with customers with terms of 30 years and with options to renew the leases for a further 30 years or the maximum period permitted by law. The Group has no involvement with the management of or control over the land and houses sold, either directly or indirectly, and therefore record the revenues from such transactions as sales of properties in order to present the accounting transactions and events based on the substance and economic reality, not the legal form alone, in compliance with the principle of substance over form.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Revenue from hotel operations

Revenue from hotel operations mainly comprises room sales, food and beverage sales and revenue from other related services. Revenue is recognised at a point in time when services have been rendered. Sales are the invoiced value, excluding value added tax, of goods supplied and services rendered after deducting discounts.

Revenue from hire purchase and loan agreements

Interest income

The Group recognises interest income by using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The effective interest rate is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the effective interest rate.

The loans to customers which subsequently become credit - impaired, the Group recognise interest income using the effective interest rate method, calculated based on net book value of loans to customers (outstanding balance net of allowance for expected credit losses). In case, the allowance for expected credit losses may no longer exist, the interest income will be calculated from the net book value.

Revenue from financial guarantee

Revenue from financial guarantee is recognised on an accrual basis.

Fee and service income

Except fee included in the effective interest rate calculation, the Group recognises fee income on an accrual basis when the service has been provided or upon satisfaction of performance obligations.

Interest income

Interest income is recognised on an accrual basis and calculated using the effective interest method by applied the effective interest rate to the gross carrying amount of a financial asset, except the financial assets subsequently become credit-impaired, the effective interest rate would be applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

Cost of real estate sales

In determining the costs of land, land and houses sold and cost of residential condominium units sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses and residential condominium units on the basis of the saleable area.

Cost of real estate sales includes cost of other goods, such as furniture and fixtures, that are considered part of the house or residential condominium unit and transferred to a customer in accordance with the contract.

Selling expenses directly associated with projects, such as specific business tax and transfer fees, are recognised as expenses when the sale occurs.

4.2 Cash and cash equivalent

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods are valued at the lower of cost under the first-in, first-out or weighted average method and net realisable value.

Raw materials, finished goods and work in process are valued at the lower of cost under the first-in, first-out method and net realisable value and include all production costs and attributable factory overheads.

Chemicals, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.4 Real estate development costs

Real estate development costs are stated at the lower of cost and net realisable value. Cost consists of the cost of land, land improvement costs, design fees, utilities, construction costs, capitalised borrowing costs and other related expenses, as well as estimated project development costs.

The Group recognises losses on diminution in value of projects (if any) in profit or loss.

4.5 Cost to obtain a contract

The Group recognises a commission paid to obtain a customer contract as an asset and amortises it as expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of the consideration that the entity expects to receive less direct costs.

4.6 Investments in subsidiaries, joint ventures and associates

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

4.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 40 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.8 Land held for development

Land held for development is presented at the cost less the allowance for impairment of asset. It consists of cost of land, land improvement, public utilities cost, project development cost and borrowing cost which occurred during the developed period in the past.

4.9 Property, plant and equipment and depreciation

Land is stated at cost. Land improvement, building and building improvements, and equipment are stated at cost less accumulated depreciation and the allowance for impairment (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvement	5 - 20 years
Buildings and building improvements	5 - 30 years and 40 years
Machinery and equipment	5 - 20 years
Furniture, fixture and office equipment	3 - 10 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.10 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.11 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to the profit or loss.

A summary of intangible assets with finite useful lives is as follows:

Computer software	3 - 10 years
-------------------	--------------

4.12 Property foreclosed

Property foreclosed comprises of the property seized from overdue loan receivables. Property foreclosed is stated at the lower of cost (fair value at transfer for loan settlement date, providing this does not exceed the legally claimable amount of debt) or net realisable value, which is determined with reference to the market price/appraisal value less estimated selling expenses.

Gains or losses of sales of property foreclosed are recognised in profit or loss in the statement of other comprehensive income upon disposal. Loss on impairment (if any) is recognised as expense in profit or loss in the statement of comprehensive income.

4.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.14 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	3 - 28	years
Buildings	20	years
Motor vehicles	5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

Right-of-use assets which are classified as investment properties are presented as part of investment properties in the statement of financial position.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.15 Treasury stock

Treasury stock, which is the Company's ordinary shares purchased by its subsidiaries, is carried at cost and presented as a deduction item from the total shareholders' equity. Gains and losses on disposal of treasury stock are determined by reference to its carrying amount and are taken to "Premium on treasury stock" or deducted from "Retained earnings".

4.16 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by the Group, whether directly or indirectly, or which are under common control with the Group. They also include associates and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors and officers with authority in the planning and direction of the Group's operations.

4.17 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements of each entity are measured using the functional currency at that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.18 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using

a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.19 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employee and the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring - related costs.

4.20 Provisions

Provisions are recognised when the Group has 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.

4.21 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Corporate income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At the end of each reporting period, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.22 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), and fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held 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.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVOCI (debt instruments)

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset 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.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

The Group may elect to measure financial assets at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

The Group may elect to measure financial liabilities at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred

substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Allowance for expected credit losses of hire purchase and loan receivables

The Group recognises expected credit losses of hire purchase and loans receivables under the General Approach. The Group accounts for changes in credit risk of hire purchase receivables in 3 groups as follows:

Group 1: Hire purchase and loan receivables with no significant increase in credit risk (Performing). The financial assets with no significant increase in credit risk since initial recognition, the Group recognises expected credit losses at the amount equal to the expected credit losses in the next 12 months. The Group will use the probability of default which correspond with remaining terms for hire purchase and loan receivables with a remaining maturity of less than 12 months.

Group 2: Hire purchase and loan receivables with significant increase in credit risk (Under-Performing). The financial assets with significant increase in credit risk since initial recognition but not become credit - impaired, the Group recognises expected credit losses at the amount equal to the lifetime expected credit losses of hire purchase and loan receivables.

Group 3: Hire purchase and loan receivables with credit - impaired (Non - Performing). Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets. The Group recognises expected credit losses at the amount equal to the lifetime expected credit losses of hire purchase and loan receivables.

At every reporting date, the Group assesses whether the credit risk of hire purchase and loan receivables has increased significantly since the date of initial recognition by comparing the risk of contract default that is expected to occur throughout the expected life at the report date and credit risk at the date of initial recognition. The Group uses internal quantitative and qualitative factors, and forecasted information as a basis to evaluate decrease on credit quality of hire purchase and loan receivables such as:

- Overdue status, i.e. past due more than 30 days or 1 installment for loan receivable, past due more than 30 days for hire purchase receivable
- Monitoring period of debt repayment situations for debt restructuring agreements
- Receivables in the high-risk group and management give special caution

The Group assesses whether the credit risk has increased significantly from the date of initial recognition, an individual basis or a collective basis.

Hire purchase and loan receivables are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of hire purchase and loan contracts. Evidence that hire purchase and loan receivables are credit-impaired included overdue more than 90 days or having an indication of significant financial difficulty of the borrowers such as breach of contract, bankruptcy status, legal status, vehicle seizure status before overdue more than 90 days or credit - impaired debt restructuring.

Hire purchase and loan receivables with new terms and conditions because of significant financial difficulty of the borrowers, are considered financial assets with significant increase in credit risk or credit-impaired unless there is evidence to state that the risk of not receiving the contractual cash flows significantly decreased and no other indicators of impairment.

The Group considers their historical loss experience, adjusts with the current observable data and add on the reasonable and supportable forecasts of future economic conditions, including appropriate use of judgement, to estimate the amount of an expected credit losses. The Group determines both current and future economic scenario, and probability-weighted in each scenario (base scenario, best scenario and worst scenario) for calculating expected credit losses. The Group has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a yearly basis. Moreover, an Expected Credit Losses model includes the management overlay for the factors which are not captured by the model.

Increase (decrease) in an allowance for expected credit losses is recognised as expenses during the period in profit or loss in the statements of comprehensive income. The Group has a policy to write-off receivables when there is no realistic prospect of recovery.

Allowance for expected credit losses of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.23 Derivatives and hedge accounting

The Group uses derivatives, such as forward currency contracts and interest rate swap, to hedge its foreign currency risks and interest rate risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to a variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is calculated by the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in profit or loss.

Any adjustment to the carrying value of fair value hedges relating to items carried at amortised cost, is amortised through profit or loss over the remaining term of the hedge using the effective interest method. The amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

4.24 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that is appropriate in the circumstance and maximises the use of relevant observable input related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on category of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for expected credit losses of hire-purchase and loan receivables

The management is required to use judgement in estimation in determining the allowance for expected credit losses of hire-purchase receivables and loan receivables and accrued interest receivables. The calculation of allowance for expected credit losses of the Group is based on the criteria of assessing if there has been a significant increase in credit risk and net collateral value, the development of complex expected credit losses model with a series of underlying assumptions. The estimation has various relevant factors; therefore, the actual results may differ from estimates.

Allowance for assets held for sale

In determining an allowance for assets held for sale, the management needs to make judgement and estimates on expected loss from each unit of assets held for sale that based upon, analyses the fair value of assets expected to be sold, estimate from historical sales statistics, aging of outstanding unit of assets held for sale and current economic conditions.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Investment properties

In determining depreciation of investment properties, the management is required to make estimates of the useful lives and residual values of the investment properties and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review investment properties for impairment on a periodical basis and record impairment loss when it is determined that its recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment loss when it is determined that its recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Leases

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation. If management believes that no significant loss will result, no related provision are recorded as at the end of reporting period.

6. Related party transactions

In addition to nature of relationship between the Company and related companies except its associates as stated in Note 12, joint ventures as stated in Note 13 and its subsidiaries as stated in Note 14 which are summarised as follows:

Company's name	Relationship
Thanachart Capital Public Company Limited and its subsidiaries	A major group of shareholders of the Company which holds ordinary shares representing for a total of 21.63% (2020: 19.90%) and related by the way of common directors.

During the years, the Group had the significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and its subsidiaries and those related parties.

Transactions with related parties

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2021	2020	2021	2020	
Transactions with subsidiary companies					
(eliminated from the consolidated financial statements)					
Rental income	-	-	22	26	Market price
Management income	-	-	44	52	Contract price
Dividend income	-	-	1,155	1,258	As declared
Personnel expenses	-	-	64	104	115% of salary of hotel staff paid by a subsidiary for parent company
Hotel management fee	-	-	16	27	Contract price

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2021	2020	2021	2020	
Transactions with subsidiary companies (continued)					
Security expense	-	-	61	60	115% of the cost of security services paid by a subsidiary for parent company
Interest income	-	-	389	463	MOR (2020: MOR less a fixed percentage)
Interest expenses	-	-	432	373	MOR and fixed deposit of a local commercial bank plus a fixed percentage (2020: MOR less a fixed percentage and fixed deposit of a local commercial bank plus a fixed percentage)
Purchase of investment in subsidiary	-	-	-	905	Contract price
Transactions with associated companies					
Rental income	2	1	2	1	Market price
Shared service income	1	1	1	1	Market price
Project management and sales commission income	10	5	-	-	The same rates as the third parties
Interest income	3	3	3	3	MLR and MLR less a fixed rate
Advertising and public relations expense	11	-	11	-	Contract price
Transactions with related companies					
Rental income	145	172	48	72	Market price
Dividend income	400	400	390	390	As declared
Project management and sales commission income	43	47	-	-	The same rates as the third parties
Insurance expenses	1	1	-	1	The same rates as the third parties
Operating expense	34	27	-	-	Contract price

As at 31 December 2021 and 2020, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Million Baht)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2021	2020	2021	2020
Trade and other receivables	8				
Subsidiaries		-	-	92	64
Associated companies		1	-	1	1
Related companies		32	35	1	2
Total trade and other receivables		33	35	94	67
Short-term loans to related companies					
Subsidiaries		-	-	7,806	7,110
Associated companies		65	55	62	52
Total short-term loans to related companies		65	55	7,868	7,162

		(Unit: Million Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Note		2021	2020	2021	2020
	Dividend receivable				
	Subsidiaries	-	-	-	36
	Other non-current financial assets				
15	Associated companies	3	3	3	3
	Related companies	5,000	4,599	4,872	4,482
	Total other non-current financial assets	5,003	4,602	4,875	4,485
	Trade and other payables				
24	Subsidiaries	-	-	80	80
	Related companies	50	79	4	-
	Total trade and other payables	50	79	84	80
	Short-term loans from related companies				
	Subsidiaries	-	-	8,067	7,933
	Rental and service income received in advance deposits				
	Subsidiaries	-	-	254	277
	Deposits				
	Subsidiaries	-	-	3	4
	Related companies	48	60	21	23
	Total deposits	48	60	24	27
	Lease liabilities				
	Subsidiary	-	-	4	10

Short-term loans to related companies are unsecured loans that are due at call, consisting of Baht loans bearing interest at the MOR and MLR of a local commercial bank per annum, and MLR less a fixed percentage per annum.

Short-term loans from related companies represent short-term loans for working capital and repayable at call. The loans bearing interest at MOR of a local commercial bank per annum, and at fixed deposit rate of a local commercial bank plus a fixed percentage per annum.

Liabilities under finance lease agreements represent financial lease liabilities for the lease motor vehicles from a subsidiary for 72 monthly installments. Interest rates are 3.95 - 5.68% per annum (2020: 3.95 - 5.68% per annum).

The balances and movements on short-term loans to and short-term loans from related companies are as follows:

(Unit: Million Baht)

Consolidated financial statements			
Balance as at 31 December 2020	During the year		Balance as at 31 December 2021
	Addition	Settlement	
Short-term loans to related companies			
Paemala Spa Company Limited	3	-	3
Max Asset Management Company Limited	48	-	32
Lam Luk Ka Golf and Country Club Company Limited	-	30	30
TM Broker Company Limited	4	(4)	-
Total	55	(20)	65

(Unit: Million Baht)

Separate financial statements			
Balance as at 31 December 2020	During the year		Balance as at 31 December 2021
	Addition	Settlement	
Short-term loans to related companies			
T Leasing Company Limited	2,806	3,331	2,634
MBK Training Center Company Limited	3	10	8
MBK Real Estate Company Limited	433	134	269
MBK Hotels & Tourism Company Limited	14	15	28
MBK Contact Center Company Limited	47	5	52
MBK Smart Force Security Guard Company Limited	-	60	51
TM Broker Company Limited	4	-	-
Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	-	3	2
Max Asset Management Company Limited	48	-	32
Lam Luk Ka Golf and Country Club Company Limited	-	30	30
MBK Guarantee Company Limited	3,807	6,053	4,762
Total	7,162	(8,935)	7,868

(Unit: Million Baht)

	Separate financial statements			
	Balance as at			Balance as at
	31 December	During the year		31 December
	2020	Addition	Settlement	2021
Short-term loans from related companies				
Supsinnthanee Company Limited	446	26	(17)	455
MBK Hotels and Resorts Company Limited	979	158	(144)	993
MBK Premium Company Limited	161	19	(5)	175
MBK Asset Company Limited	109	8	(2)	115
MBK Business Company Limited	370	36	(394)	12
Glas Haus Ratchada Company Limited	180	19	(12)	187
Primacy Elegance Investments Limited	312	21	-	333
Lanta Land Development Company Limited	81	7	(28)	60
MBK Insurance Broker Company Limited	2	-	-	2
MBK Innovation Company Limited	2	-	(1)	1
Technology Gateway Company Limited (Formerly known as “MBK Service Solution Company Limited”)	148	23	(136)	35
MBK Square Company Limited	111	46	(80)	77
MBK Charan Company Limited	11	1	(1)	11
X-Gen Premium Company Limited	51	3	(1)	53
MBK Training Center Company Limited	-	9	(9)	-
MBK Shopping Center Company Limited	1,064	352	(425)	991
MBK Enterprise Company Limited	1,811	183	(74)	1,920
MBK Center Company Limited	3	4	(1)	6
MBK Foods System Company Limited	681	41	(1)	721
M G 1 Company Limited	36	2	(14)	24
MBK Properties Company Limited	330	16	-	346
Intelligent Creative & Marketing Company Limited (Formerly known as “Intel Data Company Limited”)	1	1	(2)	-
Apple Auto Auction (Thailand) Company Limited	482	138	(48)	572
Riverdale Golf and Country Club Company Limited	562	808	(392)	978
Total	7,933	1,921	(1,787)	8,067
Lease liabilities				
MBK Premium Company Limited	10	-	(6)	4

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses of its directors and management as below:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	82,533,876	75,072,066	58,385,670	54,796,381
Post-employment benefits	5,333,484	8,211,729	4,682,969	7,058,484
Total	87,867,360	83,283,795	63,068,639	61,854,865

7. Cash and cash equivalents

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash on hand	8,016,559	7,073,731	1,654,647	1,682,876
Cash at banks	4,440,788,116	3,834,587,728	3,572,036,734	3,237,158,472
Cash and cash equivalents	4,448,804,675	3,841,661,459	3,573,691,381	3,238,841,348

As at 31 December 2021, bank deposits in savings accounts and fixed deposits carried interests between 0.05 to 1.00 percent per annum (2020: between 0.05 to 1.20 percent per annum).

8. Trade and other receivables

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due				
Unbilled	26,580,999	28,152,104	-	-
Billed	5,736,740	2,518,815	14,082,260	63,113
Past due				
Overdue 1 - 30 days	393,683	678,740	2,314,143	2,221,328
Overdue more than 30 - 60 days	-	-	-	-
Overdue more than 60 - 90 days	8,000	20,000	-	-
Overdue more than 90 days	53,712	1,296,827	440,515	-
Total trade receivables - related parties	32,773,134	32,666,486	16,836,918	2,284,441

(Unit: Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due				
Unbilled	486,096,425	274,431,384	344,162,558	194,097,437
Billed	186,004,349	163,529,455	14,725,500	30,506,414
Past due				
Overdue 1 - 30 days	106,456,122	159,661,656	24,793,939	30,100,278
Overdue more than 30 - 60 days	15,422,491	35,986,703	8,568,876	18,116,483
Overdue more than 60 - 90 days	5,836,912	17,600,027	3,554,665	15,220,991
Overdue more than 90 days	28,264,020	53,367,665	18,521,603	26,600,993
Total	828,080,319	704,576,890	414,327,141	314,642,596
Less: Allowance for expected credit losses	(12,011,419)	(11,103,954)	(3,071,574)	(1,314,052)
Total trade receivables - unrelated parties, net	816,068,900	693,472,936	411,255,567	313,328,544
Total trade receivables - net	848,842,034	726,139,422	428,092,485	315,612,985
Other receivables - related parties				
Interest receivables	85,582	-	16,440,340	30,124,118
Prepaid expenses	41,639	4,872	-	-
Other receivables	-	2,084,603	60,522,213	33,925,264
Total other receivables - related parties	127,221	2,089,475	76,962,553	64,049,382
Other receivables - unrelated parties				
Advances	4,938,527	1,362,364	-	-
Interest receivables	6,354	7,967	-	-
Premium receivables	32,383,881	30,925,000	-	-
Prepaid expenses	22,968,870	35,254,722	14,716,250	19,170,521
Other receivables	117,075,582	118,724,802	506,045	602,238
Total other receivables - unrelated parties	177,373,214	186,274,855	15,222,295	19,772,759
Total other receivables	177,500,435	188,364,330	92,184,848	83,822,141
Total trade and other receivables - net	1,026,342,469	914,503,752	520,277,333	399,435,126

9. Loans to customers

The Group has finance business segment which operated in lending business with secured short-term and long-term loans. Details are as follows:

9.1 Classified by loans to customers type

	(Unit: Baht)	
	Consolidated financial statements	
	2021	2020
Loans	8,404,255,214	8,881,024,751
Interest receivable form loans	139,587,952	40,386,636
Installment receivables	6,066,666	6,066,666
Hire purchase receivables	8,513,529,072	9,094,730,715
Less: Deferred revenue	(1,619,631,369)	(1,714,352,910)
Total loans to customers	15,443,807,535	16,307,855,858
Less: Allowance for expected credit losses	(645,318,231)	(778,530,272)
Total	14,798,489,304	15,529,325,586
Less: Current portion of loans to customers	(5,053,524,119)	(4,218,991,079)
Loans to customers - net of current portion	9,744,965,185	11,310,334,507

Two subsidiaries of the Company has participated in an assistance program for affected debtors and adopted the Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations that Affect the Thai Economy issued by the Federation of Accounting Professions.

As at 31 December 2021, the subsidiaries have the proportion of debtors entering into such program and being classified by class as follows:

The loan debtors who entered into the program accounts of 33.6 percent of total loans. The subsidiary applied the same debt classification as before the adoption of the measures.

The hire purchase receivables who entered into the program accounts for 7.8 percent of the total hire purchase receivables. The subsidiary has negotiated with the debtors and analysed the debtor's financial status and business. The debtor who has a potential to comply with the debt restructuring agreement will be immediately classified to the performing stage (Stage 1).

