

MBK

JUST RIGHT



Annual Registration Statements/Annual Report 2022
(Form 56-1 One Report)

MBK PUBLIC COMPANY LIMITED

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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.

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)

| | 31/12/2020 | Percentage | 31/12/2021 | Percentage | 31/12/2022 | Percentage |
|--|------------|------------|------------|------------|------------|------------|
| Statement of financial position | | | | | | |
| Total Assets | 57,142,260 | 100.00 | 55,257,420 | 100.00 | 54,350,101 | 100.00 |
| Total Liabilities | 35,757,154 | 62.58 | 34,199,312 | 61.89 | 32,537,132 | 59.87 |
| Total Shareholders' Equity | 21,385,106 | 37.42 | 21,058,108 | 38.11 | 21,812,969 | 40.13 |

For the years ended 31 December

| | 2020 | Percentage | 2021 | Percentage | 2022 | Percentage |
|---|-----------|------------|-----------|------------|-----------|------------|
| Statement of comprehensive income | | | | | | |
| Revenue from Rental | 2,382,986 | 25.80 | 1,490,726 | 18.33 | 1,714,815 | 18.14 |
| Services | 825,427 | 8.94 | 904,907 | 10.86 | 993,067 | 10.51 |
| Sales | 2,471,893 | 26.77 | 2,617,702 | 31.89 | 2,532,996 | 26.80 |
| Revenue from Hotel Operations | 469,753 | 5.09 | 205,989 | 2.51 | 805,246 | 8.52 |
| Revenue from Financial Business | 2,485,531 | 26.92 | 2,411,234 | 29.38 | 2,358,788 | 24.96 |
| Other Revenues | 598,792 | 6.48 | 576,817 | 7.03 | 1,047,022 | 11.08 |
| Total Revenues | 9,234,382 | 100.00 | 8,207,375 | 100.00 | 9,451,934 | 100.00 |
| Gross Profit | 3,396,520 | 39.33 | 2,596,133 | 34.02 | 3,229,069 | 38.42 |
| Net Profit attributable to equity holder of the Company | 149,188 | 1.62 | (804,475) | (9.80) | 331,852 | 3.51 |

The financial ratios of MBK Public Company Limited and its subsidiaries

For the years ended 31 December

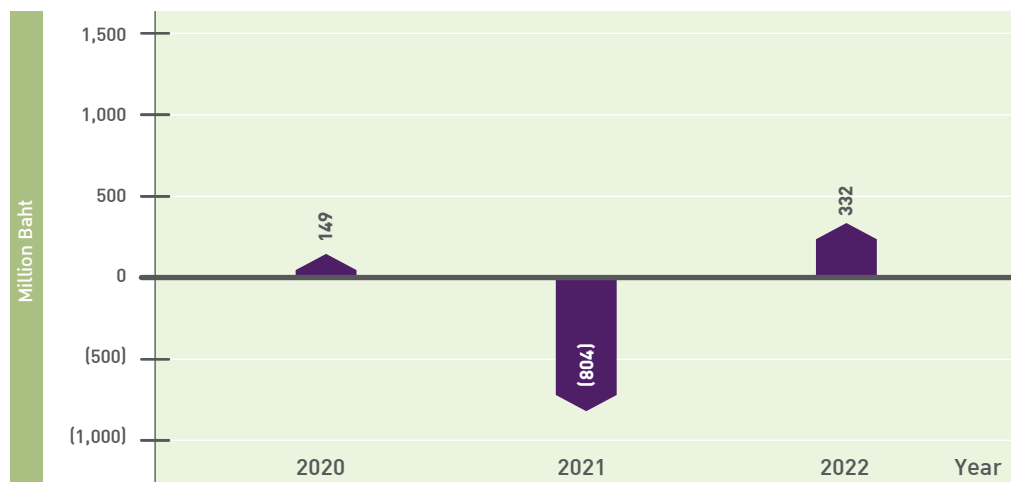
| | (Unit) | 2020 | 2021 | 2022 |
|---------------------------------------|--------|-------|--------|-------------------|
| Net Profit / Total Revenues | % | 1.62 | (9.80) | 3.51 |
| Return on Average Equity ^A | % | 0.66 | (3.89) | 1.59 |
| Return on Average Assets | % | 0.27 | (1.43) | 0.61 |
| Earnings Per Share ^B | (THB) | 0.11 | (0.60) | 0.23 |
| Dividend Per Share | (THB) | - | - | 0.80 ^C |
| Book Value Per Share | (THB) | 15.75 | 14.77 | 13.96 |

Note A Shareholders' equity represented equity attributable to the Company's shareholders (excluding equity attributable to non-controlling interest of the subsidiaries).