9.2 Classified by loan to customers classes

As at 31 December 2021 and 2020, loans to customers and expected credit losses are classified by hierarchy as follows:

(Unit: Baht)

	Consolidated financial statements			
	Loans to customers - net of deferred revenue		Allowance for expected credit losses	
	2021	2020	2021	2020
Loans to customers with no significant increase in credit risk (Performing)	12,139,101,698	13,697,201,686	(208,800,541)	(215,507,566)
Loans to customers with significant increase in credit risk (Under - performing)	1,627,306,126	1,144,963,868	(158,441,102)	(170,977,333)
Loans to customers with credit - impaired (Non - performing)	1,677,399,711	1,465,690,304	(278,076,588)	(392,045,373)
Total	15,443,807,535	16,307,855,858	(645,318,231)	(778,530,272)

Movements of allowance expected credit losses for loans to customers are as follows:

(Unit: Baht)

	Consolidated financial statements			
	2021			
	12-month ECL (Group 1)	Lifetime ECL (Group 2)	Lifetime ECL (Group 3)	Total
Beginning balance	215,507,566	170,977,333	392,045,373	778,530,272
Add: Increase in allowance for expected credit losses (reversal)	(6,707,025)	(12,536,231)	578,965,595	559,722,339
Less: Bad debt written-off	-	-	(692,934,380)	(692,934,380)
Ending balance	208,800,541	158,441,102	278,076,588	645,318,231

(Unit: Baht)

	Consolidated financial statements			
	2020			
	12-month ECL (Group 1)	Lifetime ECL (Group 2)	Lifetime ECL (Group 3)	Total
Beginning balance	115,107,921	120,101,468	332,958,182	568,167,571
Add: Increase in allowance for expected credit losses	100,399,645	50,875,865	569,058,009	720,333,519
Less: Bad debt written-off	-	-	(509,970,818)	(509,970,818)
Ending balance	215,507,566	170,977,333	392,045,373	778,530,272

9.3 Loans and installment receivables

(Unit: Baht)

	Consolidated financial statements	
	2021	2020
Loans	8,404,255,214	8,881,024,751
Interest receivables from loans	139,587,952	40,386,636
Installment receivables	6,066,666	6,066,666
Total loans and installment receivables	8,549,909,832	8,927,478,053
Less: Allowance for expected credit losses	(155,628,066)	(99,587,646)
Total	8,394,281,766	8,827,890,407
Less: Current portion	(1,973,940,407)	(1,049,029,154)
Net of current portion	6,420,341,359	7,778,861,253

Short-term and long-term loans to persons and companies are secured by the pledged/mortgaged of borrower's assets specified in the loan agreements and carried interest at rates reference to rates of a commercial bank. Long-term loans are mature between 1 - 30 years. However, the value of collateral of most of the overdue loans over 3 months were higher than the outstanding balances.

As at 31 December 2021 and 2020, loans and installment receivables classified by aging from the maturity date and allowance for expected credit losses are as follows:

(Unit: Baht)

	Consolidated financial statements			
	Loans and installment receivables		Allowance for expected credit losses	
	2021	2020	2021	2020
Loans and installment receivables with no significant increase in credit risk (Performing)	6,066,971,777	7,384,482,954	(16,361,925)	(27,102,592)
Loans and installment receivables with significant increase in credit risk (Under - performing)	999,025,215	473,996,819	(1,828,807)	(1,294,873)
Loans and installment receivables with credit - impaired (Non - performing)	1,483,912,840	1,068,998,279	(137,437,334)	(71,190,181)
Total	8,549,909,832	8,927,478,052	(155,628,066)	(99,587,646)

Movements of allowance for expected credit losses for loans and installment receivables are as follows:

(Unit: Baht)				
Consolidated financial statements				
2021				
	12-month ECL (Group 1)	Lifetime ECL (Group 2)	Lifetime ECL (Group 3)	Total
Beginning balance	27,102,592	1,294,873	71,190,181	99,587,646
Add: Increase in allowance for expected credit losses (reversal)	(10,740,667)	533,934	66,247,153	56,040,420
Ending balance	16,361,925	1,828,807	137,437,334	155,628,066

(Unit: Baht)				
Consolidated financial statements				
2020				
	12-month ECL (Group 1)	Lifetime ECL (Group 2)	Lifetime ECL (Group 3)	Total
Beginning balance	39,595,242	5,650,094	50,789,165	96,034,501
Add: Increase in allowance for expected credit losses (reversal)	(12,492,650)	(4,355,221)	20,401,016	3,553,145
Ending balance	27,102,592	1,294,873	71,190,181	99,587,646

9.4 Hire purchase receivables

The average contract period of hire purchase receivables are 1 - 5 years with interest charged at the fixed rate as specified in the contracts. The remaining hire purchase receivables were classified by due date are as follows:

(Unit: Baht)				
Consolidated financial statements				
2021				
Amounts due under the agreements				
	Less than 1 year	1 - 5 years	Non-performing loans ⁽²⁾	Total
Gross investment in the agreements	4,784,145,187	3,484,033,570	245,350,315	8,513,529,072
Unearned financial income ⁽¹⁾	(1,408,358,179)	(159,409,746)	(51,863,444)	(1,619,631,369)
Present value of the minimum lease payments	3,375,787,008	3,324,623,824	193,486,871	6,893,897,703
Less: Allowance for expected credit losses				(489,690,165)
Hire purchase receivables - net				6,404,207,538
Less: Current portion of hire purchase receivables				(3,079,583,712)
Hire purchase receivables - portion due more than 1 year				3,324,623,826

(1) After deduction of commission and deferred initial direct costs of hire-purchase

(2) Non-performing loans are hire purchase receivables that are credit impaired

(Unit: Baht)

Consolidated financial statements				
2020				
Amounts due under the agreements				
	Less than 1 year	1 - 5 years	Non-performing loans ⁽²⁾	Total
Gross investment in the agreements	4,182,281,571	4,410,743,606	501,705,538	9,094,730,715
Unearned financial income ⁽¹⁾	(981,346,323)	(627,993,074)	(105,013,513)	(1,714,352,910)
Present value of the minimum lease payments	3,200,935,248	3,782,750,532	396,692,025	7,380,377,805
Less: Allowance for expected credit losses				(678,942,626)
Hire purchase receivables - net				6,701,435,179
Less: Current portion of hire purchase receivables				(3,169,961,925)
Hire purchase receivables - portion due more than 1 year				3,531,473,254

(1) After deduction of commission and deferred initial direct costs of hire-purchase

(2) Non-performing loans are hire purchase receivables that are credit impaired

As at 31 December 2021 and 2020, hire purchase receivables and allowance for expected credit losses were classified by aging from the maturity date as stated in the contract as follows:

(Unit: Baht)

Consolidated financial statements				
	Hire purchase receivable - net of unearned financial income		Allowance for expected credit losses	
	2021	2020	2021	2020
Hire purchase receivables with no significant increase in credit risk (Performing)	6,072,129,921	6,312,718,732	(192,438,616)	(188,404,974)
Hire purchase receivables with significant increase in credit risk (Under - performing)	628,280,911	670,967,049	(156,612,295)	(169,682,460)
Hire purchase receivables with credit - impaired (Non - performing)	193,486,871	396,692,025	(140,639,254)	(320,855,192)
Total	6,893,897,703	7,380,377,806	(489,690,165)	(678,942,626)

Movements of allowance for expected credit losses for hire purchase receivables are as follows:

(Unit: Baht)

	Consolidated financial statements			
	2021			
	12-month ECL (Group 1)	Lifetime ECL (Group 2)	Lifetime ECL (Group 3)	Total
Beginning balance	188,404,974	169,682,460	320,855,192	678,942,626
Add: Increase in allowance for expected credit losses (reversal)	4,033,642	(13,070,165)	512,718,442	503,681,919
Less: Bad debt written-off	-	-	(692,934,380)	(692,934,380)
Ending balance	192,438,616	156,612,295	140,639,254	489,690,165

(Unit: Baht)

	Consolidated financial statements			
	2020			
	12-month ECL (Group 1)	Lifetime ECL (Group 2)	Lifetime ECL (Group 3)	Total
Beginning balance	75,512,679	114,451,374	282,169,017	472,133,070
Add: Increase in allowance for expected credit losses	112,892,295	55,231,086	548,656,993	716,780,374
Less: Bad debt written-off	-	-	(509,970,818)	(509,970,818)
Ending balance	188,404,974	169,682,460	320,855,192	678,942,626

10. Inventories

(Unit: Baht)

	Consolidated financial statements					
	Cost		Decrease to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Property development for sale*	2,052,089,997	2,530,821,369	(6,950,193)	(6,950,193)	2,045,139,804	2,523,871,176
Finished goods	67,970,723	76,379,818	(611,803)	(613,433)	67,358,920	75,766,385
Raw materials	75,603,750	131,713,225	-	-	75,603,750	131,713,225
Supplies and equipment for operations	94,151,233	100,425,627	(43,341)	(2,968,577)	94,107,892	97,457,050
Food and beverage	14,856,316	11,525,320	-	-	14,856,316	11,525,320
Goods in transit	283,751	97,614	-	-	283,751	97,614
Total inventories	2,304,955,770	2,850,962,973	(7,605,337)	(10,532,203)	2,297,350,433	2,840,430,770

* Property development for sale mainly consist of land, land and house held for sales, condominium units and property development in progress.

(Unit: Baht)

	Separate financial statements					
	Cost		Decrease to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Supplies and equipment for operations	28,257,031	29,700,468	-	-	28,257,031	29,700,468
Food and beverage	2,048,728	2,786,862	-	-	2,048,728	2,786,862
Total inventories	30,305,759	32,487,330	-	-	30,305,759	32,487,330

During the current year, the Group reversed the write-down of cost of inventories by Baht 2.9 million (2020: recorded the write-down of cost of inventories by Baht 2.8 million), to reflect the net realisable value and recorded as cost of sales during the year.

During the current year, the Group capitalised borrowing costs of Baht 3.45 million (2020: Baht 31.89 million) as a part of cost of real estate development projects for sales. The capitalisation rate is 3.48 - 3.68 percent per annum (2020: 3.66 - 3.73 percent per annum).

As at 31 December 2021, two subsidiaries have pledged inventories of approximately Baht 140 million (2020: Baht 203 million) to secure a loan facility from a financial institution, as discussed in Note 23.

11. Other current assets

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deposit	5,891,156	6,969,635	2,994,779	3,178,523
Value added tax refundable	108,563,447	62,850,997	49,365,205	30,996,623
Advance paid for construction contracts	13,642,605	12,432,814	-	-
Property foreclosed	26,577,682	29,744,125	-	-
Others	11,066,121	13,999,635	4,101,393	4,331,301
Other current assets	165,741,011	125,997,206	56,461,377	38,506,447

12. Investments in associates

12.1 Details of associates

	Nature of business	Country of incorporation	Shareholding percentage both directly and indirectly owned	
			2021	2020
			%	%
Directly owned				
Siam Piwat Company Limited	Shopping center and property for lease	Thailand	48.71	48.66
Max Asset Management Company Limited	Asset management	Thailand	16.56	16.56
Puen Pob Patt Company Limited	Dormant	Thailand	36.29	36.29
Lam Luk Ka Golf and Country Club Company Limited	Golf course	Thailand	46.96	46.80
MBK Life Assurance Public Company Limited	Life insurance	Thailand	-	49.00
MT Service 2016 Company Limited	Back-office and business support	Thailand	-	49.00
TM Broker Company Limited	Agents and consultants for non-life and life insurance	Thailand	-	49.00
Indirectly owned				
Paemala Spa Company Limited	Property for lease	Thailand	25.00	25.00
DMS Property Investment Private Limited	Dormant	Republic of Maldives	35.00	35.00

12.2 Share of comprehensive income and dividend received

(Unit: Baht)

	Consolidated financial statements					
	Cost		Carrying amount based on equity method		Share of profits (losses) from investments in associates during the years	
	2021	2020	2021	2020	2021	2020
Siam Piwat Company Limited	3,890,864,157	3,886,239,957	4,737,696,043	5,074,873,540	(341,801,693)	(33,625,580)
Max Asset Management Company Limited	6,624,010	6,624,010	61,842,957	56,260,790	5,582,167	1,088,646
Paemala Spa Company Limited	1,250,000	1,250,000	-	-	-	-
Puen Pob Patt Company Limited	479,530	479,530	-	-	-	-
DMS Property Investment Private Limited	2,293,900	2,293,900	8,590,467	16,408,374	(182,560)	565,928
Lam Luk Ka Golf and Country Club Company Limited	314,082,197	312,990,164	299,474,659	319,152,434	(20,769,808)	(11,608,831)
MBK Life Assurance Public Company Limited	-	588,668,836	-	435,880,886	17,935,461	(183,054,871)
MT Service 2016 Company Limited	-	24,500,000	-	4,179,258	317,928	(1,468,748)
TM Broker Company Limited	-	9,800,000	-	11,764,532	3,728,708	1,283,105
Investments in associates	4,215,593,794	4,832,846,397	5,107,604,126	5,918,519,814	(335,189,797)	(226,820,351)

During the year, the subsidiary received dividend from the associated company by Baht 9.03 million (2020: Nil).

(Unit: Baht)

	Separate financial statements			
	Cost		Dividend received	
			for the years	
	2021	2020	2021	2020
Siam Piwat Company Limited	3,890,864,157	3,886,239,957	-	-
Max Asset Management Company Limited	6,624,010	6,624,010	-	-
Puen Pob Patt Company Limited	479,530	479,530	-	-
Lam Luk Ka Golf and Country Club Company Limited	314,082,197	312,990,164	-	-
MBK Life Assurance Public Company Limited	-	588,668,836	-	-
MT Service 2016 Company Limited	-	24,500,000	-	-
TM Broker Company Limited	-	9,800,000	-	-
Investments in associates	4,212,049,894	4,829,302,497	-	-
Less: Allowance for impairment of investments	(479,530)	(479,530)		
Investments in associates - net	4,211,570,364	4,828,822,967		

The movements on investments in associates during the years are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	Equity method		Cost method	
	2021	2020	2021	2020
Book value at beginning of year	5,918,519,814	6,477,626,472	4,828,822,967	4,679,590,366
Increase in investments in associates	5,716,233	149,232,601	5,716,233	149,232,601
Decrease in share capital of associate	-	(406,188,728)	-	-
Share of loss from investments in associates	(335,189,797)	(226,820,351)	-	-
Dividend received from associate	(9,031,195)	-	-	-
Disposal of investment in associates	(439,839,883)	-	(622,968,836)	-
Other changes in investments in associates	(32,571,046)	(75,330,180)	-	-
Book value at the ending of year	5,107,604,126	5,918,519,814	4,211,570,364	4,828,822,967

Investments in associate - Lam Luk Ka Golf and Country Club Company Limited

On 8 February 2021, the Company entered into share transfer agreement to acquire 242,674 ordinary shares of Lam Luk Ka Golf and Country Club Company Limited, which is associated company, from minority shareholders at Baht 4.50 per share, totaling Baht 1 million. The Company paid such share purchase on 29 March 2021 and registered with the Ministry of Commerce.

Investments in associates - MBK Life Assurance Public Company Limited, MT Service 2016 Company Limited and TM Broker Company Limited

On 3 August 2021, the Company had entered into the Shares Purchase Agreement with Thanachart Capital Public Company Limited to dispose investments in MBK Life Assurance Public Company Limited in share proportion of 49%, MT Service 2016 Company Limited in share proportion of 49% and TM Broker Company Limited in share proportion of 49%, totaling Baht 486.52 million in accordance with approval resolution of the Board of Directors' Meeting of the Company on 7 July 2021. The Company recognised gain on sale of the investments in profit or loss in the consolidated statement of comprehensive income totaling Baht 46.68 million and recognised loss on sale of investments in profit or loss in the separated statement of comprehensive income totaling Baht 136.45 million. In the second quarter of 2021, the Company recognised allowance for impairments of the investment amounting to Baht 120 million presented as a part of "Administrative expenses" in the separate financial statement. The Company reversed such allowance in the current year.

Investments in associate - Siam Piwat Company Limited

On 16 September 2021, the Company entered into share purchase agreement to acquire 13,212 ordinary shares of Siam Piwat Company Limited, which is associate company, from minority shareholder at Baht 350 per share, totaling Baht 4.6 million. The Company already paid such share purchase and registered with the Ministry of Commerce at the same day.

12.3 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)

	Siam Piwat Company Limited and its subsidiaries		Lam Luk Ka Golf and Country Club Company Limited		MBK Life Assurance Public Company Limited	
	2021	2020	2021	2020	2021	2020
Current assets	6,333	6,547	39	64	-	7,035
Non-current assets	45,768	43,483	1,315	1,318	-	29
Current liabilities	(6,416)	(3,842)	(38)	(22)	-	(140)
Non-current liabilities	(31,629)	(31,459)	(30)	(29)	-	(5,980)
Net assets	14,056	14,729	1,286	1,331	-	944
Shareholding percentage (%)	48.71	48.66	46.96	46.80	-	49.00
Share of net assets	6,847	7,167	604	623	-	463
Cost of business acquisition lower than net book value	(2,109)	(2,093)	(305)	(304)	-	(27)
Carrying amounts of associates based on equity method	4,738	5,074	299	319	-	436

Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December					
	Siam Piwat Company Limited and its subsidiaries		Lam Luk Ka Golf and Country Club Company Limited		MBK Life Assurance Public Company Limited	
	2021	2020	2021	2020	2021	2020
Revenue	6,827	7,293	48.27	85.31	-	492
Profit (loss) for the year	(543)	(213)	(44.26)	(24.99)	-	(383)
Other comprehensive income	-	-	-	-	-	(130)
Total comprehensive income	(543)	(213)	(44.26)	(24.99)	-	(513)

13. Investment in joint ventures

13.1 Detail of investment in joint ventures

Investment in joint ventures represents investment in entity which is jointly controlled by the subsidiary and other company. Detail of this investment is as follows:

Joint ventures	Nature of business	Country of incorporation	Shareholding percentage	
			2021	2020
			%	%
Directly owned				
TM Communication and Brand Management Company Limited	Provision services for publication, design, produce and install advertising media	Thailand	50.00	50.00
Indirectly owned				
Rehappy Plus Company Limited	Hospital (Ceased business in May 2020)	Thailand	50.00	50.00

13.2 Share of comprehensive income

During the year, the Group recognised its share of comprehensive income from investments in the joint ventures in the consolidated financial statements as follows:

(Unit: Baht)

Joint ventures	Consolidated financial statements					
	Cost		Carrying amounts based on equity method		Share of profit (losses) from investment in joint ventures for the years	
	2021	2020	2021	2020	2021	2020
TM Communication and Brand Management Company Limited	2,500,000	2,500,000	3,849,566	2,874,058	1,225,508	374,058
MBK Broker Company Limited*	-	-	-	-	-	(18,940)
Rehappy Plus Company Limited	2,500,000	2,500,000	429,970	471,373	(40,390)	(783,840)
Investment in joint ventures	5,000,000	5,000,000	4,279,536	3,345,431	1,185,118	(428,722)
Less: Allowance for impairment of investment	-	-				
Investment in joint ventures - net	5,000,000	5,000,000				

* Change from investment in joint venture to investment in subsidiary on 1 September 2020

(Unit: Baht)

Joint ventures	Separate financial statements			
	Cost		Dividend received	
	2021	2020	2021	2020
TM Communication and Brand Management Company Limited	2,500,000	2,500,000	250,000	-
Investment in joint ventures	2,500,000	2,500,000	250,000	-
Less: Allowance for impairment of investment	-	-		
Investment in joint ventures - net	2,500,000	2,500,000		

As at 31 December 2021 and 2020, financial information of the joint ventures is not significant to the Group.

14. Investments in subsidiaries

14.1 Detail of investments in subsidiaries

Investments in subsidiaries as at 31 December 2021 and 2020 comprise the following:

	Paid-up capital		Shareholding percentage	
	both directly and indirectly owned			
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	%	%
Listed company				
PRG Corporation Public Company Limited (Formerly known as "Patum Rice Mill and Granary Public Company Limited")	600,000	600,000	74.52	74.52
Non-listed companies				
Riverdale Golf and Country Club Company Limited	4,000,000	4,000,000	100.00	100.00
MBK Hotels and Resorts Company Limited	2,200,000	2,200,000	100.00	100.00
Glas Haus Ratchada Company Limited	270,875	270,875	100.00	100.00
MBK Business Company Limited	240,000	570,000	100.00	100.00
MBK Premium Company Limited	132,080	132,080	100.00	100.00
Supsinthanee Company Limited	505,325	505,325	100.00	100.00
MBK Asset Company Limited	75,000	75,000	100.00	100.00
Primacy Elegance Investments Limited	111	111	100.00	100.00
MBK Smart Force Security Guard Company Limited	1,000	1,000	99.97	99.97
MBK Center Company Limited	2,000	2,000	99.99	99.99
MBK Shopping Center Company Limited	1,000,000	1,000,000	100.00	100.00
MBK Square Company Limited	100,000	100,000	100.00	100.00

	Paid-up capital		Shareholding percentage both directly and indirectly owned	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	%	%
Non-listed companies (continued)				
MBK Hotels & Tourism Company Limited	130,000	130,000	100.00	100.00
T Leasing Company Limited	2,400,000	3,500,000	100.00	100.00
X-Gen Premium Company Limited	90,000	90,000	100.00	100.00
Lanta Land Development Company Limited	340,000	340,000	100.00	100.00
MBK Training Center Company Limited	3,000	3,000	99.99	99.99
MBK Insurance Broker Company Limited	2,000	2,000	99.99	99.99
MBK Innovation Company Limited	4,000	4,000	99.99	99.99
MBK Charan Company Limited	550,000	550,000	100.00	100.00
Technology Gateway Company Limited (Formerly known as "MBK Service Solution Company Limited")	37,500	150,000	100.00	100.00
MBK Real Estate Company Limited	1,000,000	1,000,000	100.00	100.00
MBK Enterprise Company Limited	2,454,000	3,000,000	100.00	100.00
MBK Contact Center Company Limited	5,000	5,000	99.99	99.99
MBK Online Company Limited	1,000	1,000	99.97	99.97
Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	5,000	5,000	99.99	99.99
MBK Food System Company Limited	720,000	720,000	99.99	99.99
Apple Auto Auction (Thailand) Company Limited	90,000	90,000	53.56	53.56
MBK Guarantee Company Limited	2,400,000	2,400,000	100.00	100.00
M G 1 Company Limited	550,000	550,000	100.00	100.00
MBK Properties Company Limited	355,000	355,000	100.00	100.00

The details of investments in subsidiaries are presented in separate financial statements, are as follows:

	Cost		Dividend received for the years ended	
	2021	2020	2021	2020
Listed company				
PRG Corporation Public Company Limited (formerly known as "Patum Rice Mill and Granary Public Company Limited")	422,235,195	422,235,195	178,852,400	268,278,600

	(Unit: Baht)			
	Cost		Dividend received for the years ended	
	2021	2020	2021	2020
Non-listed companies				
Riverdale Golf and Country Club Company Limited	3,999,992,100	3,999,992,100	182,999,634	337,499,325
MBK Hotels and Resorts Company Limited	2,200,000,000	2,200,000,000	33,000,000	374,000,000
Glas Haus Ratchada Company Limited	250,000,000	250,000,000	-	81,804,250
MBK Business Company Limited	240,000,000	570,000,000	-	55,825,000
MBK Premium Company Limited	132,079,830	132,079,830	-	32,500,000
Supsinthanee Company Limited	500,005,325	500,005,325	-	-
MBK Asset Company Limited	75,000,000	75,000,000	-	18,000,000
Primacy Elegance Investments Limited	110,900	110,900	-	-
MBK Smart Force Security Guard Company Limited	1,344,939	1,344,939	3,900,000	3,200,000
MBK Center Company Limited	2,000,000	2,000,000	-	3,300,000
MBK Shopping Center Company Limited	1,000,000,000	1,000,000,000	-	43,750,000
MBK Square Company Limited	100,000,000	100,000,000	-	6,200,000
MBK Hotels & Tourism Company Limited	130,000,000	130,000,000	-	-
T Leasing Company Limited	2,433,000,000	3,533,000,000	609,699,996	-
X-Gen Premium Company Limited	90,000,000	90,000,000	-	-
Lanta Land Development Company Limited	420,101,235	420,101,235	-	-
MBK Training Center Company Limited	3,000,000	3,000,000	-	1,950,000
MBK Insurance Broker Company Limited	2,000,000	2,000,000	-	-
MBK Innovation Company Limited	4,000,000	4,000,000	100,000	100,000
MBK Charan Company Limited	550,000,000	550,000,000	-	-
Technology Gateway Company Limited (Formerly known as "MBK Service Solution Company Limited")	37,500,000	150,000,000	-	10,875,000
MBK Real Estate Company Limited	1,000,000,000	1,000,000,000	-	-
MBK Enterprise Company Limited	2,910,887,775	2,920,800,000	-	-
MBK Contact Center Company Limited	5,000,000	5,000,000	-	-
MBK Online Company Limited	1,000,000	1,000,000	-	-
Intelligent Creative & Marketing Company Limited (Formerly known as "Intel Data Company Limited")	5,000,000	5,000,000	-	-
MBK Food System Company Limited	628,120,687	628,120,687	-	-
Apple Auto Auction (Thailand) Company Limited	52,717,647	52,717,647	26,027,837	20,244,000
MBK Guarantee Company Limited	2,504,800,000	2,504,800,000	120,000,000	-
M G 1 Company Limited	533,500,000	533,500,000	-	-
MBK Properties Company Limited	350,010,000	350,010,000	-	-
Investments in subsidiaries	20,583,405,633	22,135,817,858	1,154,579,867	1,257,526,175
Less: Allowance for impairment of investments	(12,904,707)	(14,708,029)		
Investments in subsidiaries - net	20,570,500,926	22,121,109,829		

The movements of investments in subsidiaries in the separate financial statements during the years are as follows:

	(Unit: Baht)	
	Separate financial statements	
	Cost method	
	2021	2020
Book value at beginning of year	22,121,109,829	22,235,327,549
Increase in investments in subsidiaries	-	1,254,810,000
Subsidiaries' capital reduction	(1,552,412,225)	(1,371,254,470)
Reversal impairment of investments	1,803,322	2,226,750
Book value at the end of year	20,570,500,926	22,121,109,829

On 19 November 2021, the Extraordinary General Meeting of shareholders No.1/2021 of PRG Corporation Public Company Limited (subsidiary) passed a resolution to approve the issuance and allotment of the warrant No.1 (PRG-W1) (at a ratio of 20 ordinary shares per 1 unit of warrant) free of charge to its existing shareholders totaling 29,990,554 units. Each unit of warrant is exercisable to purchase 1 ordinary share at Baht 5 each within 2 years, 11 months and 16 days, starting from 30 November 2021. The first warrant exercise was on 17 January 2022 and the warrants are exercisable on the 15th of each month throughout the warrant term.

The Company has exercised some of its warrants as described in Note 49 Events after the reporting period to the financial statements.

14.2 Details of investments in subsidiaries that have material non-controlling interests

Company's name	(Unit: Million Baht)							
	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the years		Dividend paid to non-controlling interests during the years	
	2021	2020	2021	2020	2021	2020	2021	2020
	(%)	(%)						
Listed company								
PRG Corporation Public Company Limited (formerly known as "Patum Rice Mill and Granary Public Company Limited") and its subsidiaries	25.48	25.48	13.50	81.99	(7.88)	2.16	(61.15)	(38.30)
Non-listed companies								
MBK Resort Public Company Limited and its subsidiaries	27.01	27.01	248.61	267.70	(19.09)	(14.76)	-	(6.57)
MBK Realty Company Limited	31.00	31.00	(4.20)	(6.51)	2.31	(3.64)	-	-
Apple Auto Auction (Thailand) Company Limited	46.44	46.44	272.83	210.19	85.21	58.92	(22.57)	(17.56)

14.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position

(Unit: Million Baht)

Company's name	PRG Corporation Public Company Limited (formerly known as "Patum Rice Mill and Granary Public Company Limited") and its subsidiaries		MBK Resort Public Company Limited and its subsidiaries		MBK Realty Company Limited		Apple Auto Auction (Thailand) Company Limited	
	2021	2020	2021	2020	2021	2020	2021	2020
Current assets	1,053.67	650.56	225.35	213.72	142.71	201.16	749.15	682.37
Non-current assets	7,398.79	6,901.10	1,001.91	1,077.41	73.75	74.39	119.96	78.96
Current liabilities	1,112.91	841.17	534.90	522.16	147.58	217.46	223.21	259.59
Non-current liabilities	1,176.80	1,085.67	35.13	46.04	2.00	1.74	58.41	49.14

Summarised information about comprehensive income

(Unit: Million Baht)

For the years ended 31 December								
Company's name	PRG Corporation Public Company Limited (formerly known as "Patum Rice Mill and Granary Public Company Limited") and its subsidiaries		MBK Resort Public Company Limited and its subsidiaries		MBK Realty Company Limited		Apple Auto Auction (Thailand) Company Limited	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenue	2,113.17	2,164.51	194.16	197.64	109.81	40.29	618.25	499.50
Profit (loss) for the year	416.30	402.98	(65.71)	(52.07)	10.52	(5.25)	183.49	126.86
Other comprehensive income	361.63	(3,426.22)	-	(1.58)	-	-	-	0.24
Total comprehensive income	777.93	(3,023.24)	(65.71)	(53.65)	10.52	(5.25)	183.49	127.10

Summarised information about cash flow

(Unit: Million Baht)

For the years ended 31 December								
Company's name	PRG Corporation Public Company Limited (formerly known as "Patum Rice Mill and Granary Public Company Limited") and its subsidiaries		MBK Resort Public Company Limited and its subsidiaries		MBK Realty Company Limited		Apple Auto Auction (Thailand) Company Limited	
	2021	2020	2021	2020	2021	2020	2021	2020
Cash flow from operating activities	125.39	115.21	24.25	(55.66)	80.43	(13.31)	185.66	145.94
Cash flow from investing activities	(94.83)	164.12	(5.98)	2.14	(0.04)	8.00	(103.82)	(122.00)
Cash flow from financing activities	(28.64)	(286.76)	(14.35)	51.81	(70.00)	(0.02)	(54.93)	-
Net increase (decrease) in cash and cash equivalents	1.92	(7.43)	3.92	(1.71)	10.39	(5.33)	26.91	23.94

15. Other non-current financial assets

Other non-current financial assets as at 31 December 2021 and 2020 comprise the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Derivative designated as hedging instruments				
Interest rate swap contract	41,682,853	73,228,568	41,682,853	73,228,568
Investments in debt securities at fair value through profit or loss				
Investment in related company	3,288,986	3,288,986	3,288,986	3,288,986
Investments in debt securities at fair value through comprehensive income				
Investments in debt securities	28,719,693	-	28,719,693	-
Less: Allowance for expected credit losses	(28,719,693)	-	(28,719,693)	-
Total	-	-	-	-

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Investments in equity securities designated at fair value through other comprehensive income				
Investments in related company	5,000,140,000	4,599,346,800	4,871,790,000	4,482,046,800
Investments in other companies	22,289,325	19,600,712	-	-
Investments in debt securities at amortised cost				
Investments in loans	18,728,208	12,460,266	18,728,208	12,460,266
Less: Allowance for expected credit losses	(18,728,208)	-	(18,728,208)	-
Total	-	12,460,266	-	12,460,266
Held-to-maturity investment	103,880	102,825	-	-
Total other non-current financial assets	5,067,505,044	4,708,028,157	4,916,761,839	4,571,024,620

Equity instruments designated at FVOCI include listed equity investment which the Group considers this investment to be strategic in nature.

As at 31 December 2021 and 2020, the Group has investment in related company, which recognised at fair value through other comprehensive income, with a total book value of Baht 1,825 million (the Company only Baht 1,669 million).

16. Investment properties

The net book values of investment properties as at 31 December 2021 and 2020 are presented below:

(Unit: Baht)

	Consolidated financial statements				
	Land awaiting for sales	Land and land improvement, building and building improvement, for rent	Building and right-of-use assets, for rent	Construction in progress	Total
As at 31 December 2021					
Cost	533,085,326	2,424,901,866	20,946,466,759	188,674,474	24,093,128,425
Less: Accumulated depreciation	-	(617,712,155)	(10,410,298,943)	-	(11,028,011,098)
Net book value	533,085,326	1,807,189,711	10,536,167,816	188,674,474	13,065,117,327
As at 31 December 2020					
Cost	525,714,112	2,128,948,824	20,752,741,164	205,276,336	23,612,680,436
Less: Accumulated depreciation	-	(569,975,006)	(9,128,623,617)	-	(9,698,598,623)
Net book value	525,714,112	1,558,973,818	11,624,117,547	205,276,336	13,914,081,813

(Unit: Baht)

	Separate financial statements				
	Land awaiting for sales	Land and land improvement, building and building improvement, for rent	Building and right-of-use assets, for rent	Construction in progress	Total
As at 31 December 2021					
Cost	476,000	-	15,616,877,611	143,989,923	15,761,343,534
Less: Accumulated depreciation	-	-	(6,280,588,161)	-	(6,280,588,161)
Net book value	476,000	-	9,336,289,450	143,989,923	9,480,755,373
As at 31 December 2020					
Cost	476,000	-	15,648,922,364	19,863,633	15,669,261,997
Less: Accumulated depreciation	-	-	(5,533,807,212)	-	(5,533,807,212)
Net book value	476,000	-	10,115,115,152	19,863,633	10,135,454,785

Reconciliations of net book values of investment properties for the years ended 31 December 2021 and 2020 are presented below:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at beginning of year	13,914,081,813	14,894,355,965	10,135,454,785	10,956,482,088
Acquisition of assets	528,144,778	252,400,057	215,039,315	50,140,438
Disposals - net book value	(47,780,535)	(46,852,574)	(14,875,487)	(671,445)
Reclassification	(96,374,228)	27,318,983	-	(17,746,724)
Depreciation for the year	(1,232,954,501)	(996,910,495)	(854,863,240)	(601,745,013)
Reversal of impairment loss	-	34,774,436	-	-
Discount on rental	-	(251,004,559)	-	(251,004,559)
Net book value at end of year	13,065,117,327	13,914,081,813	9,480,755,373	10,135,454,785

The fair values of the investment properties, including leasehold rights as at 31 December 2021 and 2020 are presented below:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Land awaiting for sales	965,805,383	965,805,383	1,450,000	1,450,000
Land and land improvement, building and building improvement, for rent	3,085,959,623	2,654,505,478	-	-
Building and right-of-use assets, for rent	16,267,266,619	17,544,912,399	14,809,633,160	15,899,381,315
Total	20,319,031,625	21,165,223,260	14,811,083,160	15,900,831,315

The fair values of the above investment properties have been determined based on valuation performed by an independent valuer in 2020. The fair value of the land awaiting for sales and building for rent have mainly been determined based on market approach, while that of the land and land improvement, building and building improvement and right-of-use assets, for rent, have been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in rental rates. The fair value of the land awaiting for sales and building for rent and new building for rent constructed in 2021 have been determined based on replacement cost approach and is presented in net book value amounting to Baht 431 million in consolidated financial statement.

17. Land held for development

Land held for development as at 31 December 2021 and 2020 comprises land of the following companies.

	Consolidated financial statements	
	2021	2020
Riverdale Golf and Country Club Company Limited	601,117,939	593,684,153
MBK Resort Public Company Limited	157,676,215	158,909,903
Plan Estate Company Limited	79,147,298	79,147,298
MBK Realty Company Limited	53,919,394	53,919,394
M G 6 Company Limited	242,191,032	242,191,032
MBK Charan Company Limited	538,762,261	538,567,920
MBK Enterprise Company Limited	124,274,390	-
Total land held for development	1,797,088,529	1,666,419,700

During the year 2021, the Group engaged an independent valuer to appraise the fair value of certain plots of land held for development, using the Market Comparison Approach as the basis of determining the valuation of assets. The fair values of land held for development appraised by the independent appraiser exceeded their net carrying amount.

18. Property, plant and equipment

Property, plant and equipment comprise the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value:				
Property, plant and equipment	4,475,289,831	4,664,615,089	431,941,925	522,277,568
Right-of-use assets (Note 28.1 a)	1,147,555,237	1,261,614,929	1,015,015,716	1,106,215,488
Total	5,622,845,068	5,926,230,018	1,446,957,641	1,628,493,056

Movements of property, plant and equipment for the years ended 31 December 2021 and 2020 are summarised below.

Cost	Consolidated financial statements						(Unit: Baht)
	Land and land improvement	Buildings and building improvements	Machinery and equipment	Furniture, fixture and office equipment	Motor vehicles	Construction in progress	Total
1 January 2020	3,560,329,391	3,732,181,619	1,128,226,474	2,151,765,213	106,969,065	147,236,463	10,826,708,225
Acquisitions	6,218,066	11,500,674	27,208,883	80,867,458	4,676,560	231,829,958	362,301,599
Disposals	(39,600)	(21,623,350)	(25,714,726)	(244,117,835)	(12,105,950)	(398,000)	(303,999,461)
Transfers	21,044,174	43,403,591	5,156,416	120,206,983	-	(189,811,164)	-
Reclassification	2,512,832	1,174,757	18,300,750	(1,546,625)	(103,886)	(8,579,807)	11,758,021
31 December 2020	3,590,064,863	3,766,637,291	1,153,177,797	2,107,175,194	99,435,789	180,277,450	10,896,768,384
Acquisitions	1,824,082	9,204,907	28,996,707	38,397,559	1,185,272	162,848,949	242,457,476
Disposals	(131,600)	(8,280,429)	(11,702,647)	(110,501,825)	(24,739,080)	-	(155,355,581)
Transfers	16,363,601	50,204,897	24,390,491	100,519,793	-	(191,478,782)	-
Reclassification	(8,568,910)	(6,113,800)	(3,429,890)	(714,410)	-	(15,785,987)	(34,612,997)
31 December 2021	3,599,552,036	3,811,652,866	1,191,432,458	2,134,876,311	75,881,981	135,861,630	10,949,257,282

	Consolidated financial statements						(Unit: Baht)
	Land and land improvement	Buildings and building improvements	Machinery and equipment	Furniture, fixture and office equipment	Motor vehicles	Construction in progress	Total
Accumulated depreciation							
1 January 2020	775,994,636	2,599,352,479	815,916,937	1,698,935,400	75,520,711	-	5,965,720,163
Depreciation for the year	44,895,432	122,752,018	92,588,142	132,384,140	12,709,079	-	405,328,811
Accumulated depreciation on disposals	(39,534)	(19,917,865)	(24,215,602)	(235,964,963)	(10,377,303)	-	(290,515,267)
Reclassification	251,834	13,958,981	223,799	(1,711,527)	60,318	-	12,783,405
31 December 2020	821,102,368	2,716,145,613	884,513,276	1,593,643,050	77,912,805	-	6,093,317,112
Depreciation for the year	29,810,306	132,193,559	91,086,069	134,529,801	11,358,083	-	398,977,818
Accumulated depreciation on disposals	-	(8,065,109)	(11,172,158)	(109,267,694)	(24,670,316)	-	(153,175,277)
Reclassification	(62,853)	(1,173,215)	(1,352,544)	(1,679,868)	-	-	(4,268,480)
31 December 2021	850,849,821	2,839,100,848	963,074,643	1,617,225,289	64,600,572	-	6,334,851,173

	Consolidated financial statements						(Unit: Baht)
	Land and land improvement	Buildings and building improvements	Machinery and equipment	Furniture, fixture and office equipment	Motor vehicles	Construction in progress	Total
Allowance for impairment of asset							
1 January 2020	13,090,469	104,904,247	15,145,557	8,047,280	-	398,000	141,585,553
Allowance for impairment during the year (reversal)	-	2,560,529	61,618	(4,973,517)	-	(398,000)	(2,749,370)
31 December 2020	13,090,469	107,464,776	15,207,175	3,073,763	-	-	138,836,183
Allowance for impairment during the year (reversal)	-	-	321,753	(41,658)	-	-	280,095
31 December 2021	13,090,469	107,464,776	15,528,928	3,032,105	-	-	139,116,278
Net book value							
31 December 2020	2,755,872,026	943,026,902	253,457,346	510,458,381	21,522,984	180,277,450	4,664,615,089
31 December 2021	2,735,611,746	865,087,242	212,828,887	514,618,917	11,281,409	135,861,630	4,475,289,831
Depreciation for the year							
2020 (Baht 311 million include in costs of sales and costs of service and rental, and the remaining balance included in selling and administrative expense)							405,328,811
2021 (Baht 328 million include in costs of sales and costs of service and rental, and the remaining balance included in selling and administrative expense)							398,977,818

Cost	Separate financial statements					(Unit: Baht)
	Building	Machinery and equipment	Furniture, fixture and office equipment	Motor vehicles	Construction in progress	Total
1 January 2020	1,042,731,187	437,244,491	1,265,431,734	1,874,426	10,073,633	2,757,355,471
Acquisitions	-	11,078,118	51,773,110	480,000	158,547,148	221,878,376
Disposals	-	(3,083,400)	(171,610,451)	-	-	(174,693,851)
Transfers	-	2,690,120	93,782,588	-	(96,472,708)	-
Reclassification	-	16,740,768	(680,073)	-	2,764,205	18,824,900
31 December 2020	1,042,731,187	464,670,097	1,238,696,908	2,354,426	74,912,278	2,823,364,896
Acquisitions	-	5,037,588	12,501,451	20,000	7,531,732	25,090,771
Disposals	-	(613,540)	(141,971,350)	-	-	(142,584,890)
Transfers	-	-	74,598,585	-	(74,598,585)	-
Reclassification	-	-	1,756,610	-	-	1,756,610
31 December 2021	1,042,731,187	469,094,145	1,185,582,204	2,374,426	7,845,425	2,707,627,387

	Separate financial statements					(Unit: Baht)
	Building	Machinery and equipment	Furniture, fixture and office equipment	Motor vehicles	Construction in progress	Total
Accumulated depreciation						
1 January 2020	1,042,731,184	298,384,259	1,019,979,832	1,515,425	-	2,362,610,700
Depreciation for the year	-	45,071,321	64,765,709	526	-	109,837,556
Accumulated depreciation - disposal	-	(2,925,075)	(168,989,190)	-	-	(171,914,265)
Reclassification	-	552,412	925	-	-	553,337
31 December 2020	1,042,731,184	341,082,917	915,757,276	1,515,951	-	2,301,087,328
Depreciation for the year	-	37,716,319	69,961,314	97,820	-	107,775,453
Accumulated depreciation - disposal	-	(574,617)	(132,624,184)	-	-	(133,198,801)
Reclassification	-	37,998	(16,516)	-	-	21,482
31 December 2021	1,042,731,184	378,262,617	853,077,890	1,613,771	-	2,275,685,462
Net book value						
31 December 2020	3	123,587,180	322,939,632	838,475	74,912,278	522,277,568
31 December 2021	3	90,831,528	332,504,314	760,655	7,845,425	431,941,925
Depreciation for the year						
2020 (Baht 83 million included in costs of service and rental, and the remaining balance included in administrative expense)						109,837,556
2021 (Baht 85 million included in costs of service and rental, and the remaining balance included in administrative expense)						107,775,453

As at 31 December 2021, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 4,298 million (2020: Baht 3,854 million) (the Company only: Baht 2,009 million, 2020: Baht 1,974 million).

19. Goodwill

Goodwill as at 31 December 2021 and 2020 comprise goodwill on business combination in the following associate and subsidiary:

	(Unit: Baht)	
	Consolidated financial statements	
	2021	2020
Siam Piwat Company Limited	64,579,128	64,579,128
Crystal Lake Properties Company Limited	7,214,050	7,214,050
Total	71,793,178	71,793,178

Goodwill represents the excess of the cost of investment over the fair value of assets acquired and liabilities assumed at acquisition date. The Group has tested for impairment annually or when circumstances indicate that the carrying value may be impaired.