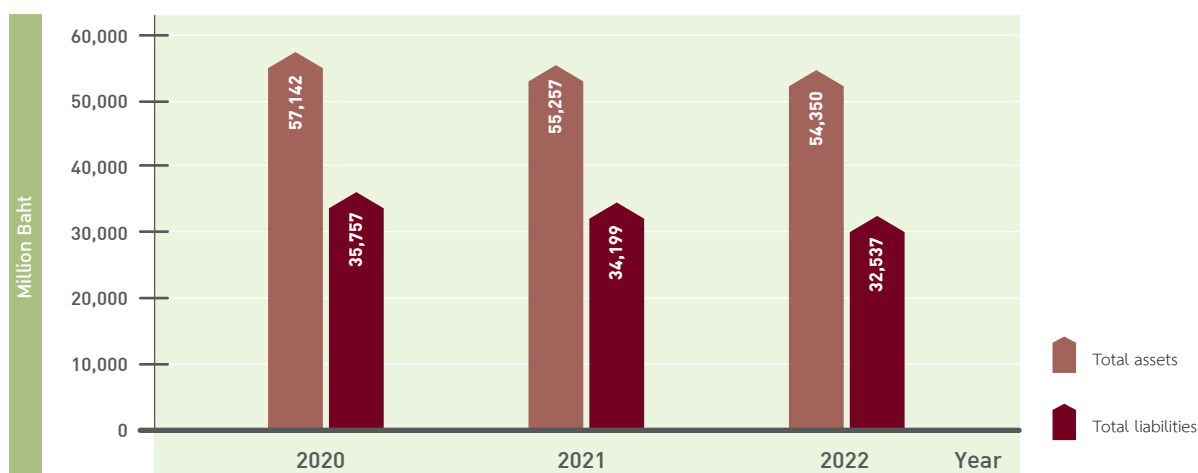
B Calculated from the weighted average number of ordinary shares which deducted by treasury stocks held by the Company and its subsidiaries.

C Propose to the shareholders for approval in respect of the allocation of profit from retained earnings for dividend payments for the second half-year of 2022 at the rate of Baht 0.40 per share. The total 2022 dividend will be Baht 0.80 Baht per share, including the interim dividend for the first half-year of 2022 at the rate of Baht 0.40 per share. Dividends will be paid to the shareholders listed in the record date for shareholders who have rights to attend the Annual General Meeting and receive dividends (Record date) as of March 20, 2023 and the dividend will be paid on May 3, 2023. However, the entitlement to receive the dividend is uncertain because it has yet to be approved by the shareholders.