20. Intangible assets

Net book value of intangible assets which are computer software as at 31 December 2021 and 2020 are as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cost	387,821,941	348,900,715	284,760,667	253,314,130
Less: Accumulated amortisation	(243,015,588)	(216,284,850)	(168,144,276)	(147,909,188)
Less: Allowance for impairment	(249,137)	(41,352)	-	-
Net book value	144,557,216	132,574,513	116,616,391	105,404,942

Reconciliations of the net book values of intangible assets for the years ended 31 December 2021 and 2020 is presented below:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at beginning of year	132,574,513	96,841,390	105,404,942	72,817,391
Acquisitions of computer software	41,811,605	61,912,210	33,203,147	57,842,884
Reclassification	(851,966)	5,980,856	(1,735,128)	(524,838)
Amortisation	(28,700,366)	(32,108,829)	(20,256,570)	(24,730,495)
Write-off - net book value	(68,785)	(104,771)	-	-
Impairment during the year (reversal)	(207,785)	53,657	-	-
Net book value at end of year	144,557,216	132,574,513	116,616,391	105,404,942

21. Property foreclosed

(Unit: Baht)

	Consolidated financial statements		
	Land	Buildings	Total
Cost			
As at 1 January 2020	43,140,558	67,595,706	110,736,264
Increase	75,174,433	163,963,843	239,138,276
Disposal	(23,977,164)	(35,000,123)	(58,977,287)
As at 31 December 2020	94,337,827	196,559,426	290,897,253
Increase	85,773,291	105,353,235	191,126,526
Disposal	(80,353,249)	(7,959,853)	(88,313,102)
As at 31 December 2021	99,757,869	293,952,808	393,710,677
Allowance for impairment			
As at 1 January 2020	5,700,000	8,698,890	14,398,890
Disposal	(5,700,000)	(4,911,313)	(10,611,313)
As at 31 December 2020	-	3,787,577	3,787,577
Increase	-	371,215	371,215
As at 31 December 2021	-	4,158,792	4,158,792
Net book value			
As at 31 December 2020	94,337,827	192,771,849	287,109,676
As at 31 December 2021	99,757,869	289,794,016	389,551,885

22. Other non-current assets

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deposit	15,623,513	14,595,036	-	-
Withholding tax deducted at source	205,748,443	174,438,339	52,289,748	30,303,381
Value added tax refundable	174,712,381	230,560,675	-	-
Others	6,295,550	74,896	460,579	74,896
Other non-current assets	402,379,887	419,668,946	52,750,327	30,378,277

23. Bank overdrafts and short-term loans from financial institutions

(Unit: Baht)

	Interest rate per annum		Consolidated financial statements	
	2021	2020	2021	2020
Bank overdrafts	5.85	5.85	-	3,111
Short-term loans from financial institutions	1.22 - 2.00	1.08 - 1.19	990,000,000	768,000,000
Bank overdrafts and short-term loans from financial institutions			<u>990,000,000</u>	<u>768,003,111</u>

The subsidiary's short-term loans are in form of promissory notes. Bank overdrafts and short-term loans from financial institutions of a subsidiary are secured by the pledge of some inventories of two subsidiaries and treasury stock held by a subsidiary as described in Notes 10 and 33, respectively.

24. Trade and other payables

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade payables - related parties	49,863,030	79,018,405	45,065,925	27,611,068
Trade payables - unrelated parties	280,595,302	263,606,797	14,660,021	3,873,961
Accrued interest expenses - related parties	-	-	34,917,682	41,563,202
Accrued interest expenses - unrelated parties	167,209,380	173,583,768	163,834,899	171,759,069
Other payables - related parties	-	10,000	4,259,006	11,164,233
Other payables - unrelated parties	143,729,843	154,186,568	48,483,390	50,439,694
Retention payables	92,178,558	91,415,794	30,417,383	27,980,241
Accrued expenses	282,823,301	303,667,247	46,506,029	57,637,686
Total trade and other payables	<u>1,016,399,414</u>	<u>1,065,488,579</u>	<u>388,144,335</u>	<u>392,029,154</u>

25. Long term loans from financial institutions

(Unit: Baht)

Loan	Credit facilities (Million Baht)	Interest rate (% p.a.)	Repayment schedule	Consolidated financial statements	
				2021	2020
1	500	MLR - 2.00	Annually installments of principal and monthly payment of interest, with principal payments Installment 1 - 3 at rate 10% of principal which have been drawdown Installment 4 for the rest of principal The first payment in 1 year after the first drawdown date and mature within 3 years and 6 months from the contract date (final installment within 2023)	450,000,000	500,000,000
2	700	MLR - 2.05	Monthly installments of principal and monthly payment of interest, with principal payments of Baht 19.44 million per month. The first payment in 1 month after the first drawdown date and mature within 3 years (final installment within 2024)	497,222,223	86,111,111
3	2,000	MLR - 2.00	Quarterly installments of principal and monthly payment of interest, with principal payments Installment 1 - 11 of Baht 50 million Installment 12 of Baht 1,450 million The first payment in the last day of the first drawdown month and mature within 3 years (final installment within 2023)	600,000,000	1,800,000,000
4	500	MLR - 2.30	Monthly installments of principal and monthly payment of interest, with principal payments of Baht 14 million per month The first payment in 1 month after the first drawdown date and mature within 3 years (final installment within 2024)	443,132,000	-
5	500	MLR - 2.135	Monthly installments of principal and monthly payment of interest, with principal payments of Baht 6.94 million per month. The first payment in the last day of the first drawdown month and mature within 3 years (final installment within 2024)	250,000,000	-
Total				2,240,354,223	2,386,111,111
Less: Current portion				(734,667,334)	(283,333,333)
Long-term loans - net of current portion				1,505,686,889	2,102,777,778

Movements in the long-term loans from financial institutions during the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2021	2020
Balance as at beginning of year	2,386,111	200,000
Addition	1,350,000	2,400,000
Repayment	(1,495,757)	(213,889)
Balance as at end of year	2,240,354	2,386,111

The loans are secured by the Company. The Company is required to maintain direct and indirect shareholding proportion in the subsidiaries as specified in the agreements. And under the terms and conditions of loans, the subsidiaries have to comply with certain restrictions, such as maintaining debt to equity at certain ratio.

26. Other current liabilities

Other current liabilities as at 31 December 2021 and 2020 comprise the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred income	58,764,878	42,827,795	-	-
Deposit - property development project	292,114,907	242,659,034	-	-
Deposit	39,418,802	22,054,010	10,885,947	7,206,335
Unearned property tax	195,514,431	198,038,391	87,345,371	87,476,700
Unearned output tax	24,014,959	27,499,629	4,961,844	6,521,712
Unearned interest	101,546,217	150,386,777	-	-
Accrued dividend	2,043,940	2,120,772	1,827,300	1,839,931
Others	71,173,040	57,728,741	8,998,186	8,674,192
Total other current liabilities	784,591,174	743,315,149	114,018,648	111,718,870

27. Long-term debentures

(Unit: Baht)

Type of debentures	Interest rate (per annum)	Period	Due date	Consolidated/Separate financial statements	
				2021	2020
Unsubordinated and unsecured debentures					
- 1/2012	4.93%	10 years	24 July 2022	220,000,000	500,000,000
- 2/2012	4.70%	10 years	7 September 2022	194,000,000	400,000,000
- 3/2012	4.72%	10 years	20 September 2022	630,000,000	1,000,000,000
- 4/2012	5.10%	15 years	7 November 2027	1,500,000,000	1,500,000,000
- 1/2016	3.125%	7 years and 19 days	17 March 2023	1,000,000,000	1,000,000,000
- 2/2016	3.57%	10 years	26 February 2026	1,000,000,000	1,000,000,000
- 1/2017	3.78%	10 years	20 July 2027	1,000,000,000	1,000,000,000
- 1/2018	3.50%	10 years	25 April 2028	1,000,000,000	1,000,000,000
- 2/2018	3.90%	15 years	25 May 2033	-	1,000,000,000
- 1/2019	3.875%	10 years	24 May 2029	1,500,000,000	1,500,000,000
- 2/2019	3.24%	10 years	15 August 2029	2,000,000,000	2,000,000,000
- 1/2020	2.94%	9 years	6 January 2029	3,000,000,000	3,000,000,000
- 2/2020	2.80%	10 years	26 March 2030	500,000,000	500,000,000
- 3/2020	1.96%	3 years and 2 days	11 April 2023	300,000,000	300,000,000
- 1/2021	1.91%	3 years	20 July 2024	1,000,000,000	-
Total				14,844,000,000	15,700,000,000
Less: Debenture issuance fee				(9,018,714)	(10,965,662)
Add: Recognised fair value of debentures (only the interest portion applying hedge accounting)				41,682,853	73,228,568
Long-term debentures - net				14,876,664,139	15,762,262,906
Less: Current portion				(1,043,390,757)	-
Long-term debentures - net of current portion				13,833,273,382	15,762,262,906

Movement of the long-term debentures for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements	
	2021	2020
Net book value as at beginning of year	15,762,263	15,962,479
Issue during the period	1,000,000	3,800,000
Recognition of fair value of the interest portion applying hedge accounting	(31,546)	691
Call during the period	(1,856,000)	(4,000,000)
Addition of underwriting fee on debenture issued	-	(4,027)
Amortisation of underwriting fee	1,947	3,120
Net book value as at end of year	14,876,664	15,762,263

The Company entered into interest rate swap agreement with financial institution on part of interest of debentures No.4/2012. This is to hedge the fair value of part of interest portion of debentures, which the Group elected to apply hedge accounting for this transaction as described in Note 46.1.

The Company's debentures are name-registered, unsubordinated, unsecured with no holders representative. Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios.

On 4 November 2021, the Company has been approved by debenture holders to waive the certain financial covenant conditions testing of the debenture for 3 years from 2021 to 2023.

On 6 October 2021, the Board of Directors Meeting No. 10/2021 of the Company passed a resolution to approve a partial redemption of the debentures No.1/2012, No.2/2012 and No.3/2012 totaling Baht 856 million. During the third quarter of the current year, the Company redeemed Baht 891 million of such debentures and recognised the difference between the offering price and the redemption price as administrative expense in the statement of comprehensive income.

On 3 November 2021, the Board of Directors Meeting No.11/2021 of the Company passed a resolution to approve a full redemption of the debentures No. 2/2018 of Baht 1,000 million. During the fourth quarter of the current year, the Company redeemed Baht 1,018 million of such debentures and recognised the difference between the offering price and the redemption price as administrative expense in the statement of comprehensive income.

28. Leases

28.1 The Group as a lessee

The Group has lease contracts for various items of used in its operations. Leases generally have lease terms between 3 - 28 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below.

(Unit: Baht)

	Consolidated financial statements			
	Land	Buildings	Motor vehicles	Total
1 January 2020	926,862,409	437,639,006	3,008,803	1,367,510,218
Additions	14,834,447	13,591,632	8,159,521	36,585,600
Depreciation for the year	(83,853,788)	(23,746,906)	(1,524,125)	(109,124,819)
Discount on rental	(19,654,160)	(13,701,910)	-	(33,356,070)
31 December 2020	838,188,908	413,781,822	9,644,199	1,261,614,929
Additions	18,911,002	471,760	2,952,688	22,335,450
Reclassification	3,069,885	-	-	3,069,885
Depreciation for the year	(101,926,087)	(35,544,090)	(1,994,850)	(139,465,027)
31 December 2021	758,243,708	378,709,492	10,602,037	1,147,555,237

(Unit: Baht)

	Separate financial statements			
	Land	Buildings	Motor vehicles	Total
1 January 2020	744,486,613	437,639,006	12,830,718	1,194,956,337
Additions	-	-	7,068,992	7,068,992
Disposals	-	-	(421,778)	(421,778)
Depreciation for the year	(36,182,332)	(19,182,674)	(6,666,987)	(62,031,993)
Discount on rental	(19,654,160)	(13,701,910)	-	(33,356,070)
31 December 2020	688,650,121	404,754,422	12,810,945	1,106,215,488
Additions	-	-	2,952,688	2,952,688
Disposal	-	-	(11)	(11)
Depreciation for the year	(54,457,938)	(32,884,584)	(6,809,927)	(94,152,449)
31 December 2021	634,192,183	371,869,838	8,953,695	1,015,015,716

The movements of right-of-use assets exclude the right-of-use assets which are classified as investment properties as described in Note 16.

b) Lease liabilities

The agreement granting the right to utilise the shopping center at the Pathumwan intersection

On 21 April 1983, the Company entered into agreements with Chulalongkorn University (“the University”) to lease and develop land at the Pathumwan intersection for a period of 30 years, expiring on 21 April 2013. At the end of the agreements, the Company agreed to transfer all rights in property development constructed on the land under the lease agreements to the University.

On 16 October 2007, the Company and the University signed lease agreements granting the right to utilise the shopping center at Pathumwan intersection for a period of 20 years (from 22 April 2013 to 21 April 2033), under which the Company is required to pay annual rental as stipulated in the lease agreements. In addition, the Company paid Baht 2,519 million for the first right of refusal to enter into agreements with the University, and on 15 July 2009, the Company paid Baht 279 million for the registration of leasehold rights - land and building with the Department of Lands. These prepaid amounts of Baht 2,798 million are recorded as cost of land and building rental as at the effective date of the lease agreement.

Under the terms and conditions of the lease agreements, the Company has to comply with certain conditions and restrictions relating to matters such as renovation of the building and related infrastructure under a budget and within a timeframe set forth in the lease agreement, the arrangement of insurance coverage for the assets, the repair and maintenance of the assets in good condition, and the pledge of a bank guarantee of Baht 112 million in respect of certain performance bonds. In addition, if the total revenue of the Company every 5 years is higher than the estimated revenue as defined in the lease agreement, the Company is required to pay revenue sharing at the rate 5% of the excess estimated revenue within 90 days after the end of the accounting period of every fifth year.

(Unit: Baht)

	Consolidated/Separate financial statements	
	2021	2020
Liabilities under finance lease agreements	15,404,338,000	16,457,512,000
Less: Deferred interest expenses	(4,054,786,034)	(4,672,078,035)
Total	11,349,551,966	11,785,433,965
Less: Current portion	(606,092,507)	(608,175,839)
Liabilities under finance lease agreements - net of current portion	10,743,459,459	11,177,258,126

Other lease liabilities

The Group has entered into the lease agreements for rental of land and motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 and 28 years.

Other lease liabilities as at 31 December 2021 and 2020 comprise the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Liabilities under lease agreements	485,624,930	544,212,020	11,745,627	14,674,443
Less: Deferred interest expenses	(150,717,468)	(167,170,365)	(928,710)	(1,121,101)
Total	334,907,462	377,041,655	10,816,917	13,553,342
Less: Current portion	(28,557,875)	(57,350,394)	(3,605,957)	(5,607,115)
Liabilities under lease agreements - net of current portion	306,349,587	319,691,261	7,210,960	7,946,227

A maturity analysis of lease payments is disclosed in Note 46.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Depreciation of right-of-use assets	1,307,268	938,297	949,016	851,630
Interest expense on lease liabilities	635,507	420,825	617,857	402,662
Expense relating to short-term leases	6,200	9,132	11	11
Expense relating to leases of low-value assets	3,255	3,918	50	37

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 852 million (2020: Baht 798 million) (the Company only: Baht 767 million, 2020: Baht 742 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 22 million (2020: Baht 37 million) (the Company only: Baht 3 million, 2020: Baht 7 million).

28.2 Group as a lessor

The Group has entered into operating leases for its investment property consisting of land, building and space in the building (see Note 16). The lease terms are between 1 and 13 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2021 and 2020 as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Within 1 year	1,243,488	1,489,650	307,237	876,662
Over 1 and up to 5 years	838,867	1,380,764	351,939	697,069
Over 5 years	124,537	283,231	250,036	308,899
Total	2,206,892	3,153,645	909,212	1,882,630

During 2021, the Group has sub-lease income amounting to Baht 1,505 million (2020: Baht 2,383 million) (the Company only: Baht 835 million, 2020: Baht 1,521 million).

29. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensations payable to employees after they retire, was as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Provision for long-term employee benefits at beginning of year	324,276,674	314,339,989	119,205,808	130,233,791
Included in profit or loss:				
Current service cost	24,129,795	29,677,974	6,295,607	7,535,417
Interest cost	2,123,149	7,178,315	1,006,278	2,707,433
Past service cost from curtailment	(10,290,060)	(3,392,557)	-	-
Included in other comprehensive income:				
Actuarial (gains) losses arising from				
Financial assumptions changes	-	(19,095,795)	-	(19,008,677)
Experience adjustments	-	6,359,529	-	2,192,978
Transfer employee	-	-	(21,457,068)	-
Benefits paid during the year	(15,550,931)	(10,790,781)	(5,095,067)	(4,455,134)
Provision for long-term employee benefits at end of year	324,688,627	324,276,674	99,955,558	119,205,808

The Group expects to pay Baht 16.35 million of long-term employee benefits during the next year (the Company only: Baht 10.77 million) (2020: Baht 18.71 million, the Company only: Baht 4.62 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 13 years (the Company only: 13 years) (2020: 14 years, the Company only: 14 years).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	0.40 - 2.99	0.41 - 2.99	0.45 - 2.99	0.45 - 2.99
Future salary increase rate	4.5 - 5.5	4.5 - 5.5	5.5	5.5
Staff turnover rate				
(depending on employee's age)				
Age of employee				
Age < 30 years:	20 - 40	20 - 40	25	25
30 ≤ Age < 40 years:	10 - 20	10 - 20	17	17
40 ≤ Age < 55 years:	5 - 10	5 - 10	8	8
Age > 55 years:	-	-	-	-

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	Consolidated financial statements			
	31 December 2021			
	Sensitivity analysis	Employee benefit	Sensitivity analysis	Employee benefit
	increase	increase (decrease)	decrease	increase (decrease)
	(% per annum)	(Unit: Million Baht)	(% per annum)	(Unit: Million Baht)
Discount rate	1	(26.19)	1	29.58
Salary increase rate	1	31.94	1	(28.00)
Staff turnover rate	20	(29.46)	20	36.99

Consolidated financial statements				
31 December 2020				
	Sensitivity analysis increase	Employee benefit increase (decrease)	Sensitivity analysis decrease	Employee benefit increase (decrease)
	(% per annum)	(Unit: Million Baht)	(% per annum)	(Unit: Million Baht)
Discount rate	1	(25.49)	1	28.57
Salary increase rate	1	28.30	1	(24.89)
Staff turnover rate	20	(25.92)	20	32.34
Separate financial statements				
31 December 2021				
	Sensitivity analysis increase	Employee benefit increase (decrease)	Sensitivity analysis decrease	Employee benefit increase (decrease)
	(% per annum)	(Unit: Million Baht)	(% per annum)	(Unit: Million Baht)
Discount rate	1	(4.55)	1	5.20
Salary increase rate	1	5.51	1	(4.82)
Staff turnover rate	20	(5.40)	20	6.86
Separate financial statements				
31 December 2020				
	Sensitivity analysis increase	Employee benefit increase (decrease)	Sensitivity analysis decrease	Employee benefit increase (decrease)
	(% per annum)	(Unit: Million Baht)	(% per annum)	(Unit: Million Baht)
Discount rate	1	(5.96)	1	6.72
Salary increase rate	1	6.59	1	(5.80)
Staff turnover rate	20	(6.25)	20	7.87

30. Other non-current liabilities

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Refundable employee security	1,384,320	2,689,640	1,384,320	2,689,640
Retention payable	28,675,736	-	-	-
Others	15,196,522	22,569,569	106,487	-
Other non-current liabilities	45,256,578	25,259,209	1,490,807	2,689,640

31. Share capital

On 13 May 2021, the Annual General Meeting of the Company's shareholders 2021 passed a resolution to approve on the significant matters as follows:

1. Approved the decrease in the registered capital of the Company by cancelling the ordinary shares of capital increase under the General Mandate in the amount of 500 million shares. As a result, the registered share capital decreased from Baht 2,263 million to Baht 1,763 million because there was no allocation. The Company registered capital decrease with the Ministry of Commerce on 31 May 2021.
2. Approved the increase in the registered capital of the Company to reserve for the exercise of the Company's warrants to purchase ordinary shares and to increase capital under the General Mandate in amount of 70 million shares and 500 million shares, respectively, at par value of Baht 1 each. As a result, the registered share capital increased from Baht 1,763 million to Baht 2,333 million. The Company registered capital increase with the Ministry of Commerce on 1 June 2021.

On 19 November 2021, the Extraordinary Meeting of Shareholders No.1/2021 passed a resolution to approve on the significant matters as follows:

1. To consider approval the decrease in the registered capital of the Company by cancelling the ordinary shares of capital increase under the General Mandate in the amount of 500 million shares. As a result, the registered share capital decreased from Baht 2,333 million to Baht 1,833 million because there was no allocation.
2. To consider approval the increase in the registered capital of the Company to reserve for the exercise of the Company's warrants to purchase ordinary shares No. 3 (MBK-W3) and the right adjustment of MBK-W1 and MBK-W2 in the amount not exceeding 72,798,815 shares at par of Baht 1 each. As a result, the registered capital increased from Baht 1,833 million to Baht 1,906 million.
3. To consider approval the increase in the registered capital of the Company under the General Mandate from Baht 1,906 million to Baht 2,406 million by issuing 500 million new ordinary shares at a par of Baht 1 each to reserve for a future financial plan.

32. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

During the year 2020, the Company has set aside statutory reserve at Baht 26 million (2021: Nil).

33. Treasury stock

	(Unit: Baht)	
	Consolidated financial statements	
	2021	2020
Treasury stocks held by subsidiaries	711,993,784	711,993,784
	<u>711,993,784</u>	<u>711,993,784</u>

Treasury stocks held by subsidiaries

Treasury stocks represented the Company's shares held by subsidiaries totaling 499 million shares with a par value of Baht 1 each which have been presented in the consolidated financial statements by applying the cost method, apportioned accounting to holding of the Group.

As at 31 December 2021 and 2020, a subsidiary has pledged and entered into a negative pledge agreement on the treasury stock of 217 million shares with a par value of Baht 1 each with book value (cost method) amounting to Baht 416 million (2020: Baht 416 million) to secure bank overdraft and short-term loan facilities from banks, as discussed in Note 23 to consolidated financial statement

34. Equity attributable to the Company's shareholders

According to the accounting treatment guidance for the treasury stock of the entity, the main content of presentations and the disclosures is concluded that the treasury stock is not an asset but the reduction of the obligations over the entity's assets. The entity should present the treasury stock as a deducting item from the shareholders' equity. In case a subsidiary acquires its parent company's stocks, the parent company should present such share acquisition on the same basis as if it purchases its own shares.