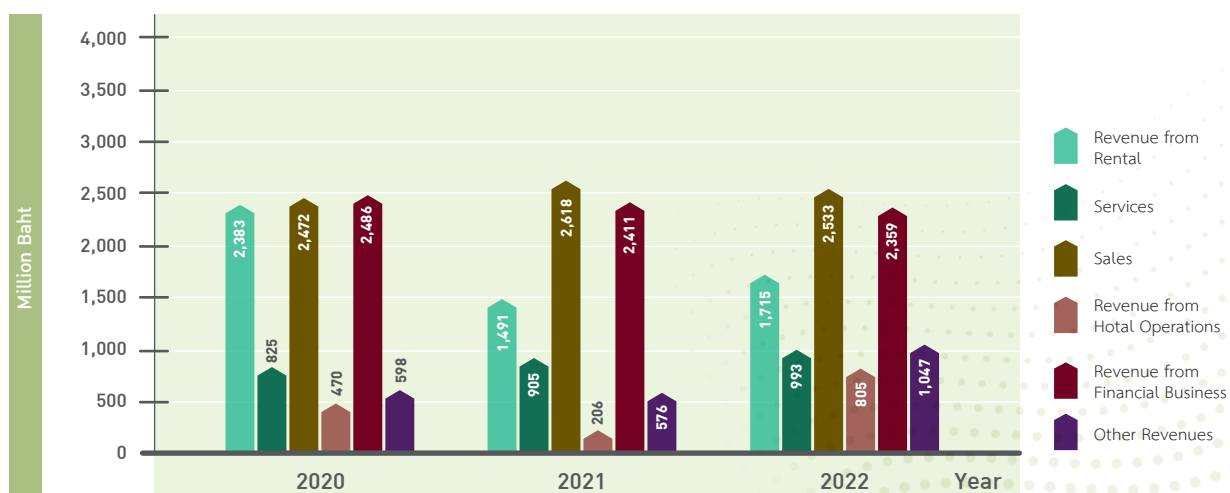
Net Profit



Total Assets & Total Liabilities



Revenue Structure of Business Group



MESSAGE FROM THE BOARD OF DIRECTORS



Consumer confidence in spending was regained, and economic activities were likely to resume the pre-pandemic level since there were signs of steady recovery from the COVID-19 outbreak that lasted a prolonged period from 2020 to early 2022 which now began to improve. In addition, the government relaxed control measures and ultimately, the emergency situation announcement was lifted nationwide. Measures to stimulate and recover the economy, specially in the tourism sector, were launched. However, entrepreneurs and consumers remained cautious in their spending as the overall and global economy continued to be affected by numerous factors such as the fuel price, inflation, technology disruption, and the Russian-Ukrainian war.

Although MBK GROUP was impacted by the spread of COVID-19 and other factors in early 2022, the Board of Directors and Management made constant arrangements and strategic adjustments to the business in response to the crisis, changes, and business environment. Strategies were also modified to accommodate the improving situation and gradually recuperating purchasing power. The overall operating results for the year ended on 31st December 2022 compared to 2021 were as follows:

The operating income was 9,452 million Baht, an increase of 1,245 million Baht, or 15%. The 2022 net profit was 332 million Baht, compared to a net loss of 804 million Baht in 2021 due to prolonged impact of COVID-19 since March 2020. As a result of the 2021 net loss, some businesses had to close their establishments according to the measures during the period required by the government. Such businesses were the shopping center business, the hotel business, the golf business, and the food court business. Nevertheless, in 2022, the severity and the concerns over the pandemic subsided continuously, and the country was reopened to welcome foreign tourists, resulting in gradual recovery of business sectors, particularly tourism-related ones.

MBK GROUP's financial position as of 31st December 2022 compared to 2021 saw material changes: Total assets were 54,350 million Baht, and the total liabilities were 32,537 million Baht. The latter comprised interest-bearing liabilities of 16,578 million Baht and non-interest-bearing liabilities of 15,959 million Baht. Total shareholders' equity was 21,813 million Baht.

All 8 businesses of MBK GROUP namely the Shopping Center, Hotel and Tourism, Golf, Real Estate, Food solution, Finance, Auction, and Corporate Supporting Center shifted the strategies to brace for challenging situations and generate new business opportunities from changes in consumer behaviors and circumstances, especially in the tourism-related businesses:

For the Shopping Center Business, Shopping Centers under MBK GROUP and Siam Piwat Co., Ltd. (SPW) (as an associate company) diversified the income base and customer segments. MBK Center, in particular, renovated the rental area and communal area to suit changes of the situation. There were many aspects of the overhaul and diversification of shops and goods that better met the needs of both Thai and foreign customers. In addition, the government's measure to reopen the country attracted the return of foreign customers. Technology and innovation were adopted to support and

modernize the operations, services, and facilities. Via MBK Plus application, marketing activities were promoted, and the customer base was created to satisfy the various needs of the customers.

As for Paradise Park, the land rental contract was renewed for 20 more years (1st August 2023 – 31st July 2043). At the moment, the selection of store tenants at Paradise Park and Paradise Place is undergoing planning to ensure diversity, suitability, and uniqueness, to differentiate from competing shopping centers located in the same zone to respond to the needs of every customer segment. The differentiation, for instance, would be a center for holistic and integrated health services, including healing, treating, promoting, and preventing in a comprehensive manner under the concept of “The Philosophy of Living”.

Regarding the hotel and tourism business, more and more foreign tourists arrived in response to the government’s country reopening policy and measures to boost tourism. As a result, the hotel business saw better operating results, particularly Pathumwan Princess Hotel, Dusit Thani Krabi Beach Resort, and Layana Resort and Spa, where as many as 80% of the main customers were foreigners.

In early 2022, Pathumwan Princess Hotel and Tinidee Hotel Bangkok Golf Club provided the hospital service for infected patients with mild symptoms (Green) to help relieve the burden of the government and hospitals. This was an opportunity to generate revenue to the hotel business during the crisis.

For the Golf Business, the signs of tourism recovery, particularly the country reopening for foreign tourists, helped improve the performance of the Golf Business, especially those located in Phuket namely Loch Palm Golf Course and Red Mountain Golf Course, as the majority of customers was foreigners. Golf courses in Pathum Thani namely Riverdale Golf Club and Bangkok Golf Club had consistently better operating results. These two golf courses had the honor of being the location for professional golf tournaments of Thailand Open 2022 and Singha Bangkok Open 2022 in cooperation with All Thailand Golf Tour.

However, the Financial Business in the area of hire-purchase operated by T Leasing Co., Ltd. (TLS), faced intense competition. Additionally, in October 2022, the Office of the Consumer Protection Board (OCPB) announced a measure to control the interest rate ceiling which would take effect in January 2023. Consequently, motorcycles hire purchase saw a slowdown. In 2022, TLS’s net profit decreased from 2021 by 39%. However, TLS has a plan to develop new lending products to expand business and develop technology systems and services to meet the diverse needs of current and future customers.

MBK GROUP remains committed in conducting a sustainable business. The Board of Directors has always recognized and placed importance on cultivating management in accordance with the Good Corporate Governance principles within the organization as they believe that doing so will be a vital foundation for MBK GROUP to be ready to take on the everchanging environment while being responsible to the society and all stakeholders.

In addition, there are changes and emerging risks in today's business. Apart from business growth, MBK GROUP considers the stakeholders and impact to the business value chain. The company realizes and emphasizes the sustainable growth by adopting its expertise and resources to consciously generate value to the organization and society simultaneously through continuous projects and activities. Examples are reduction of waste releases, decrease of energy consumption, energy conservation, and alternative energy sources to lessen and prevent environmental issues and promote sustainability in all aspects. Details of which are disclosed in this 56-1 One Report.

On behalf of the Board of Directors, we would like to thank our shareholders, customers, business partners, and all stakeholders as well as executives and employees who have trusted and helped support the business of the MBK GROUP all along. MBK GROUP believes that the commitment to conduct business by adjusting and preparing a plan in a timely manner as well as creating opportunities from challenging changes enable the organization to grow towards its goals with strength and continuity by adhering to the principles of Good Corporate Governance to create maximum benefits for shareholders, customers, employees, stakeholders, and Thai society.



Mr. Banterng Tantivit
Chairman



Mr. Suphadej Poonpipat
Chairman of the Executive Committee



Mr. Wichak Praditavanij
President and CEO

THE BOARD OF DIRECTORS



Mr. Banterng Tantivit
Chairman
and Chairman of the Corporate Governance
and Sustainability Committee



Mr. Suphadej Poonpipat
Vice Chairman, Chairman of the Executive
Committee, Chairman of the Compensation
and Nomination Committee
and Member of the Corporate Governance
and Sustainability Committee



Mr. Suvait Theeravachirakul
Director,
Vice Chairman of the Executive Committee
and Member of the Corporate Governance
and Sustainability Committee



Mr. Piyaphong Artmangkorn
Director,
Member of the Executive Committee
and Member of the Corporate Governance
and Sustainability Committee



Ms. Panit Pulsirivong
Independent Director,
Member of the Compensation
and Nomination Committee
and Member of the Corporate Governance
and Sustainability Committee

NOTE: 1 Mr. Suvait Theeravachirakul was appointed into Vice Chairman of the Executive Committee, on January 1st, 2023.