However, as if the above interpretation of such guidance is required for the separate financial statements, the reconciliation of shareholders' equity and the investments in subsidiaries is presented as follows:

	(Unit: Baht)	
	Separate financial statements	
	2021	2020
Total shareholders' equity - as stated in statements of financial position	16,915,244,562	16,961,885,138
Less: Treasury stock held by subsidiaries	(711,993,784)	(711,993,784)
Equity attributable to the Company's shareholders - after less treasury stock held by subsidiaries	<u>16,203,250,778</u>	<u>16,249,891,354</u>

	(Unit: Baht)	
	Separate financial statements	
	2021	2020
Investments in subsidiaries - as stated in statements of financial position	20,570,500,926	22,121,109,829
Less: Treasury stock held by subsidiaries	(711,993,784)	(711,993,784)
Investments in subsidiaries	<u>19,858,507,142</u>	<u>21,409,116,045</u>

The Company issued warrants to subscribe for ordinary shares to existing shareholders of the Company, which have been approved by shareholders' meeting. The Company does not recognise warrant compensation costs for the fair value or intrinsic value of the warrant granted in the financial statements.

Allocated to	Allocated date	Determined exercising date		Outstanding warrant	Increase during the year	As at 31 December 2020	Decrease during the year				As at 31 December 2021	
		First exercise	Last exercise				Exercise price	Exercise amount	Exercise price	Exercise amount		
Existing shareholder (MBK-W1)	23 November 2020	15 January 2021	15 November 2022	67.79	-		Exercise ratio	Issue of ordinary shares	Share	Baht	Million Baht	Million unit
Existing shareholder (MBK-W2)	1 June 2021	15 July 2021	15 May 2024	-	68.25		1:1.0653	35.60	2.8162 - 3.00	104.22	33.05	
Existing shareholder (MBK-W3)	30 November 2021	17 January 2022	15 November 2024	-	70.21		1:1.0313	31.40	2.9088 - 3.00	93.82	36.92	
Total issuance by the Company				67.79	138.46	66.07	1:1	-	3	-	198.04	140.18

36. Interest revenue from financial business

Interest revenue from financial business for the years ended 31 December 2021 and 2020 comprise the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Loans to customers	868,647,770	871,535,316	2,829,799	2,639,197
Hire purchase and financial lease	1,542,586,097	1,613,995,651	-	-
Total revenue from financial business	<u>2,411,233,867</u>	<u>2,485,530,967</u>	<u>2,829,799</u>	<u>2,639,197</u>

37. Financial costs

Financial costs of the Group for the years ended 31 December 2021 and 2020 are made up as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest expenses	624,414,866	709,859,580	962,581,057	1,005,387,821
Finance costs from lease liabilities	635,507,200	420,825,192	617,857,264	402,661,888
Other finance costs	4,419,748	3,996,390	3,638,567	3,135,108
Total financial costs	<u>1,264,341,814</u>	<u>1,134,681,162</u>	<u>1,584,076,888</u>	<u>1,411,184,817</u>

38. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contributed to the fund monthly at the rate 3 - 10% of basic salary. The fund, which is managed by Thanachart Fund Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. During the year ended 31 December 2021, the Group contributed Baht 15 million to the fund (the Company only: Nil) (2020: Baht 66 million, the Company only: Baht 25 million) to the fund.

39. Expenses by nature

Significant expenses by nature for the years ended 31 December 2021 and 2020 are as follows:

			(Unit: Baht)	
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cost of sales of properties	531,998,385	334,200,811	-	-
Salaries and wages and other employee benefits	1,543,581,260	1,664,710,986	412,675,041	516,447,629
Depreciation	1,771,397,346	1,511,364,124	1,056,791,142	773,614,558
Amortisation	28,700,366	32,108,829	20,256,570	24,730,495
Allowance for impairment of investments				
in subsidiaries (reversal)	-	-	(1,803,323)	(2,226,750)
Allowance for impairment of property foreclosed				
(reversal)	371,215	(10,611,313)	-	-
Allowance for impairment of plant and equipment				
(reversal)	280,095	(2,749,370)	-	-
Allowance for impairment of intangible assets				
(reversal)	207,785	(53,657)	-	-
Allowance for expected credit losses				
(reversal/written-off)	(84,856,675)	187,027,746	49,205,423	1,127,579
Losses (gains) on exchange rate	3,820,449	(33,093,122)	-	-
Transportation expenses	153,335,791	100,189,809	-	-
Commission and promotion expenses	85,896,552	178,360,444	709,711	23,013,419
Power supply expenses	288,734,301	334,725,574	75,423,775	80,567,140
Rental expenses	8,874,848	12,460,109	60,932	47,186
Repair and maintenance operating expenses	143,843,881	138,468,221	72,621,310	70,774,078
Raw materials and consumables used	793,285,905	1,056,796,979	-	-
Changes in inventories of finished goods and work in progress	7,017,291	5,660,886	-	-

40. Income tax

Corporate income taxes of the Company and its subsidiaries have been calculated on income before income tax after adding back provisions and certain expenses which are disallowed for tax computation purposes, deducting dividends exempted from income tax and adjusting deferred tax expenses.

Income tax expenses of the Group for the years ended 31 December 2021 and 2020 are made up as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Current income tax charge for the year	209,181,985	256,061,612	-	-
Adjustment in respect of income tax of previous year	-	(631,826)	-	(832,093)
Deferred tax:				
Relating to origination and reversal of temporary differences	59,943,654	7,062	20,161,587	30,130,787
Income tax expense reported in the statement of comprehensive income	<u>269,125,639</u>	<u>255,436,848</u>	<u>20,161,587</u>	<u>29,298,694</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Gains (losses) on investments in equity designated at fair value through other comprehensive income	(77,948,640)	417,396,456	(77,948,640)	418,617,906
Unrealised gains (losses) on investments in loans	(914,184)	199,068	(914,184)	199,068
Actuarial losses	-	(2,547,721)	-	(3,363,140)
Gains (losses) on investments in equity designated at fair value through other comprehensive income of an associate	6,793,378	8,731,324	-	-
Unrealised gains on investments in loans of an associate	-	4,227,729	-	-

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Translation adjustment of an associate	(279,170)	2,725,747	-	-
Actuarial losses of an associate	-	(618,724)	-	-
Income tax expense reported in the statement of other comprehensive income	(72,348,616)	430,113,879	(78,862,824)	415,453,834

Reconciliations between tax expense and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit (loss) before corporate income tax	(474,981,137)	447,204,942	(540,157,061)	646,013,944
Applicable tax rates	0 - 20%	0 - 20%	20%	20%
Accounting profit (loss) before income tax multiplied by tax rates	(94,996,227)	89,440,988	(108,031,412)	129,202,789
Adjustment in respect of income tax of previous year	-	(631,826)	-	(832,093)
Effects of non-deductible expenses, additional capital expenditure deductions allowed and income exempted from income tax	364,121,866	166,627,686	128,192,999	(99,072,002)
Income tax expenses reported in the statement of comprehensive income	269,125,639	255,436,848	20,161,587	29,298,694

The components of deferred tax assets and deferred tax liabilities as at 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for impairment of assets	28,154,680	22,402,817	5,743,939	-
Provision for long-term employee benefits	44,087,571	47,152,222	9,210,918	13,209,685
Actuarial losses	17,823,900	17,823,900	10,631,476	10,631,476
Actuarial losses of associates	1,267,654	509,270	-	-
Finance lease agreements	545,005,442	541,900,075	545,005,442	541,900,075
Timing differences of accounting and taxable income recognition	140,343,910	151,702,824	3,941,721	-
	776,683,157	781,491,108	574,533,496	565,741,236

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax liabilities				
Timing differences of depreciation of buildings	17,698,252	16,686,923	-	-
Costs of business acquired - a subsidiary	84,115,062	84,115,062	-	-
Gains on investments in equity designated at fair value through other comprehensive income	640,645,631	562,696,991	640,645,631	562,696,991
Unrealised losses on investments in loans	(357,429)	(357,965)	(357,429)	(357,964)
Gains (losses) on interest income under effective interest method from investments in loans	188,926	(725,473)	188,926	(725,473)
Timing differences of accounting and taxable income recognition	95,205,110	32,214,165	67,772,581	38,819,488
Losses on investments in equity designated at fair value through other comprehensive income of an associate	-	(4,251,600)	-	-
Translation adjustment of an associate	321,017	41,847	-	-
Share of profit from investments in associates	197,496,763	217,409,063	-	-
	<u>1,035,313,332</u>	<u>907,829,013</u>	<u>708,249,709</u>	<u>600,433,042</u>

As at 31 December 2021, the Group has unused tax losses totaling Baht 5,516 million (2020: Baht 3,033 million) (the Company only: Baht 4,100 million, 2020: Baht 2,097 million) on which deferred tax assets have not been recognised as the Group believes that future taxable profits may not be sufficient to allow utilisation of the tax losses before expiry date. And such unused tax losses will be expired by 2026 (2020: 2025).

41. Earnings per share

Basic earnings per share is calculated by dividing net income attribute to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year as held by third parties.

Diluted earnings per share is calculated by dividing net income attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus 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 at the beginning of the year or the date the potential ordinary shares were issued.

The weighted average number of ordinary shares for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Ordinary shares issued and paid-up	1,694,923,000	1,694,923,000	1,694,923,000	1,694,923,000
Add: Weighted average share	29,197,523	-	29,197,523	-
Less: Treasury stock held by a subsidiaries	(372,040,750)	(372,040,750)	-	-
Weighted average number of shares held by third parties	1,352,079,773	1,322,882,250	1,724,120,523	1,694,923,000
Add: Warrants allocated to existing shareholders	-	5,634,342	-	5,634,342
Weighted average number of ordinary shares for diluted earnings per share	1,352,079,773	1,328,516,592	1,724,120,523	1,700,557,342
Profit (loss) for the year (Baht)	(804,475,422)	149,187,843	(560,318,648)	616,715,250
Earnings (loss) per share (Baht/share)	(0.60)	0.11	(0.33)	0.36
Diluted earnings per share (Baht/share)	-	0.11	-	0.36

No calculation of diluted earnings per share on the consolidated financial statements for the year ended 31 December 2021 was required for the outstanding of warrants to subscribe for ordinary shares since the Group's operating loss that cause the Anti-dilution on the group earnings per share.

42. Net movements in operating assets and liabilities

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(Unit: Baht)	(Unit: Baht)	(Unit: Baht)	(Unit: Baht)
(Increase) decrease in operating assets				
Trade and other receivables	(100,454,992)	(383,956,423)	(126,371,282)	(265,437,078)
Loans to customers	672,921,797	(584,937,703)	-	-
Inventories	541,453,566	(160,820,885)	2,181,571	4,028,009
Other current assets	(39,743,805)	294,773,685	(17,954,930)	5,621,993
Restricted fixed deposits	(7,476)	(26,027)	-	-
Other non-current assets	50,145,162	(318,401,136)	-	(30,303,381)

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Increase (decrease) in operating liabilities				
Trade and other payables	(220,569,011)	(138,800,526)	(24,775,932)	(112,153,071)
Other current liabilities	38,779,202	143,720,525	2,312,409	(24,427)
Cash receipts (refund) of advance rental and services deposits	(228,851,492)	(323,429,284)	(228,628,425)	(330,993,564)
Cash receipts (refund) of deposits	(82,265,065)	(343,420,848)	(58,312,049)	(315,326,526)
Other non-current liabilities	19,997,369	2,044,206	(1,305,324)	(8,104,786)
Net movements in operating assets and liabilities	651,405,255	(1,813,254,416)	(452,853,962)	(1,052,692,831)

43. 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 decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

For management purposes, the Group is organised into business units based on its products and services and have eight reportable segments as follows:

1. Shopping center business engages in the business of rental space to retail tenants in the shopping centers and the business of office space for rent.
2. Hotel and tourism business engages in providing for lodging, food and drink, and other facilities and services related for accommodation and travel.
3. Golf business engages in golf services, clubhouse and selling golf equipment.
4. Real estate business engages in residential for sale, property management and asset appraisal.
5. Food solution business engages in producing and selling rice for both local and export markets, the food center business and restaurant.
6. Financial business engages in providing general loan for housing and bridge loan of which the security is marketable property in good location, motorcycle hire purchase business and provision of life assurance business.*

7. Auction business engages in the business of car and motorcycle auction.
8. Corporate supporting center and other business performs as a back office functions for the Group, and sale of raw water.

* The Company that engages in such business is classified as an associate therefore the recognition of operating results is in the form of profit sharing. The Company sold investment in that associate in August 2021.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. However, the Group financing activities including finance costs, finance income and income taxes are managed on a Group basis and are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Group's operating segments for the years ended 31 December 2021 and 2020, respectively.

	For the year ended 31 December 2021										(Unit: Thousand Baht)
	Shopping center	Hotel and tourism	Golf	Real estate	Food solution	Financial	Auction	Corporate supporting center and other	Elimination of inter-segment revenues	Total	
Revenue from external customers	1,479,500	221,151	257,709	999,659	1,645,707	2,411,903	601,607	13,322	-	7,630,558	
Inter-segment revenues	321,831	116,450	13,725	53,055	4,994	2,470	-	47,012	(559,537)	-	
Total revenues	1,801,331	337,601	271,434	1,052,714	1,650,701	2,414,373	601,607	60,334	(559,537)	7,630,558	
Segment operating profit (loss)	(845,813)	(318,277)	(35,333)	192,443	(38,904)	850,659	228,689	(17,279)	-	16,185	
Share of profit (loss) from investments in associates and joint venture	(341,802)	(223)	(20,770)	-	-	27,564	-	1,226	-	(334,005)	
Unallocated income and expenses:											
Finance income										17,559	
Dividend income										399,943	
Gains from disposal of investment in associates										46,675	
Other income										112,640	
Finance costs										(733,977)	
Income tax expenses										(269,126)	
Profit for the year for non-controlling interests of the subsidiaries										(60,369)	
Loss attributable to equity holder of the Company										(804,475)	

(Unit: Thousand Baht)

For the year ended 31 December 2020

	Shopping center	Hotel and tourism	Golf	Real estate	Food solution	Financial	Auction	Corporate supporting center and other	Elimination of inter-segment revenues	Total
Revenue from external customers	2,362,984	484,328	321,721	714,716	1,747,734	2,486,438	489,804	27,865	-	8,635,590
Inter-segment revenues	217,935	173,651	9,634	91,485	5,526	1,364	-	29,869	(529,464)	-
Total revenues	2,580,919	657,979	331,355	806,201	1,753,260	2,487,802	489,804	57,734	(529,464)	8,635,590
Segment operating profit (loss)	(117,816)	(291,293)	(12,551)	129,015	(2,389)	762,221	163,720	(4,928)	-	625,979
Share of profit (loss) from investments in associates and joint venture	(33,645)	(218)	(11,609)	-	-	(182,152)	-	375	-	(227,249)
Unallocated income and expenses:										
Finance income										32,869
Dividend income										467,124
Other income										98,799
Finance costs										(550,317)
Income tax expenses										(255,437)
Profit for the year for non-controlling interests of the subsidiaries										(42,580)
Profit attributable to equity holder of the Company										149,188

(Unit: Thousand Baht)

	Shopping center	Hotel and tourism	Golf	Real estate	Food solution	Financial	Auction	Corporate supporting center and other	Unallocated assets	Total
Segment assets										
As at 31 December 2021	13,822,059	2,109,133	3,603,351	3,371,260	832,432	15,312,858	145,530	9,493	16,051,304	55,257,420
As at 31 December 2020	14,384,927	2,298,645	4,625,601	3,039,070	816,923	15,936,400	156,593	7,284	15,876,817	57,142,260

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	2021	2020
Revenue from external customers		
Thailand	7,216	8,278
United States/Canada	83	75
Europe	189	172
Asia Pacific	143	110
Total	7,631	8,635

Major customers

For the year 2021 and 2020, the Group has no major customer.

44. Commitments and contingent liabilities

44.1 Capital commitments

As at 31 December 2021 and 2020, the Group has the capital commitments of construction for each segment as follows:

	(Unit: Million Baht)	
	2021	2020
Shopping center business	217	313
Hotel and tourism business	17	28
Golf business	18	18
Real estate business	49	62
Food solution business	35	7
Auction business	66	-
Total	402	428

44.2 Operating lease commitments and service agreement

As at 31 December 2021 and 2020, the Group has future minimum lease payments with short-term and low-value of underlying assets required under these non-cancellable operating leases contracts are as follows:

	(Unit: Million Baht)	
	2021	2020
Payable within:		
Less than 1 year	123	128
1 to 5 years	29	53
More than 5 years	6	6
Total	158	187

44.3 Guarantees

As at 31 December 2021, there are outstanding bank guarantees of approximately Baht 251 million (2020: Baht 257 million) issued by the banks on behalf of the Group as required in the normal course of business.

44.4 Commitment to provide services to golf members

A subsidiary has a commitment to provide services to golf members, which were transferred from the previous owner with the golf course at the acquisition date. The details of membership contracts are as follows:

	Number of contracts	Membership fee range (Baht per contract)
Permanent contracts	260	200,000 - 630,000

Under the terms and conditions of membership contracts, the subsidiary will not receive any additional membership fee and green fee from all transferred permanent members until the periods of such contracts have been expired. At the acquisition date, the subsidiary could not estimate the present value of all relevant costs that may occur from providing services to those permanent members. However, such costs were considered to reduce projected net cash flow in the future that reflects in the fair value at the acquisition date, and to determine the current range of rental fee of the golf course.

44.5 Litigation

As at 31 December 2021 and 2020, the subsidiaries have legal cases claimed which have yet to be finalised the details of litigations are as follows:

- 44.5.1 A subsidiary has legal case claimed for damages of approximately Baht 30.36 million related to the hiring contracts with contractor. The case is under the court proceeding and the subsidiary submitted testimony and had filed a counterclaim in the case by claiming damages of approximately Baht 44.35 million. On 21 December 2020, the court sentenced the defendant to make payment by Baht 0.60 million and dismiss the counterclaim. The case is now in the process of extend the appeal period. The Group management believes that the outcome of the case will has no significant impact to the Group's financial position.
- 44.5.2 A subsidiary has legal case claimed for damages of approximately Baht 17.48 million. However, payment of compensation was made to the Bank that issued a letter of guarantee on behalf of the subsidiary in the amount of Baht 8.71 million and the subsidiary has already set aside a reserve of Baht 8.77 million for the contingent loss in the financial statements. The Group's management believes that the amount of provision is adequate.

45. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)			
	Consolidated Financial Statements			
	31 December 2021			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Other non-current financial assets				
Derivatives - interest rate swap agreement	-	42	-	42
Investment in debt instrument	-	-	3	3
Investment in equity instrument	5,000	-	22	5,022
Assets for which fair value are disclosed				
Investment properties	-	-	20,207	20,207
Liabilities measured at fair value				
Long-term debentures - only the interest portion applying hedge accounting	-	42	-	42
Liabilities for which fair value are disclosed				
Long-term debentures	-	15,010	-	15,010

(Unit: Million Baht)

	Consolidated Financial Statements			
	31 December 2020			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Other non-current financial assets				
Derivatives - interest rate swap agreement	-	73	-	73
Investment in debt instrument	-	-	3	3
Investment in equity instrument	4,599	-	20	4,619
Assets for which fair value are disclosed				
Investment properties	-	-	21,165	21,165
Liabilities measured at fair value				
Long-term debentures - only the interest portion				
applying hedge accounting	-	73	-	73
Liabilities for which fair value are disclosed				
Long-term debentures	-	16,534	-	16,534

(Unit: Million Baht)

	Separate Financial Statements			
	31 December 2021			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Other non-current financial assets				
Derivatives - interest rate swap agreement	-	42	-	42
Investment in debt instrument	-	-	3	3
Investment in equity instrument	4,872	-	-	4,872
Assets for which fair value are disclosed				
Investment properties	-	-	14,811	14,811
Liabilities measured at fair value				
Long-term debentures - only the interest portion				
applying hedge accounting	-	42	-	42
Liabilities for which fair value are disclosed				
Long-term debentures	-	15,010	-	15,010

(Unit: Million Baht)

Separate Financial Statements				
31 December 2020				
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Other non-current financial assets				
Derivatives - interest rate swap agreement	-	73	-	73
Investment in debt instrument	-	-	3	3
Investment in equity instrument	4,482	-	-	4,482
Assets for which fair value are disclosed				
Investment properties	-	-	15,900	15,900
Liabilities measured at fair value				
Long-term debentures - only the interest portion applying hedge accounting	-	73	-	73
Liabilities for which fair value are disclosed				
Long-term debentures	-	16,534	-	16,534

During the current year, there was no transfer within the fair value hierarchy.

46. Financial instruments

46.1 Derivatives and hedge accounting

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	-	150	-	-
Derivative assets designated as hedging instruments				
Interest rate swap agreement	41,683	73,229	41,683	73,229
Total derivative assets	41,683	73,379	41,683	73,229
Derivative liabilities				
Derivative liability not designated as hedging instruments				
Foreign exchange forward contracts	896	-	-	-
Total derivative liabilities	896	-	-	-

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally matured within one year.

As at 31 December 2021			
Foreign currency	Sold amount (Unit)	Contractual exchange rate (Baht per 1 foreign currency unit)	Maturity date
USD	2,857,356	31.100 - 33.810	8 February 2022 - 15 June 2022
CHF	13,600	36.080	20 June 2022
As at 31 December 2020			
Foreign currency	Sold amount (Unit)	Contractual exchange rate (Baht per 1 foreign currency unit)	Maturity date
USD	938,945	29.860 - 31.600	19 January 2021 - 21 June 2021

Derivatives designated as hedging instruments

Fair value hedge

As at 31 December 2021 and 2020, the Group had an interest rate swap agreement with a notional amount of Baht 1,000 million whereby receiving interest at a fixed rate of interest of 5.10 percent per annum and pays interest at a variable rate equal to MLR less margin percent per annum on the notional amount. The swap is being used to hedge the exposure of change in the fair value of its fixed rate debenture.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, maturity and payment dates). The Group has established a hedge ratio of 1:1 as the underlying risk of the interest rate swap is identical to the hedged risk component. To test the hedge effectiveness, the Group compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Hedge ineffectiveness can arise from:

- Differences in the interest rate curves applied to discount the hedged item and hedging instrument
- Differences in timing of cash flows of the hedged item and hedging instrument
- Differences in how the counterparties' credit risk impacts the fair value movements of the hedging instrument and hedged item

The impact of the hedging instruments on the statement of financial position as at 31 December 2021 and 2020 is, as follows:

	Notional amount		Carrying amount		Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness	
	2021	2020	2021	2020		2021	2020
	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)		(Thousand Baht)	(Thousand Baht)
Interest rate swap					Other non-current		
agreement	1,000,000	1,000,000	41,683	73,229	financial assets	31,546	691

The impact of the hedged items on the statement of financial position as at 31 December 2021 and 2020 is, as follows:

	Carrying amount		Accumulated fair value adjustments		Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness	
	2021	2020	2021	2020		2021	2020
	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)		(Thousand Baht)	(Thousand Baht)
Fixed-rate					Long-term		
debentures	1,541,683	1,573,229	41,683	73,229	debentures	31,546	691

The ineffectiveness recognised in profit or loss was not significant.