Mr. Kasama Punyagupta
Independent Director,
Chairman of the Audit Committee
and Member of the Corporate Governance
and Sustainability Committee



Mr. Pracha Jaidee
Independent Director,
Member of the Audit Committee
and Member of the Compensation
and Nomination Committee
and Member of the Corporate Governance
and Sustainability Committee



Mr. Suwit Rojanavanich
Independent Director,
Member of the Audit Committee
and Member of the Corporate Governance
and Sustainability Committee



Mr. Atipon Tantivit
Director,
Member of the Executive Committee
and Member of the Corporate Governance
and Sustainability Committee



Ms. Vijitra Thumpothong
Independent Director,
Chairman of the Audit Committee
and Member of the Corporate Governance
and Sustainability Committee



Mr. Wichak Praditavanij
Director,
Member of the Executive Committee,
Member of the Corporate Governance
and Sustainability Committee and
President and CEO

NOTE : 2 Mr. Kasama Punyagupta resigned from the position of Independent Director, Chairman of the Audit Committee and Member of Corporate Governance and Sustainability Committee on 2nd February 2023 and the Board of Directors Meeting No. 2/23 resolved to appoint Ms. Vijitra Thumpothong as a replaced Independent director, Chairman of the Audit Committee and Member of Corporate Governance and Sustainability Committee, effective from 2nd February 2023 onwards.
3 Mr. Wichak Praditavanij was appointed into President and CEO, on January 1st, 2023.

EXECUTIVE MANAGEMENT



Mr. Suvait Theeravachirakul
Vice Chairman of the Executive Committee



Mr. Wichak Praditavanij
President and CEO
and Chief Finance Business Officer
and Acting Chief Business Development Officer



Mr. Kraivin Srikraivin
Deputy Chief Executive officer



Mr. Kasemsuk Chongmankhong

Chief Golf Business Officer
Chief Auction Business Officer
Chief Corporate Supporting Center Officer
Chief Financial & Administrative Officer



Mr. Somphol Tripopnart

Chief Shopping Center Business Officer
and Acting Chief Marketing Officer



Mr. Kriangkrai Phurivitvattana

Deputy Chief Corporate Supporting
Center Officer

- NOTE:**
- 1 Mr. Suvait Theeravachirakul was appointed into Vice Chairman of the Executive Committee, on January 1st, 2023.
 - 2 Mr. Wichak Praditavanij was appointed into President and CEO and Chief Finance Business Officer and Acting Chief Business Development Officer, on January 1st, 2023.
 - 3 Mr. Kraivin Srikraivin was appointed into Deputy Chief Executive Officer on January 1st, 2023.
 - 4 Mr. Somphol Tripopnart was appointed into Chief Shopping Center Business Officer and Acting Chief Marketing Officer on August 10th, 2022.
 - 5 Mr. Kriangkrai Phurivitvattana was appointed into Deputy Chief Corporate Supporting Center Officer on January 5th, 2023

MANAGEMENT

President Office as of December 31, 2022



Mr. Wichak Praditavanij
President and CEO



Mr. Kraivin Srikraivin
Deputy Chief Executive Officer



Mr. Kriangkrai Phurivitvattana
Deputy Chief Corporate
Supporting Center Officer



Mr. Pongsak Sabdasen
Chief President Office 1,
President Office



Mr. Sakchai Suthipipat
Chief President Office,
President Officer



Mr. Wijarn Heebphorn
Assistant Chief President Office 1,
President Officer



Mr. Charoon Punyachetporm
Senior Vice President, Project
Management Department



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



Ms. Jaroonrat Salee
Vice President 1,
President Office



Ms. Pittaya Inphirom
Vice President 2,
President Office



Mr. Sorapong Tansupalak
Vice President 3,
President Office

NOTE: 1 Mr. Wichak Praditavanij was appointed into President and CEO on January 1st, 2023.
2 Mr. Kraivin Srikraivin was appointed into Deputy Chief Executive Officer on January 1st, 2023.
3 Mr. Kriangkrai Phurivitvattana was appointed into Deputy Chief Corporate Supporting Center Officer on January 5th, 2023

Finance & Administration Division as of December 31, 2022



Mr. Kasemsuk Chongmankhong
Chief Financial &
Administrative Officer



Ms. Wanpen Rungrojchanathip
Assistant Chief 1, Finance &
Administration Officer



Mr. Jaraschai Boworntammarat
Senior Vice President,
Finance Department



Ms. Supaporn Tangkidwanitcharoen
Vice President, Procurement
and Administration Department



Mr. Kitja Sinrapavongsa
Vice President, Accounting &
Budget Department

Human Resources Division as of December 31, 2022



Ms. Chaninchorn Predeeprompan
Chief Human Resources Officer



Ms. Patcharin Pintunun
Vice President,
Human Resources Management
Department



Ms. Sunthruthai Limweeraphan
Vice President,
Human Resources Development
Department

MANAGEMENT

Operation Division as of December 31, 2022



Ms. Praiyaporn Khaengraeng
Chief Operation Officer



Ms. Orawan Chungprasirtsri
Vice President,
Service Department



Mr. Pongwikarn Wisarutshotikul
Vice President,
Security Management
Department



Mr. Prayad Boonkham
Vice President,
Engineering Department

NOTE: Ms. Praiyaporn Khaengraeng was appointed into Chief Operation Officer on July 1st, 2022.

Internal Audit Division as of December 31, 2022



Ms. Yupapun Paritranun
Chief Internal Audit Officer



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



Mr. Vachira Fuengsri
Vice President,
Internal Audit 2 Department

Business Development Division as of December 31, 2022



Mr. Wichak Praditavanij
Acting Chief
Business Development Officer



Mr. Soomboon Prasobpiboon
Assistant Chief Business
Development Officer
and Acting Vice President,
Business Investment Department



Mr. Peerapon Prasertsri
Senior Vice President,
Business Development
Department

NOTE : Mr. Wichak Praditavanij was appointed into Acting Chief Business Development Officer on January 1st, 2023.

Marketing Division as of December 31, 2022



Mr. Somphol Tripopnart
Acting Chief Marketing Officer



Ms. Puttachad Srinisakorn
Assistant Chief Marketing Officer



Ms. Sattakamol Worakul
Vice President, Corporate
Communications Department



Mr. Keetawat Tongkian
Vice President,
Digital Marketing Department



Ms. Saranya Charoensiri
Vice President,
Marketing Department

MANAGEMENT

Leasing and Tenant Relations Division as of December 31, 2022



Mr. Wisarn Sipiyarak
Chief Leasing
and Tenant Relations
Management Officer



Ms. Thitirat Prasongpol
Vice President, Leasing and
Tenant Relations Department

Legal Division as of December 31, 2022



Mr. Apichat Kamoltham
Chief Legal Officer



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

Corporate Strategy and Business Transformation Division as of December 31, 2022



Mr. Taweesak Songsithichoke
Chief Corporate Strategy &
Business Transformation Officer



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

NOTE : Mr. Taweesak Songsithichoke was appointed into Chief Corporate Strategy & Business Transformation Officer on February 1st, 2023