46.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, loans to customers, investments, loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to cash at banks and financial institutions, trade receivables, loans to customer and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance. Letters of credit and other forms of credit insurance are considered an integral part of trade receivables and taken into account in the calculation of impairment. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Loans to customer

The Group is exposed to credit risk primarily with respect to hire-purchase and loan receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various types. The Group's maximum exposure relating to loans to customer is shown gross carrying amounts stated in the financial statements.

Credit risk management policy

The Group manages its credit risk starting with the credit approval process by performing risk analysis, debt payment ability analysis and monitoring the status of debtors. This is to examine and review credit quality in order to prevent and resolve loans that may be a problem in the future.

The maximum exposure to credit risk

The maximum exposure is shown gross carrying amounts before both the effect of mitigation through use of master netting and collateral arrangements. The maximum exposure to credit risk equals their gross carrying amounts before deducting allowance for expected credit losses.

Credit quality analysis

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted the policy to prevent this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

Explanation of 12-months expected credit losses, lifetime expected credit losses - not credit impaired, and lifetime expected credit losses-credit impaired are included in Note 4.22 to consolidated financial statements.

Amount of credit quality of financial assets is their gross carrying balance (before deduction of allowance for expected credit loss) which presented in Note 9 to consolidated financial statements.

Collateral and any operations to increase creditability

The Group has held collateral and any operations to increase creditability of exposure to credit risk. The details of the collateral held by the Group for each type of financial assets are as follows:

(Unit: Million Baht)			
Consolidated financial statements			
Exposure to credit risk with collateral			
	31 December 2021	31 December 2020	Type of major collateral
Loans to customers	8,544	8,921	Land, Properties and Buildings
Hire purchase receivables	6,894	7,380	Motorcycle

Market risk

There are 2 types of market risk comprising foreign currency risk and interest rate risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods;
- interest rate swaps to mitigate the risk of rising interest rates.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currency are summarised below.

	Currency	Financial assets		Average exchange rate	
		2021	2020	2021	2020
		(Unit)	(Unit)	(Baht per 1 foreign currency unit)	
Trade receivables	USD	1,836,435	117,363	33.153	29.775
Investment in associate (foreign country)	USD	70,000	70,000	33.153	29.775

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts, debentures and loans. To obtain a reasonable return under acceptable risk, the Group manages its interest rate risk by restructuring and the proportion of its holdings of assets and liabilities with different interest rate adjustment periods to be appropriate and in the same direction of the market rate.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate.

(Unit: Million Baht)

	Consolidated financial statements						
	31 December 2021						
	Fixed interest rates			Floating	Non-interest		
	Within		Over	interest	Non-interest	Total	Interest rate
	1 year	1 - 5 years	5 years	rate	bearing		(% p.a.)
Financial assets							
Cash equivalents (excluding cash)	-	-	-	4,441	-	4,441	0.05 - 1.00
Fixed deposits	3	-	-	-	-	3	0.15 - 0.20
Trade and other receivables	-	-	-	-	1,026	1,026	-
Short-term loans to related companies	-	-	-	65	-	65	3.70 - 5.95
Loans and installment receivables	1,706	5,142	1	1,545	-	8,394	3.25 - 15.00
Hire purchase receivables	3,080	3,323	1	-	-	6,404	5.88 - 23.88
Other financial assets	-	-	-	-	5,067	5,067	-
	<u>4,789</u>	<u>8,465</u>	<u>2</u>	<u>6,051</u>	<u>6,093</u>	<u>25,400</u>	
Financial liabilities							
Bank overdrafts and short-term loans from financial institutions	990	-	-	-	-	990	1.22 - 5.85
Trade and other payables	-	-	-	-	1,016	1,016	-
Long-term loan from financial institution	-	-	-	2,240	-	2,240	2.14 - 3.31
Long-term debentures	1,043	3,299	10,535	-	-	14,877	1.91 - 5.10
Lease liabilities	635	2,747	8,302	-	-	11,684	4.78 - 5.12
	<u>2,668</u>	<u>6,046</u>	<u>18,837</u>	<u>2,240</u>	<u>1,016</u>	<u>30,807</u>	

(Unit: Million Baht)

	Consolidated financial statements						
	31 December 2020						
	Fixed interest rates			Floating			
	Within	Over	interest	Non-interest			
	1 year	1 - 5 years	5 years	rate	bearing	Total	Interest rate
							(% p.a.)
Financial assets							
Cash equivalents (excluding cash)	-	-	-	3,835	-	3,835	0.07 - 2.00
Other current financial assets	3	-	-	-	-	3	0.20
Trade and other receivables	-	-	-	-	915	915	-
Short-term loans to related companies	-	-	-	55	-	55	5.12 - 5.59
Loans and installment receivables	818	6,312	-	1,698	-	8,828	4.00 - 15.00
Hire purchase receivables	3,170	3,529	2	-	-	6,701	5.88 - 23.88
Other financial assets	-	-	-	-	4,708	4,708	-
	3,991	9,841	2	5,588	5,623	25,045	

(Unit: Million Baht)

Consolidated financial statements

31 December 2020

	Fixed interest rates			Floating		Total	Interest rate (% p.a.)
	Within	Over	5 years	interest	Non-interest		
	1 year	1 - 5 years		rate	bearing		
Financial liabilities							
Bank overdrafts and short-term loans from financial institutions	768	-	-	-	-	768	1.08 - 5.85
Trade and other payables	-	-	-	-	1,065	1,065	-
Long-term loan from financial institution	-	-	-	2,386	-	2,386	3.20 - 3.31
Long-term debentures	-	3,198	12,564	-	-	15,762	1.96 - 5.10
Lease liabilities	665	2,350	9,147	-	-	12,162	5.12
	<u>1,433</u>	<u>5,548</u>	<u>21,711</u>	<u>2,386</u>	<u>1,065</u>	<u>32,143</u>	

(Unit: Million Baht)

Separate financial statements

31 December 2021

	Fixed interest rates			Floating		Total	Interest rate (% p.a.)
	Within	Over	5 years	interest	Non-interest		
	1 year	1 - 5 years		Rate	bearing		
Financial assets							
Cash equivalents (excluding cash)	-	-	-	3,572	-	3,572	0.05 - 1.00
Trade and other receivables	-	-	-	-	520	520	-
Short-term loans to related companies	-	-	-	7,868	-	7,868	5.95 - 6.45
Other financial assets	-	-	-	-	4,917	4,917	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,440</u>	<u>5,437</u>	<u>16,877</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	388	388	-
Short-term loans from related companies	-	-	-	8,068	-	8,068	0.75 - 5.95
Long-term debentures	1,043	3,299	10,535	-	-	14,877	1.91 - 5.10
Lease liabilities	610	2,694	8,056	-	-	11,360	4.78 - 5.12
	<u>1,653</u>	<u>5,993</u>	<u>18,591</u>	<u>8,068</u>	<u>388</u>	<u>34,693</u>	

(Unit: Million Baht)

Separate financial statements						
31 December 2020						
	Fixed interest rates			Floating	Non-interest	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	interest Rate	bearing	Total
Financial assets						
Cash equivalents (excluding cash)	-	-	-	3,237	-	3,237
Trade and other receivables	-	-	-	-	399	399
Short-term loans to related companies	-	-	-	7,162	-	7,162
Other financial assets	-	-	-	-	4,571	4,571
	-	-	-	10,399	4,970	15,369
Financial liabilities						
Trade and other payables	-	-	-	-	392	392
Short-term loans from related companies	-	-	-	7,933	-	7,933
Long-term debentures	-	3,198	12,564	-	-	15,762
Lease liabilities	614	2,296	8,889	-	-	11,799
	614	5,494	21,453	7,933	392	35,886

Interest rate sensitivity analysis

The interest rate sensitivity analysis of the Group's comprehensive income and equity to a reasonably possible change in interest rates, with all other variables held constant. The Group has risk management from interest rate sensitivity as aforementioned. As a result, interest rates sensitivity has no significant impact on the Group's financial statements.

Liquidity risk

Liquidity risk is the risk that the Group will be unable to liquidate their financial assets and procure sufficient funds to discharge their obligations in a timely manner, resulting in the incurrence of a financial loss.

The Group manages liquidity risk by means of appropriate structuring of short-term and long-term sources of capital to maintain liquidity to ensure that it has sufficient liquidity to meet both present and future requirements.

Counting from the statement of financial position date, the periods to maturity of financial instruments held as at 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statement				
	31 December 2021				
	At call	Less than 1 year	1 - 5 years	Over 5 years	Total
<u>Financial assets</u>					
Loans and installment receivables	-	1,935,303	6,077,457	364,912	8,377,672
Hire purchase receivables ⁽¹⁾	52,848	3,026,736	3,323,427	1,197	6,404,208
	52,848	4,962,039	9,400,884	366,109	14,781,880
<u>Financial liabilities</u>					
Bank overdraft and short-term					
loans from financial institutions	-	990,000	-	-	990,000
Trade and other payables	-	1,016,399	-	-	1,016,399
Long-term loans from financial					
institutions	-	1,188,247	1,133,606	-	2,321,853
Long-term debentures	-	1,544,118	4,949,303	11,164,930	17,658,351
Lease liabilities	-	854,051	4,959,821	10,076,091	15,889,963
Total	-	5,592,815	11,042,730	21,241,021	37,876,566

⁽¹⁾ Indefinite hire purchase receivables are a part of receivable with credit-impaired

(Unit: Thousand Baht)

	Consolidated financial statement				
	31 December 2020				
	At call	Less than 1 year	1 - 5 years	Over 5 years	Total
<u>Financial assets</u>					
Loans and installment receivables	-	985,607	7,434,936	389,967	8,810,510
Hire purchase receivables ⁽¹⁾	75,763	3,094,179	3,529,053	2,440	6,701,435
	<u>75,763</u>	<u>4,079,786</u>	<u>10,963,989</u>	<u>392,407</u>	<u>15,511,945</u>
<u>Financial liabilities</u>					
Bank overdraft and short-term					
loans from financial institutions	130,000	638,003	-	-	768,003
Trade and other payables	-	1,065,489	-	-	1,065,489
Long-term loans from financial					
institutions	-	469,105	2,170,421	-	2,639,526
Long-term debentures	-	576,905	5,102,495	13,955,742	19,635,142
Lease liabilities	-	892,879	4,689,938	11,418,907	17,001,724
Total	<u>130,000</u>	<u>3,642,381</u>	<u>11,962,854</u>	<u>25,374,649</u>	<u>41,109,884</u>

⁽¹⁾ Indefinite hire purchase receivables are a part of receivable with credit-impaired

(Unit: Thousand Baht)

Separate financial statement					
31 December 2021					
	At call	Less than 1 year	1 - 5 years	Over 5 years	Total
Financial liabilities					
Trade and other payables	-	388,144	-	-	388,144
Short-term loans from related companies	8,067,546	-	-	-	8,067,546
Long-term debentures	-	1,544,118	4,949,303	11,164,930	17,658,351
Lease liabilities	-	813,590	4,851,605	9,750,889	15,416,084
Total	8,067,546	2,745,852	9,800,908	20,915,819	41,530,125

(Unit: Thousand Baht)

Separate financial statement					
31 December 2020					
	At call	Less than 1 year	1 - 5 years	Over 5 years	Total
Financial liabilities					
Trade and other payables	-	392,029	-	-	392,029
Short-term loans from related companies	7,933,381	-	-	-	7,933,381
Long-term debentures	-	576,905	5,102,495	13,955,742	19,635,142
Lease liabilities	-	824,255	4,578,257	11,069,675	16,472,187
Total	7,933,381	1,793,189	9,680,752	25,025,417	44,432,739

46.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position. Fair value of debenture was described in Note 45 to the consolidated financial statement.

The fair value of long-term debentures is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association.

(Unit: Million Baht)

Consolidated/Separate financial statements				
Carrying amount		Fair value		
2021	2020	2021	2020	
Long-term debentures	14,877	15,762	15,010	16,534

47. Dividends

Dividends	Approved by	Total dividend (Million Baht)	Dividend (Baht per share)	Dividend payment date
Interim dividends on the six-month period ended 31 December 2019	Meeting of the Board of Directors on 1 April 2020 and reported for acknowledgement during Annual General Meeting of the shareholders on 5 August 2020	712	0.42	30 April 2020

48. Capital management

The primary objective of the Group's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements and debenture. The Group has complied with these covenants throughout the reporting periods. As at 31 December 2021, the Group's Debt to Equity Ratio was 1.62 : 1 (2020: 1.66 : 1) and the Company's was 2.16 : 1 (2020: 2.24 : 1).

49. Events after the reporting period

On 5 January 2022, the Board of Directors Meeting No.11/2022 of the Company passed a resolution to approve the exercise of the 22,356,550 units of warrant (PRG-W1) to purchase the ordinary shares of PRG Corporation Public Company Limited (subsidiary) at an exercise price of Baht 5 per share, totalling Baht 111.8 million. On 10 January 2022, the Company exercised 11,231,400 units of warrant to purchase 11,231,400 ordinary shares, totalling Baht 56.2 million. The Company has made payment in full for the shares in January 2022.

The subsidiary registered the increase in its share capital with the Ministry of Commerce in January 2022. The Company expects that the exercise of the warrant to purchase such ordinary shares will cause no significant change in the Company's shareholding in its subsidiary.

50. Reclassification

The Group reclassified the following transactions for the year ended 31 December 2020 to conform on current year's classification, which does not have any impact to previously reported profit or owner's equity, is summarised below.

(Unit: Baht)

	As at 31 December 2020			
	Consolidated financial statement		Separate financial statement	
	As reclassified	As previously reported	As reclassified	As previously reported
Statement of financial position				
Trade and other receivables	914,503,752	931,338,687	399,435,126	399,435,126
Current portion of loans to customers	4,218,991,079	4,202,156,144	-	-
Other current assets	125,997,206	190,975,858	38,506,447	68,809,828
Other non-current assets	419,668,946	354,690,294	30,378,277	74,896
Trade and other payables	1,065,488,579	1,079,610,252	392,029,154	392,029,154
Current portion of lease liabilities	665,526,233	258,162,393	613,782,954	206,419,114
Other current liabilities	743,315,149	729,193,476	111,718,870	111,718,870
Lease liabilities - net of current portion	11,496,949,387	11,904,313,227	11,185,204,353	11,592,568,193

51. Approval of financial statements

These financial statements were approved by the Company's Audit Committee on 25 February 2022.

Attachment 1

Profiles of Directors and Executive Management of the Company

The background and designation details of the Board of Directors and the Executive Management as of December 31, 2021

Name-surname/ position	Age (years)	Highest education	Type of securities	Number of securities in MBK				Number of securities in MBK' s shares held by their spouse and minor child				Relationship			
				31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year	31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year		Number of position in Company Limited (Company)	Number of position in Public Company Limited (Company)	
Board of Directors															
1 Mr. Banterng Tantivit Chairman	77	- Master of Science (Finance) in Management, Massachusetts Institute of Technology (M.I.T.), U.S.A.	Ordinary shares Warrants	- -	- -	- -	- -	- -	- -	- -	- -	Mr. Banterng Tantivit is the father of Mr. Atipon Tantivit	8	2	
2 Mr. Suphadej Poonpipat Vice Chairman and Chairman of the Compensation and Nomination Committee	71	- Master of Science, University of Wisconsin, U.S.A.	Ordinary shares Warrants	- -	- -	- -	- -	- -	- -	- -	- -	-	5	4	

5 years previous working experience					Details of Training Program from IOD				Illegal Record
	Number of position in legal person (Unit)	Period	Position	Name of company-agency	Do not pass	Passed	IOD Course	Year	
	-	2006 - Present 1994 - Apr. 2018 1994 - 2006 Present 2003 - Present Sep. 2019 - Present 2002 - Dec.2019 2015 - Feb. 2017 1997 - Present 1987 - Present 1987 - Present Jul. 2021 - Present	- Chairman of the Board of Directors - Chairman of the Executive Committee - Vice Chairman of the Board of Directors - Chairman of the Board of Directors and Director - Director - Chairman of the Board of Directors and Director - Chairman of the Board of Directors - Director - Chairman of the Board of Directors - Director - Director - Director	- MBK Public Company Limited (“MBK”) - MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - B.V. Holding Company Limited - Thanachart Insurance Public Company Limited - Thanachart Bank Public Company Limited - Dusit Thani Public Company Limited - Thanachart Capital Public Company Limited - Dee Buk Company Limited - Thai Farming Company Limited - 911 Streetball Company Limited		✓	DAP	2004	None
	-	2006 - Present May. 2018 - Present 2003 - Apr. 2018 2015 - Present 2002 - 2015 Present 2007 - Jul. 2018 2007 - Jul. 2018 Dec. 2019 - Present Dec. 2019 - Nov. 2021 2005 - Dec. 2019 Sep. 2012 - Sep. 2019 Sep. 2019 - Present Jun. 2014 - Present 2003 - Present 2006 - Present Sep. 2012 - Present Sep. 2012 - Dec. 2017 2011 - Sep. 2012 2007 - Present 2013 - Dec. 2018 Oct. 2010 - Dec. 2018	- Vice Chairman of the Board of Directors - Chairman of the Executive Committee - Vice Chairman of the Executive Committee - Chairman of the Compensation and Nomination Committee - Member of the Compensation and Nomination Committee - Director - Director - Director - Vice Chairman of the Board of Directors and Vice Chairman of the Executive Committee - Vice Chairman of the Board of Directors and Vice Chairman of the Executive Committee - Vice Chairman of the Board of Directors and Chairman of the Executive Committee - Director and Chairman of the Executive Committee - Chairman of the Board of Directors - Vice Chairman of the Board of Directors - Chairman of the Board of Directors - Director - Director - Chairman of the Board of Directors - Chairman of the Executive Committee - Vice Chairman of the Board of Directors - Vice Chairman of the Board of Directors and Chairman of the Executive Committee - Chairman of the Risk Management Committee - Chief Executive Officer	- MBK - MBK - MBK - MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - Royal Orchid Hotel (Thailand) Public Company Limited - Thai Royal Orchid Real Estate Company Limited - TMBThanachart Bank Public Company Limited - Thanachart Bank Public Company Limited - Thanachart Bank Public Company Limited - Thanachart Insurance Public Company Limited - Thanachart Insurance Public Company Limited - Thanachart Insurance Public Company Limited - MBK Life Assurance Public Company Limited - Siam Piwat Company Limited - Siam Piwat Holding Company Limited - PRG Corporation Public Company Limited - PRG Corporation Public Company Limited - PRG Corporation Public Company Limited - Thanachart Capital Public Company Limited - Thanachart Capital Public Company Limited - Thanachart Capital Public Company Limited		✓ ✓ ✓ ✓	DAP RCC RCP FGP	2004 2012 2012 2012	None

Name-surname/ position	Age (years)	Highest education	Type of securities	Number of securities in MBK				Number of securities in MBK's shares held by their spouse and minor child				Relationship			
				31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year	31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year		Number of position in Company Limited (Company)	Number of position in Public Company Limited (Company)	
3 Mr. Kasama Punyagupta Independent Director and Chairman of the Audit Committee	59	- MBA major in international Business, Bridgeport University, Connecticut, U.S.A.	Ordinary shares Warrants	- -	- -	- -	- -	- -	- -	- -	- -	-	-	2	
4 Mr. Pracha Jaidee Independent Director and Member of the Audit Committee and Member of the Compensation and Nomination Committee	66	- Master of Business Administration, Kasetart University	Ordinary shares Warrants	- -	- -	- -	- -	- -	- -	- -	- -	-	2	1	
5 Mr. Suwit Rojanavanich Independent Director and Member of the Audit Committee	63	- MBA Major in Banking and Finance, North Texas State University, Texas, U.S.A. - BA Major in Accounting Theory, Chulalongkorn University, Bangkok, Thailand	Ordinary shares Warrants	299,000 35,480	0.017 -	289,000 11,560	10,000 -	- -	- -	- -	- -	-	-	1	
6 Ms. Panit Pulsirivong Independent Director and Member of the Compensation and Nomination Committee	73	- Honorary Degree of Director of Philosophy Faculty of Journalism and Mass Communication, Thammasat University - Master of Arts Faculty of Journalism and Mass Communication, Thammasat University	Ordinary shares Warrants	438,035 17,521	0.025 -	404,990 16,199	33,045 -	- -	- -	- -	- -	-	4	1	
7 Mr. Piyaphong Artmangkorn Director	64	- Master Degree, Public Administration (Taxation), University of Southern California, U.S.A.	Ordinary shares Warrants	3,120,000 166,700	0.177 -	3,000,000 120,000	120,000 -	- -	- -	- -	- -	-	-	1	