Technology Division as of December 31, 2022



Mr. Natdanai Pornchaisiriarun
Chief Technology Officer

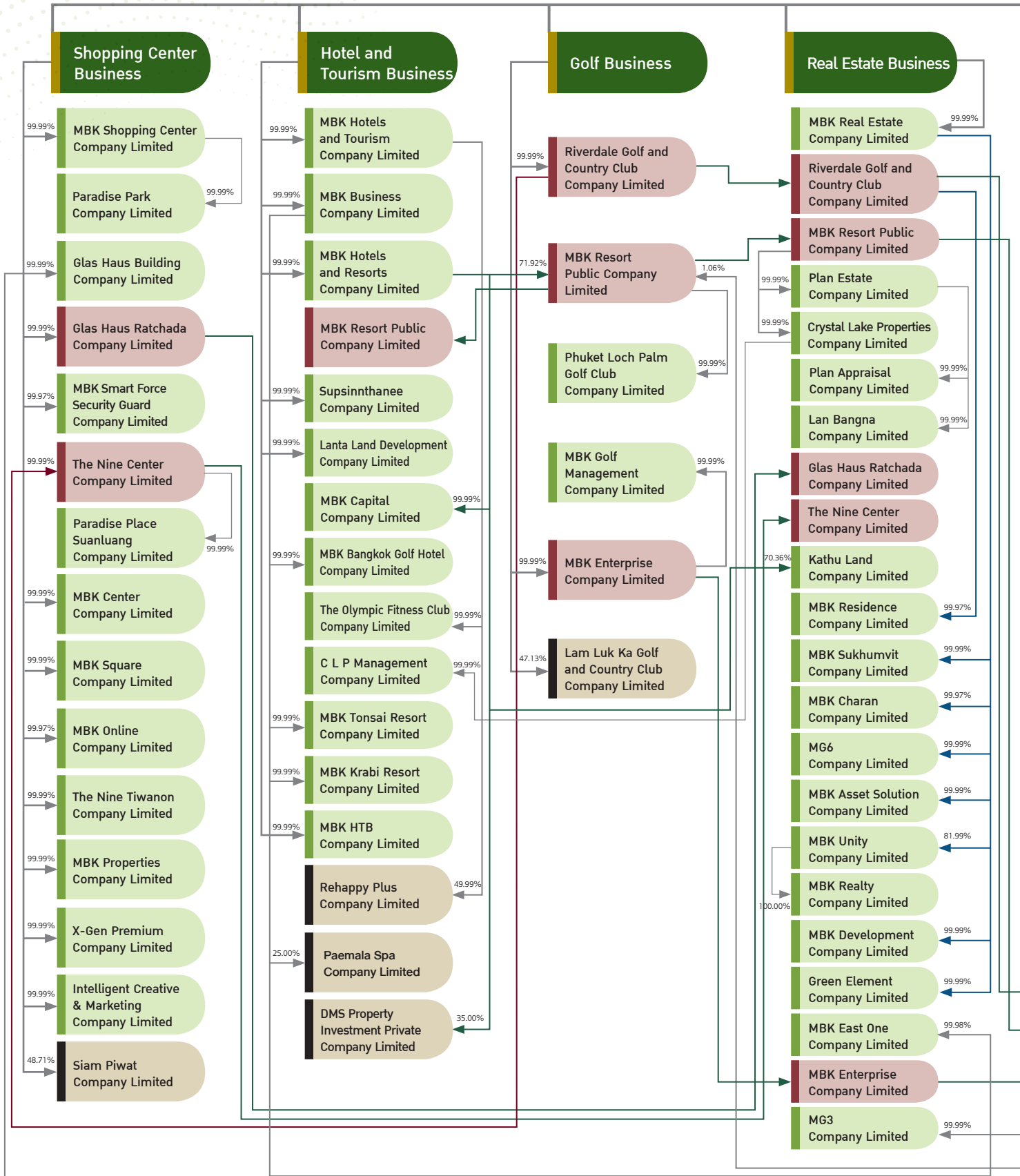


Mr. Boonlert Rakwijitsil
Vice President,
Information Technology
Department

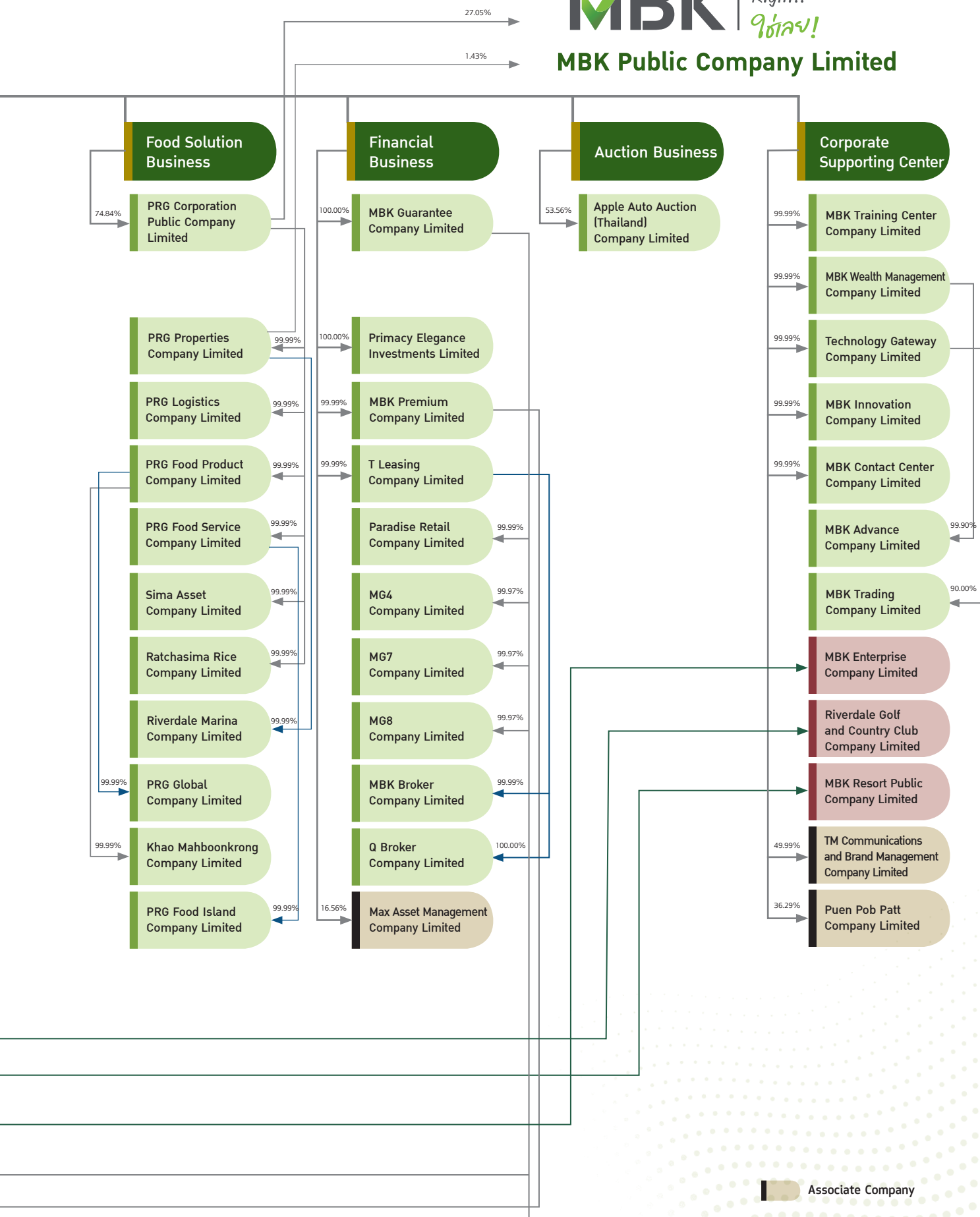
NOTE : Mr. Natdanai Pornchaisiriarun was appointed into Chief Technology Officer on February 1st, 2023.