5 years previous working experience					Details of Training Program from IOD				Illegal Record
	Number of position in legal person (Unit)	Period	Position	Name of company-agency	Do not pass	Passed	IOD Course	Year	
	-	Jul. 2019 - Present Apr. 2018 - Jun. 2019 2018 - Present 2014 - 2017 2014 - 2016 2004 - 2014	- Independent Director and Chairman of the Audit Committee - Independent Director and Member of the Audit Committee - Chairman Strategic and Investment Committee - Advisor Strategic and Investment Committee - Director Restructuring Plan Screening Subcommittee of State Enterprise Policy Commission - Independent Director Executive Committee and Investment Committee - Director The Strategy and Reform Committee - Director and Chairman Risk Management Committee - Chief Executive Officer	- MBK - MBK - The Erawan Group Public Company Limited - The Erawan Group Public Company Limited - Vayupak Fund and Vayupak Fund1 - Thai Airways International Public Company Limited - Zen Corporation Group Company Limited - The Erawan Group Public Company Limited		✓	DCP	2004	None
	-	2007 - Present 2006 - Present 2004 - Present 2004 - Present	- Independent Director and Member of the Audit Committee and Member of the Compensation and Nomination Committee - Director - Member of the Audit Committee - Advisor	- MBK - Batan Marble Company Limited - MBK Resort Public Company Limited - MBK Resort Public Company Limited		✓ ✓	ACP DAP	2007 2004	None
	-	Jul. 2019 - Present Oct. 2017 - Sep. 2018 2015 - 2017 2014 - 2015 2013 - 2014	- Independent Director and Member of the Audit Committee - Director-General - Director-General - Inspector General - Bond Market Advisor	- MBK - Fiscal Policy Office, Ministry of Finance - Public Debt Management Office, Ministry of Finance - Ministry of Finance - Public Debt Management Office, Ministry of Finance		✓	DCP	2012	None
	10	2006 - Present Present 1974 - Present 1988 - Present 1996 - Present 1997 - Present 1985 - 1996 2015 - Present 1994 - 2015 2000 - Present 2005 - Present 2014 - Present 1997 - Present	- Independent Director and Member of the Compensation and Nomination Committee - Chairman and General Manager - Executive Director - Managing Director - Vice Chairman - Vice Chairman - Director - Chairman - Executive Secretary - Chief Operating Officer and Chairperson, Public Relations Department - Conciliator - Director - Vice Chairman	- MBK - Naew Na Newspaper Company Limited - World Express Company Limited - Naew Na Network Company Limited - The Royal Chiangmai Golf Resort Co., Ltd. - Thammasat Association - Thammasat Association - Bangkok Scholarship Foundation - Bangkok Scholarship Foundation - The Organ Donation Centre, The Thai Red Cross Society - The Samut Prakan Provincial Court - Friends in Need (of "PA") Volunteers Foundation - Thai Red Cross - Wat That Thong Foundation (Wat That Thong Kindergarten)		✓ ✓ ✓ ✓	RCC ACP DCP DAP	2009 2006 2005 2004	None
	-	1998 - Present 2006 - Present 2005 - 2017 2016 - Dec. 2019 2005 - Feb. 2009 2001 - 2008 2000 - 2008 2005 - 2007	- Director - Member of the Executive Committee - Executive Vice President - Director and Executive Director - Chairman of the Board of Directors and Chairman of the Executive Committee - Director - Director - Director and Executive Director	- MBK - MBK - Thanachart Bank Public Company Limited - Thanachart Fund Management Company Limited - Thanachart Securities Public Company Limited - Thai Royal Orchid Real Estate Company Limited - Royal Orchid Hotel (Thailand) Public Company Limited - Thanachart Capital Public Company Limited		✓	DAP	2004	None

Name-surname/ position	Age (years)	Highest education	Type of securities	Number of securities in MBK				Number of securities in MBK's shares held by their spouse and minor child				Relationship	Number of position in Company Limited (Company)	Number of position in Public Company Limited (Company)	
				31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year	31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year				
8 Mr. Suvait Theeravachirakul Director and CEO	62	- Master of Business Administration, Wagner College, New York, U.S.A. - Chief Executive Program Capital Market Academy (CMA) - Anti-Corruption Strategic Management course for Senior Executives Sanya Dhamasakti Anti-Corruption Institute - Top Executive Program in Energy Literacy Thailand Energy Academy (TEA) - Top Executive Program in Commerce and Trade Commerce Academy, University of the Thai Chamber of Commerce (TEPCoT)	Ordinary shares Warrants	1,592,833	0.090	1,463,500	129,333	530,300	0.030	535,000	(4,700)	-	82	5	
				93,313	-	58,540	-	46,572	-	21,400	-				
9 Mr. Hatchapong Phokai Director	60	- Master of Business Administration, Chulalongkorn University	Ordinary shares Warrants	-	-	-	-	-	-	-	-	-	11	-	
				-	-	-	-	-	-	-	-				
10 Mr. Atipon Tantivit Director	45	- Master of Business Administration (Executive) Sasin Graduate Institute of Business Administration, Chulalongkorn University	Ordinary shares Warrants	400,000	0.023	400,000	-	6,050,000	0.343	6,050,000	-	Mr. Atipon Tantivit is a son of Mr. Banterng Tantivit	14	1	
				48,000	-	16,000	-	726,000	-	242,000	-				

5 years previous working experience					Details of Training Program from IOD				Illegal Record
	Number of position in legal person (Unit)	Period	Position	Name of company-agency	Do not pass	Passed	IOD Course	Year	
	1	2002 - Present 2002 - Present 2009 - Present Present 2007 - 2019 2017 - Present 2005 - Present 2005 - 2017 Dec. 2017 - Present 2009 - Present 2016 - Present Jun. 2014 - Aug. 2021 2007 - Jul. 2018 2000 - 2007 Apr. 2019 - Present May 2019 - Present Jun. 2020 - Present Apr. 2021 - Present	- Director and CEO - Member of the Executive Committee - President - Chairman of the Board of Directors and Director - Independent Director and Member of the Audit committee - Independent Director and Chairman Member of the Audit committee - Member of Risk Management Committee - Independent Director and Member of the Audit Committee - Vice Chairman of the Board of Directors - Vice Chairman of the Executive Committee - Member of the Compensation and Nomination Committee - Directors - Chairman of the Executive Committee - Member of the Executive Committee - Independent Director and Chairman Member of the Audit committee - Director - Independent Director and Member of the Audit committee - Director	- MBK - MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - IFS Capital (Thailand) Public Company Limited - Thai Rung Union Car Public Company Limited - Thai Rung Union Car Public Company Limited - Thai Rung Union Car Public Company Limited - PRG Corporation Public Company Limited - PRG Corporation Public Company Limited - PRG Corporation Public Company Limited - MBK Life Assurance Public Company Limited - Royal Orchid Hotel (Thailand) Public Company Limited - Royal Orchid Hotel (Thailand) Public Company Limited - Dohome Public Company Limited - Duang Capital Company Limited - Kiattana Transport Public Company Limited - Thai Listed Companies Association		✓ ✓ ✓	SFE ACP DCP	2010 2006 2001	None
	-	2000 - Dec. 2021 Present 2000 - 2007 1999 - 2004	- Director - Director - Director - Director	- MBK - The subsidiaries and associates of MBK as shown on page 374-376 - NFS Asset Management Company Limited - Thanachart Securities Public Company Limited		✓	DAP	2004	None
	-	2003 - Present 2018 - Present 2020 - Present 2000 - Present 2000 - Present 2000 - Present 2000 - Present 2000 - Present 2000 - Present 1987 - Present 2003 - Present 2003 - Present 2012 - Present 2014 - Present 1999 - Present	- Director - Member of the Executive Committee - Director - Managing Director - Director - Director - Director - Director - Director - Director - Director - Director - Director - Director - Director	- MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - B.V.Holding Company Limited - G.M.R.Company Limited - Kata Villages Company Limited - Learnsai Villages Company Limited - Phuket Development Company Limited - Atta And Atta Company Limited - Thai Farming Company Limited - B.V. Company Limited - S.L.S Holding Company Limited - A.T. Venture Media Company Limited - Namdee 57 Company Limited - Holiday Villages (Thailand) Company Limited		✓	DCP	2006	None

Name-surname/ position	Age (years)	Highest education	Type of securities	Number of securities in MBK				Number of securities in MBK's shares held by their spouse and minor child				Relationship	Number of position in Company Limited (Company)	Number of position in Public Company Limited (Company)	
				31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year	31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year				
11 Mr. Wichak Praditavanij Director	56	- Master of Business Administration Saint Louis University - Master of Accountancy Faculty of Commerce and Accountancy Chulalongkorn University	Ordinary shares Warrants	- -	- -	- -	- -	596,500 63,820	0.034 -	524,500 20,980	72,000 -	-	1	1	
Executive Management															
1 Mr. Suvait Theeravachirakul President and CEO and Managing Director Financial Business		The details of Mr. Suvait Theeravachirakul was shown on the part of the Board of Directors' background													
2 Mr. Wichak Praditavanij Managing Director 1 MBK GROUP		The details of Mr. Wichak Praditavanij shown on the part of the Board of Directors' background													
3 Mr. Kasemsuk Chongmankhong Managing Director Golf Business and Managing Director Auction Business and Managing Director Corporate Supporting Center and Senior Executive Vice President, Finance and Administration	62	- Master of Accounting, Thammasat University	Ordinary shares Warrants	43,264 1,730	0.002 -	40,000 1,600	3,264 -	- -	- -	- -	- -	-	76	2	
4 Mr. Somphol Tripopnart Managing Director Shopping Center Business	63	- Master of Business Administration (M.B.A.) Kasetsart University	Ordinary shares Warrants	0 0	- -	140,000 14,000	(140,000) -	- -	- -	- -	- -	-	13	1	

5 years previous working experience					Details of Training Program from IOD				Illegal Record
	Number of position in legal person (Unit)	Period	Position	Name of company-agency	Do not pass	Passed	IOD Course	Year	
	-	Jan. 2022 - Present Nov. 2021 - Present Jan. 2022 - Present Jul. 2020 - Nov. 2021 Jan. 2019 - Nov. 2021 Apr. 2010 - Jun. 2012 Sep. 2000 - Jun. 2002 Aug. 1998 - Sep.2000	- Director - Managing Director 1 MBK GROUP - Director - Head of Retail Advisory and Sales Line - Executive Vice President, Head of Unsecured Lending - Managing Director - Director - Managing Director - Assistant Vice President in Office of Chairman	- MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - TMBThanachart Bank Public Company Limited - Thanachart Bank Public Company Limited - Thanachart Life Assurance Company Limited - Thanachart Insurance Public Company Limited - Max Assets Management Company Limited - Thanachart Capital Public Company Limited	✓		-	-	None
	-	2003 - Present Present	- Senior Executive Vice President, Finance and Administration - Director	- MBK - The subsidiaries and associates of MBK as shown on page 374-376		✓	DCP	2004	None
	-	Nov. 2017 - Present Aug. 2018 - Aug. 2020 2013 - Feb. 2020 Present 2008 - 2013 2002 - 2008 2006 - 2007	- Managing Director, the Shopping Center Business - Acting Senior Executive Vice President, Marketing Division - Senior Executive Vice President Leasing and Tenant Relations Management Division - Director - Executive Vice President - Marketing director - Independent Director	- MBK - MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - Islamic Bank of Thailand - Krunghthai panich insurance public company limited - Ua Withya Public Company Limited		✓	DCP	2006	None

Name-surname/ position	Age (years)	Highest education	Type of securities	Number of securities in MBK				Number of securities in MBK's shares held by their spouse and minor child				Relationship			
				31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year	31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year		Number of position in Company Limited (Company)	Number of position in Public Company Limited (Company)	
5 Mr. Pongsak Sabbasen Senior Executive Vice President, Office of President	70	- M.S. Industrial Management, Marywood College Scranton P.A., U.S.A.	Ordinary shares Warrants	-	-	-	-	-	-	-	-	-	3	1	
				-	-	-	-	-	-	-	-	-			
6 Ms. Yupapun Paritranun Senior Executive Vice President, Internal Audit	57	- Master of Science, Chulalongkorn University - Certified Internal Auditor (CIA), The Institute of Internal Auditors, U.S.A.	Ordinary shares Warrants	61,000	0.003	61,000	-	-	-	-	-	-	1	1	
				7,320	-	2,440	-	-	-	-	-	-			
7 Mr. Apichat Kamoltham Senior Executive Vice President, Legal Division	61	- Master of Law Ramkhamhaeng University - Barrister at Law, Thai Bar Association	Ordinary shares Warrants	-	-	-	-	-	-	-	-	-	60	1	
				-	-	-	-	-	-	-	-	-			
8 Mr. Satit Saisorn Senior Executive Vice President Operation	57	- Master of Business Administration (M.B.A.) Kasetsart University	Ordinary shares Warrants	15,000	0.001	15,000	-	-	-	-	-	-	12	1	
				1,800	-	600	-	-	-	-	-	-			
9 Ms. Chaninchorn Predeeprompan Senior Vice President Human Resources Division and Acting Assistant Senior Executive Vice President 2, President Office	52	- Master of Science Mahidol University	Ordinary shares Warrants	132,700	0.008	100,000	32,700	-	-	-	-	-	1	1	
				9,308	-	4,000	-	-	-	-	-	-			
10 Mr. Wisarn Sipiyarak Senior Executive Vice President Leasing and Tenant Relations Management Division and Acting Senior Executive Vice President, Marketing Division	54	- Master of Business Administration Kasetsart University	Ordinary shares Warrants	1,000	0.0001	1,000	-	-	-	-	-	-	1	1	
				120	-	40	-	-	-	-	-	-			

5 years previous working experience					Details of Training Program from IOD				Illegal Record
	Number of position in legal person (Unit)	Period	Position	Name of company-agency	Do not pass	Passed	IOD Course	Year	
	-	2006 - Present Present 2000 - 2006	- Senior Executive Vice President, Office of President - Director - Senior Executive Vice President, Operation	- MBK - The subsidiaries and associates of MBK as shown on page 374-376 - MBK		✓	DCP	2004	None
	-	2009 - Present 2000 - 2009 2000 - 2013 2004 - Present 2000 - 2003	- Senior Executive Vice President, Internal Audit - Executive Vice President, Internal Audit - Acting Vice President, Management Audit Department - Director - Acting Vice President, Operational Audit Department	- MBK - MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - MBK		✓	DCP	2005	None
	-	Present 2010 - 2016 2007 - 2010 2005 - 2007	- Senior Executive Vice President, Legal Division - Executive Vice President, Legal Division - Director - Vice President Case & Juristic Person Department - Vice President of Legal & Debt Collection Department	- MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - MBK - Navaleasing Public Company Limited		✓	DCP	2011	None
	-	Present Present 2016 2011 - 2015	- Senior Executive Vice President Operation - Director - Executive Vice President Operation - Managing Director	- MBK - The subsidiaries and associates of MBK as shown on page 374-376 - MBK - Paradise Park Company Limited		✓	DCP FSD	2016 2016	None
	-	Apr. 2020 - Present Jul. 2018 - Mar. 2020 Sep. 2018 - Present Jun. 2018 - Present Jan. 2017 - Jun. 2018 2546 - 2559	- Senior Executive Vice President Human Resources Division - Executive Vice President Human Resources Division - Director - Acting Assistant Senior Executive Vice President 2 - President Office Strategic & Operation System Management - Assistant Senior Executive Vice President2, President Office, Strategic & Operation System Management - Senior Vice President Strategic & Operation System Management Department	- MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - MBK - MBK - MBK		✓	DCP	2019	None
	-	Present Aug. 2020 - Present 2021 - Present 2561 - 2562 2559 - 2560 2555 - 2558	- Senior Executive Vice President Leasing and Tenant Relations Management Division - Acting Senior Executive Vice President, Marketing Division - Director - Senior Corporate Account Manager - Assistant Vice President-Nalco Water - Assistant Vice President-Food+Bfverage	- MBK - MBK - The subsidiaries and associates of MBK as shown on page 374-376 - Ecolab Co., Ltd. - Ecolab Co., Ltd. - Ecolab Co., Ltd.		✓	DCP	2021	None

Name-surname/ position	Age (years)	Highest education	Type of securities	Number of securities in MBK				Number of securities in MBK' s shares held by their spouse and minor child				Relationship	Number of position in Company Limited (Company)	Number of position in Public Company Limited (Company)	
				31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year	31 Dec. 2021	(%)	31 Dec. 2020	Number : Increase (decrease) during the year				
11 Mr. Sakchai Suthipipat Executive Vice President, President Office	49	- Master of Finance, Chulalongkorn University	Ordinary shares Warrants	-	-	-	-	-	-	-	-	-	6	1	

The person assigned to take the highest responsibility in Accounting and Finance

Mr. Kasemsuk Chongmankhong Managing Director Golf Business and Managing Director Auction Business and Managing Director Corporate Supporting Center and Senior Executive Vice President, Finance and Administration		<p>The details of Mr.Kasemsuk Chongmankhong shown on the part of the Executive Management background</p> <p>Professional Knowledge development in accounting for accountant 12 hours per year</p>													
---	--	---	--	--	--	--	--	--	--	--	--	--	--	--	--

The person assigned to take direct responsibility for accounting supervision

Ms. Wanpen Rungrorjanathip Assistant Senior Executive Vice President 1 Finance & Administration Division	54	- Master of Accounting, Chulalongkorn University - Professional Knowledge development in accounting for certified public accountant 40 hours per year and for accountant 12 hours per year	Ordinary shares Warrants	-	-	-	-	-	-	-	-	-	3	1	
---	----	---	--------------------------------	---	---	---	---	---	---	---	---	---	---	---	--

Secretary of the Company

Ms. Chonlada Ngamnikulchalin Secretary of the Company and Senior Vice President Compliance Department	50	- Master of Business Administration Ramkhamhaeng University - Company Secretary Program (CSP#114/2020)	Ordinary shares Warrant	23,000	0.001	23,000	-	-	-	-	-	-	-	1	
				2,760	-	920	-	-	-	-	-	-			

5 years previous working experience					Details of Training Program from IOD				Illegal Record
	Number of position in legal person (Unit)	Period	Position	Name of company-agency	Do not pass	Passed	IOD Course	Year	
	-	Jul. 2018 - Present Present	- Executive Vice President Office of President - Director	- MBK - The subsidiaries and associates of MBK as shown on page 374-376	✓		-	-	None
		Oct. 2013 - Jun. 2018 Mar. 2010 - Sep. 2013	- Senior Vice President Office of President - Vice President Business Investment Department	- MBK - MBK					

	-	2017 - Present 2018 - Present 2020 - Present May. 2021 - Present	- Assistant Senior Executive Vice President 1 Finance & Administration Division - Director - Director - Director	- MBK - MBK Food System Company Limited - MBK Broker Company Limited - Technology Gateway Company Limited		-	-	-	None
--	---	---	---	--	--	---	---	---	------

	-	Nov. 2020 - Present 2013 - Oct. 2020 Nov. 2020 - Nov. 2021	- Secretary of the Company and Senior Vice President Compliance Department - Secretary of the Executive Committee - Secretary of Good Corporate Governance Committee - Senior Vice President Internal Audit2 Department - Secretary of the Company and Head of Compliance - Secretary of the Compensation and Nomination Committee - Secretary of Good Corporate Governance Committee	- MBK - MBK - MBK - PRG - PRG - PRG		✓	CSP	2020	None
--	---	--	---	--	--	---	-----	------	------

List of The Board of Directors and The Executive Management Entitled in MBK's subsidiaries and associates as of December 31, 2021

Board of Directors and Executive Management	Company	MBK Shopping Center Company Limited	Paradise Park Company Limited	Paradise Retail Company Limited	Paradise Place Suanluang Company Limited	Glas Haus Building Company Limited	Glas Haus Ratchada Company Limited	MBK Smart Force Security Guard Company Limited	The Nine Center Company Limited	MBK Center Company Limited	MBK Square Company Limited	MBK Online Company Limited	The Nine Tiwanon Company Limited	MBK Properties Company Limited	X-Gen Premium Company Limited	Siam Pivat Company Limited	Siam Pivat Holding Company Limited	Siam Paragon Development Company Limited	Siam Paragon Retail Company Limited	Siam Pivat Simon Company Limited	The Ladkrabang Residence Company Limited	ICONSIAM Company Limited	The ICONSIAM Residences Corporation Company Limited	The ICONSIAM Superlux Residence Corporation Company Limited	The ICONSIAM Chaopraya River Holdings Company Limited	Siam River Holdings Company Limited	MBK Hotels and Tourism Company Limited	MBK Business Company Limited	MBK Hotels and Resorts Company Limited	Supsinthanae Company Limited	Lanta Land Development Company Limited
The Board of Directors																/	/														
Mr. Banterng Tantivit																/															
Mr. Suphadej Poonpipat																/															
Mr. Kasama Punyagupta																															
Mr. Pracha Jaidee																															
Mr. Suwit Rojanavanich																															
Ms. Panit Pulsirivong																															
Mr. Piyaphong Artmangkorn																															
Mr. Suvait Theeravachirakul		x	x	x	x	x	x	x	x	x	x	x	x	x	x	/	/	/	/	/	/	/	/	/	/	/	x	x	x	x	x
Mr. Hatchapong Phokai							/																								
Mr. Atipon Tantivit																															
Mr. Wichak Praditavanij																															
The Executive Management																															
Mr. Suvait Theeravachirakul		x	x	x	x	x	x	x	x	x	x	x	x	x	x	/	/	/	/	/	/	/	/	/	/	/	x	x	x	x	x
Mr. Wichak Praditavanij																															
Mr. Kasemsuk Chongmankhong		/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/									/	/	/	/	/	/
Mr. Somphol Triopnart		/	/	/	/	/	/	/	/	/			/	/													/	/	/	/	/
Mr. Pongsak Sabdasen																															
Ms. Yupapun Paritranun																															
Mr. Apichat Kamoltham		/	/	/	/	/	/	/	/	/	/	/	/	/	/											/	/	/	/	/	/
Mr. Satit Saisorn		/	/	/	/	/	/	/	/		/	/	/	/												/	/	/	/	/	/
Ms. Chaninchora Predeeprampan																															
Mr. Wisam Sipiyarak																															
Mr. Sakchai Suthipipat																															

FORM 56-1 ONE REPORT 2021
MBK PUBLIC COMPANY LIMITED

Board of Directors and Executive Management	Company	MBK Food and Entertainment Company Limited	MBK Food Island Company Limited	Innofood (Thailand) Company Limited	PRG Logistics Company Limited	MBK Restaurant Group Limited	MBK Food Service Company Limited	MBK Guarantee Company Limited	Primacy Elegance Investments Limited	MBK Premium Company Limited	T Leasing Company Limited	MG 4 Company Limited	MG 7 Company Limited	MG 8 Company Limited	MBK Broker Company Limited	Max Asset Management Company Limited	Apple Auto Auction (Thailand) Company Limited	MBK Trading Company Limited	Q Mall Company Limited	MBK Advanced Company Limited	MBK Training Center Company Limited	MBK Insurance Broker Company Limited	Technology Gateway Company Limited	MBK Asset Company Limited	MBK Leisure Company Limited	Intelligent Creative & Marketing Company Limited	MBK Innovation Company Limited	MBK Food System Company Limited	MBK Contact Center Company Limited	TM Communications and Brand Management Company Limited	Puen Rob Patt Company Limited
The Board of Directors																															
	Mr. Banterng Tantivit																														
	Mr. Suphadej Poonpipat																														
	Mr. Kasama Punyagupta																														
	Mr. Pracha Jaidee																														
	Mr. Suwit Rojanavanich																														
	Ms. Panit Pulsirivong																														
	Mr. Piyaphong Artmangkorn																														
	Mr. Suvait Theeravachirakul	x	x	x	x	x	x	x	/	x	x	x	x	x			x	x	x	x	x	x		x	x	x	x	x	/		
	Mr. Hatchapong Phokai																														
	Mr. Atipon Tantivit																														
	Mr. Wichak Praditavanij										/																				
The Executive Management																															
	Mr. Suvait Theeravachirakul	x	x	x	x	x	x	x	/	x	x	x	x	x			x	x	x	x	x	x		x	x	x	x	x	/		
	Mr. Wichak Praditavanij										/																				
	Mr. Kasemsuk Chongmankhong	/	/	/	/	/	/	/	/	/	/	/	/	/	/		/	/	/	/	/	/	/	/	/	/	/	/	/	/	
	Mr. Somphol Tripopnart																														
	Mr. Pongsak Sabdasen																														
	Ms. Yupapun Paritranun																														
	Mr. Apichat Kamoltham					/		/		/		/	/	/	/			/	/	/	/	/	/	/	/	/	/	/	/	/	
	Mr. Satit Saisorn																														
	Ms. Chaninchorn Predeeprampan																														
	Mr. Wisarn Sipiyarak																														
	Mr. Sakchai Suthipipat							/				/	/	/												/					

Notes : x = Chairman Δ = Vice Chairman / = Directors // = Chairman of the Audit Committee /// = Directors of the Audit Committee ■ = Subsidiaries ■ = Associates

Attachment 2

Details of the Directors of the Subsidiaries

Details of the directors, executives, and controlling persons of the Company, subsidiaries, and related companies

Details of the directors, executives, and controlling persons of the Company, subsidiaries, associated companies, indirect shareholding companies, and related companies as of 31 st December 2021.											
Name	Company	PRG Corporation Public Company Limited *	Subsidiary : PRG Properties Company Limited	Subsidiary : MBK Restaurants Group Company Limited	Subsidiary : MBK Food Island Company Limited	Subsidiary : MBK Entertainment Company Limited	Associate : MBK Food Service Company Limited	holds shares indirectly : Ratchasima Rice Company Limited	holds shares indirectly : Innofood (Thailand) Company Limited	holds shares indirectly : PRG Logistic Company Limited **	Related : MBK Public Company Limited
1	Mr. Suphadej Poonpipat	X	-	-	-	-	-	-	-	-	V
2	Mr. Suvait Theeravachirakul	V,Y	X	X	X	X	X	X	X	X	O,I,L
3	Dr. Pornsiri Poonkasem	/, ///	-	-	-	-	-	-	-	-	-
4	Assoc. Prof. Dr. Sathit Parniangtong	/, //	-	-	-	-	-	-	-	-	-
5	Ms. Veena Arunyakasem	/, //	-	-	-	-	-	-	-	-	-
6	Mr. Pakit Iamopas	I,Z	-	-	-	-	-	-	-	-	-
7	Mr. Kasemsuk Chongmankhong	I	I	I	I	I	-	I	I	I	E
8	Mr. Somkiat Makcayathorn	O,I ,L	O,I,L	O,I	I,O,Z	I,O,Z	O,I,L	O,I,L	O,I,L	O,I,L	-
9	Ms. Arthorn Vanasantakul	-	-	-	I	-	-	-	-	-	-
10	Mr. Apichat Kamoltham	-	-	I	-	-	-	-	-	-	-
11	Ms. Pimonrat Chitpavanaskul	E	I	I	I, L	I	I	I	I, L	I	-
12	Mr. Satawat Laklaem	E	-	-	I	-	I	-	-	-	-
13	Ms. Preeyanuch Nuntachote	E	-	-	-	-	-	-	-	-	-
14	Ms. Prisana Klankaew	E	I	-	-	-	I	I	I	-	-
15	Mr. Abhimongkol Kitjawatra	-	E	-	-	-	-	-	-	-	-

/ Independent Director

// Audit Committee

/// Chairman of the Audit Committee

I Director

V Vice Chairman of the Board of Directors

X Chairman

L Member of the Executive Committee

Y Vice Chairman of the Executive Committee

Z Chairman of the Executive Committee

E Executive

O Managing Director/CEO

* Change of the Company's name from Patum Rice Mill and Granary Public Company Limited

** Change of the Company's name from Simapac Company Limited

Attachment 3

Details of the Heads of the Internal Audit

Name-surname/position	Age (years)	Highest education	5 years previous working experience				Details of Training Program from IOD			Illegal Record
			Period	Position	Name of company-agency	Do not pass	Passed	IOD Course	Year	
Ms. Yupapun Paritranun Senior Executive Vice President, Internal Audit	57	- Master of Science, Chulalongkorn University - Certified Internal Auditor (CIA), The Institute of Internal Auditors, U.S.A.	2009 - Present	- Senior Executive Vice President, Internal Audit	- MBK		✓	DCP	2005	None
			2000 - 2009	- Executive Vice President, Internal Audit	- MBK					
			2000 - 2013	- Acting Vice President, Management Audit Department	- MBK					
			2004 - Present	- Director	- MBK Advanced Company Limited					
			2000 - 2003	- Acting Vice President, Operational Audit Department	- MBK					

Details of Compliance Units

Ms. Chonlada Ngamnikulchalin Secretary of the Company and Senior Vice President Compliance Department	50	- Master of Business Administration Ramkhamhaeng University - Company Secretary Program (CSP # 114/2020)	Nov. 2020 - Present	- Secretary of the Company and Senior Vice President Compliance Department	- MBK		✓	CSP	2020	None
			2013 - Oct. 2020	- Secretary of the Executive Committee - Secretary of Good Corporate Governance Committee - Senior Vice President Internal Audit2 Department	- MBK					
			Nov. 2020 - Nov. 2021	- Secretary of the Company and Head of Compliance - Secretary of the Compensation and Nomination Committee - Secretary of Good Corporate Governance Committee	- PRG - PRG - PRG					

Attachment 4

Assets for business undertaking and details of asset appraisal

Please refer to the details at www.mbkgroup.co.th

Attachment 5

Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company

Please refer to the details at www.mbkgroup.co.th

Attachment 6

The Report on The Responsibility of the Board of Directors Towards Financial Reports

Dear Shareholders of MBK Public Company Limited

The Company's Board of Directors is responsible for the separate financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries as well as financial information presented in the Form 56-1 One Report. The financial statements for the year end December 31, 2021 have been prepared in accordance with Financial Reporting Standards. In preparing the financial statements, appropriate accounting policies have been adopted and regularly adhered to, using careful discretion and reasonable estimates. As well, key information has been adequately disclosed in the notes to the financial statements. The purpose is to ensure that the disclosed information rightly reflect the Company's financial status, performance and cash flows in transparent manner, which are beneficial to the investing public. Importantly, the certified auditor from EY Office Limited has audited the financial statements and issued an unqualified opinion on them. To enable the auditor to conduct the audit and provide the opinion in line with the audit standards, the Company provides the auditor with its support in terms of information and documents.

The Board of Directors has also put in place and maintained risk management systems, internal control systems, internal audit systems as well as appropriate and efficient corporate governance. The purpose is to ensure that the accounting information is accurate, complete and adequate, and that not only the Company's assets and risk protection are properly maintained but also fraud and significant irregular actions are prevented.

In this connection, the Board of Directors has appointed the Audit Committee with all of its members being independent directors. The Committee is responsible for reviewing accounting policies and ensuring the quality of financial reports. It is also responsible for reviewing internal control systems, the internal audit systems, and the risk management systems. As well, it is responsible for ensuring that the disclosure of information about related party transactions is complete, adequate and appropriate. The opinion of the Audit Committee is given in its report which is already included in this Form 56-1 One Report.

The Board of Directors is of the opinion that the overall internal control systems are adequate and appropriate and gives rise to the reasonable confidence that the separate financial statements of the Company as well as the consolidated financial statements of the Company and its subsidiaries for the year end December 31, 2021 are reliable and in compliance with financial report standards as well as the related laws and regulations.



Banterng Tantivit

Chairman of the Board of Directors



Suvait Theeravachirakul

President and CEO

The Report of the Executive Committee

Dear Shareholders of MBK Public Company Limited

The Board of Directors has approved the formation of the Executive Committee. Currently, the Executive Committee consists of four directors as follows:

- | | | | |
|----|---------------|------------------|-------------------------------------|
| 1. | Mr. Suphadej | Poonpipat | Chairman of the Executive Committee |
| 2. | Mr. Piyaphong | Artmangkorn | Director of the Executive Committee |
| 3. | Mr. Suvait | Theeravachirakul | Director of the Executive Committee |
| 4. | Mr. Atipon | Tantivit | Director of the Executive Committee |

Ms. Chonlada Ngamnikulchalin acts as the Secretary of the Executive Committee.

In 2021, the Executive Committee had 12 meetings in total for considering, scrutinizing, and proposing guidelines on solving problems and suggestions for the Company's important issues— prior to submitting proposals to the Company's Board of Directors for consideration— which could be summarized as follows:

- 1) To consider the Company's and its subsidiaries' operational direction, strategy policy, and business operational plans in order to communicate the said operational plans to the executives and employees at all levels for acknowledgment and implementation following the set goals.
- 2) To consider the Company's structure, its authority, its salary structure, and its annual remuneration for the Company's employees and executives in order to be appropriate for and consistent in the policies of strategic and business plans.
- 3) To consider the liquidity management and investment in projects of the Company and its subsidiaries' companies by analyzing opportunities and threats occurred in the investment. The Executive Committee also formulated policies on financial risk management or investment in projects as well as monitoring and evaluating results in order to increase the competitive advantage and potential opportunities for investment.
- 4) To consider and approve the annual budget, financial transactions, and material credit lines before proposing to the Board of Directors for approval.
- 5) To efficiently and effectively supervise and monitor the Company's and its subsidiaries' operations on a monthly basis, in accordance with policies and laws, in order to avoid conflicts of interest.

The Board of Directors is committed to managing the business to achieve the vision, mission, goals, and business strategy of the organization. It is responsible for overseeing the management of the Company's and its subsidiaries' business operations in accordance with the law and the Company's Articles of Association with the best interests of shareholders and all groups of stakeholders to lead the organization towards stable and sustainable progress.



Mr. Suphadej Poonpipat
Chairman of the Executive Committee

The Report of the Audit Committee

Dear Shareholders of MBK Public Company Limited

The Audit Committee consists of 3 following independent directors with qualifications as follows:

- | | | | |
|----|------------|--------------|---------------------------------|
| 1. | Mr. Kasama | Punyagupta | Chairman of the Audit Committee |
| 2. | Mr. Pracha | Jaidee | Member of the Audit Committee |
| 3. | Mr. Suwit | Rojanavanich | Member of the Audit Committee |

Ms. Yupapun Paritranun, Senior Executive Vice President, Internal Audit Division, acts as the Secretary of the Audit Committee.

In 2021, the Audit Committee performed duties as assigned by the Board of Directors and followed the Audit Committee's charter in accordance with the Stock Exchange of Thailand's good practice guidelines. The Good Corporate Governance principles, risk management, and internal control had been adequately and efficiently audited. In 2021, the Audit Committee held 16 meetings, including meetings with the management department, internal audit division, and the Company's auditor, as well as having specific meetings with the management department. The minutes of the meetings had always been reported to the Board of Directors. The following is a summary of the important points:

The Financial Statement Reports

The Audit Committee, together with the auditors, executives from the Finance and Administration Division, and the Internal Audit Division, review the Company's quarterly and the yearly financial statements as well as the consolidated financial statements of the Company by verifying the accuracy and completeness of the financial statements, connected transactions and key adjusted entries, including accounting estimates which have an effect on the financial statement, the suitability of the accounting policy, the disclosure of information which is accurate, complete, and sufficient, auditors' opinions on the Key Audit Matters (KAMs) in order to ensure that the financial statement's preparation follows accounting standards and is trustworthy and in time. Also, the information is sufficiently disclosed for the sake of the financial statement's users.

Moreover, the Audit Committee also held some specific meetings with the auditors— while the Management Team did not attend the meetings— in order to take advice on independence during performing their duties and giving opinions about the Company's financial statements.

The Related Transactions or Potential Conflict of Interest Transactions

The Audit Committee considered and gave opinions about connected transactions, related party transactions, or transactions that might give rise to a conflict of interest, holding to the principles of reasonability, transparency, and the sufficient disclosure of information, as well as the Company and stakeholders' benefits taken into consideration. Opinions were made before they were proposed to the Company's Board of Directors or shareholders according to the regulations of the Stock Exchange of Thailand.

The Risk Management

The Audit Committee verified the efficiency and the effectiveness of the risk management's process, plans, as well as guidelines on the risk management affecting the Company's performance. The process development corresponds to unexpected situations was recommended.

The Corporate Governance

The Audit Committee examined the Company's Corporate Governance in terms of anti-corruption compliance, taking into account the report of the internal audit team and the material report of the auditor. The Company's adequate and transparent process was recommended to comply with the laws and regulations.

The Internal Control and the Internal Audit

The Audit Committee reviewed the Audit Committee's charter and the Internal Audit Division's charter annually, by verifying that the Company had an efficient internal control system and internal audit, and by considering the audit and approval plan, annual audit plan, compliance plan, internal audit results. The material issues had been advised and followed for the improvement taking into account the adequacy of personnel and the independence of the operation. The advice and operational improvements were constantly conducted.

Considering the Selection of Auditors and Their Remuneration

The Audit Committee selected and considered the remuneration of the auditors of EY Office Limited by considering the auditors' qualifications, knowledge, capabilities, experiences, quality of work in the past, and independence in accordance with the regulations of the Stock Exchange of Thailand or other related agencies. The Audit Committee viewed that the auditors had good understanding of the Company's business. Therefore, the Audit Committee proposed to the Board of Directors for approval given by the Annual General Meeting of Shareholders in order to appoint EY Office Limited as the Company's auditor and approve the audit's remuneration for the year 2021.

The Audit Committee has performed its duties using knowledge, ability, caution, prudence, and sufficient independence as well as provided honest advice and suggestions for the benefit of the stakeholders according to the principles of Good Corporate Governance. The Audit Committee stated that the Company prepared its financial statements following financial reporting standards for the accounting period ending 31st December 2021 under the requirements and relevant rules, there was adequate and appropriate financial information disclosure, risk management, internal control system, and operational supervision.



Mr. Kasama Punyagupta
 Chairman of the Audit Committee
 25th February 2022

The Report of the Compensation and Nomination Committee

Dear Shareholders of MBK Public Company Limited

The Company's Board of Directors approved the establishment of the Compensation and Nomination Committee on 23rd February 2007. Currently, the Compensation and Nomination Committee consists of three members as follows:

- | | | | |
|----|--------------|-------------|--|
| 1. | Mr. Suphadej | Poonpipat | Chairman of the Compensation and Nomination Committee |
| 2. | Ms. Panit | Pulsirivong | Member of the Compensation and Nomination Committee (Independent director) |
| 3. | Mr. Pracha | Jaidee | Member of the Compensation and Nomination Committee (Independent director) |

In 2021, the Compensation and Nomination Committee held 3 meeting in order to consider important issues regarding assigned duties and responsibilities and report the minutes— together with opinions— to the Board of Directors. The important issues taken into consideration were as follows:

- 1) To consider and review the charter of the Compensation and Nomination Committee in light of the current situation and Good Corporate Governance.
- 2) To consider and recruit directors and committee members in various sub-committee for the replacement of the director whose term of office has expired, the Chief Executive Officer and President, Senior Executive Vice President, and Executive Vice President in accordance with the laws and rules of the competent regulator, by considering, recruiting, and nominating personnel whose qualifications, experiences, knowledge, and ability encouraged and suited the Company's business types
- 3) To consider the remuneration of director, committee, Chief Executive Officer and President, Senior Executive Vice President, and Executive Vice President, by considering the appropriateness of each position's assigned duties and responsibilities, the performance of the Company's performance, and remuneration level in comparison with the industry standard to motivate and retain quality director and executives.
- 4) To encourage and support the Company to open up an opportunity for shareholders to propose an agenda for the annual meeting of shareholders 2022 and propose names of qualified candidates in order to be considered for appointment as directors in compliance with disclosed rules on the website of the Company from 29th September 2021 to 30th December 2021.

- 5) To follow up and monitor the Company's appropriate succession plan and continuity of management for top executives and important positions in order to prepare personnel for supporting and conforming to the expansion of business.

The policy on the compensation and nomination as well as details of the compensation and nomination's process are already disclosed in this Form 56-1 One Report.

The Compensation and Nomination Committee have served with care, prudence, transparency, and independence— as stipulated in the Charter of the Compensation and Nomination Committee and consistent in the Good Corporate Governance's principles for the maximum benefits of the Company, shareholders, and stakeholders of every party.



Mr. Suphadej Poonpipat
Chairman of the Compensation
and Nomination Committee

The Report of the Good Corporate Governance Committee

Dear Shareholders of MBK Public Company Limited

The Company's Board of Directors approved the establishment of the Good Corporate Governance Committee on 3rd June 2015. The Good Corporate Governance Committee consists of ten members as follows:

1.	Mr. Banterng	Tantivit	Chairman of the Good Corporate Governance Committee
2.	Mr. Suphadej	Poonpipat	Member of the Good Corporate Governance Committee
3.	Mr. Kasama	Punyagupta	Member of the Good Corporate Governance Committee
4.	Mr. Pracha	Jaidee	Member of the Good Corporate Governance Committee
5.	Mr. Suwit	Rojanavanich	Member of the Good Corporate Governance Committee
6.	Ms. Panit	Pulsirivong	Member of the Good Corporate Governance Committee
7.	Mr. Piyaphong	Artmangkorn	Member of the Good Corporate Governance Committee
8.	Mr. Suvait	Theeravachirakul	Member of the Good Corporate Governance Committee
9.	Mr. Hatchapong	Phokai	Member of the Good Corporate Governance Committee
10.	Mr. Atipon	Tantivit	Member of the Good Corporate Governance Committee

Ms. Chonlada Ngamnikulchalin, the Company Secretary and Senior Vice President of the Compliance Department, acted as Secretary of the Good Corporate Governance Committee.

The Good Corporate Governance Committee gives importance to the promotion and support of the Company in conducting business with a Good Corporate Governance system by continuously developing the Company's corporate governance. One meeting was held in 2021 to carry out duties within the specified scope of responsibilities. The following are the specific key operations:

- 1) To review the manual of the Company's Good Corporate Governance policy and business ethics to ensure that the manual is complete, clear, and up-to-date. It refers to CG Code stipulated by Securities and Exchange Commission (SEC) and conforms to the guidelines and principles according to standard of the ASEAN CG Scorecard under the CGR Project of the Thai Institute of Directors (IOD) and aligns with the anti-corruption policy.
- 2) To establish the policy for MBK subsidiaries to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) as well as to be informed of the Company's and subsidiaries' performance of the CAC project to be in line with the CAC committee's assessment, including the creation of awareness to educate employee to strictly comply with anti-corruption policy and measures as a part of effort and support to eliminate corruption in Thailand
- 3) To supervise and monitor the operations of the organization in compliance with the Company's and its subsidiaries' Good Corporate Governance policy to conduct the business with transparency, fairness and to create the maximum benefit to the shareholders and all stakeholders

- 4) To supervise the organization's operations on sustainable development by taking into account the responsibility towards society, community, environment, and all stakeholders in a concrete manner with conscience; and to provide comments and suggestions for the project's implementation as part of driving and promoting sustainable social, community and environmental development.
- 5) To supervise and support the Company's performance to follow the principles of Good Corporate Governance, resulting that the Company has been assessed for the Good Corporate Governance of Listed Companies at the "Excellent" level for 6 consecutive years since 2016, as well as giving recommendations for the development of the Corporate Governance according to a project on promoting the Corporate Governance with emphasis on work operations and performance in order to conform with principles of Good Corporate Governance.
- 6) To supervise MBK's companies for the Corporate Governance by considering the annual assessment since 2018. the Company's Internal Audit Division carries out the assessment and approves the making of "the Action Plan for Good Corporate Governance" (Action Plan GCG) of MBK's companies in order to improve the Good Corporate Governance stipulated by the policy.

The Good Corporate Governance Committee is responsible for considering and reviewing the Company's Good Corporate Governance policy and practices, as well as supervising management's operations in accordance with the principles of Good Corporate Governance established by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). It also considers and establishes a framework for community responsibility, society, and stakeholders for sustainable development and creates added value for the organization for sustainable growth.



Mr. Banterng Tantivit
Chairman of the Good Corporate
Governance Committee



MBK PUBLIC COMPANY LIMITED

8th Fl., MBK Center Building, 444 Phayathai Rd., Wangmai, Pathumwan, Bangkok 10330 Thailand
Telephone: +66 (0) 2853 9000 Facsimile: +66 (0) 2853 7000

www.mbkgroup.co.th