SHAREHOLDING STRUCTURE OF MBK GROUP

December 31, 2022



MBK Public Company Limited





1. ORGANIZATIONAL STRUCTURE AND OPERATION OF THE GROUP OF COMPANIES

1.1 POLICY AND BUSINESS OVERVIEW

1.1.1 Operational vision and mission

Vision

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

Mission

- 1) Focus on investment in potential business.
- 2) Generate returns for investors regularly.
- 3) Run business operations with trade partners systematically and fairly for the sake of mutual benefits.
- 4) Create the brand and image of the organization continuously.
- 5) Develop marketing continuously.
- 6) Focus on customer-centric provision of services.
- 7) Encourage and develop the human resources in accordance with business expansion and commitment.
- 8) Develop business through digitalization and innovations.
- 9) Perform with Good Corporate Governance’s principles.

1.1.2 Major changes and developments

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

- None -

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 2022

- **April** MBK Public Company Limited (MBK) adopted a resolution approved by the Annual General Meeting of Shareholders 2022 in order to significantly take actions as follows:
 - Decreased the registered capital of the company from the original registered capital of THB 2,405,583,548 to new registered capital of THB 1,905,583,548 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.1/2021.
 - Offered or allocated the Company's warrants to purchase ordinary shares No.4 (MBK-W4) in the amount of not more than 76,220,769 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").
 - Increased the registered capital of the company from the original registered capital of THB 1,905,583,548 to THB 1,985,641,029 by issuing not more than 80,057,481 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-W4 Warrants and to accommodate the adjustment of rights of the MBK-W1 Warrants, MBK-W2 Warrants and MBK-W3 Warrants.
 - Increased the registered capital of the company under the General Mandate from THB 1,985,641,029 to THB 2,485,641,029 by issuing 500,000,000 new ordinary shares with a par value of THB 1 per share
 - Allocated newly issued ordinary shares of the Company not more than 80,057,481 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W1 Warrants, MBK-W2 Warrants, MBK-W3 Warrants and the exercise of the MBK-W4 Warrants. The details as follows:
 - 1) Allocated not more than 1,026,352 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of MBK-W1 Warrants.
 - 2) Allocated not more than 1,016,513 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W2 Warrants.
 - 3) Allocated not more than 1,793,847 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W3 Warrants.
 - 4) Allocated not more than 76,220,769 newly issued ordinary shares with a par value of THB 1 per share to reserve for the issuance of the Company's warrants to purchase ordinary shares of MBK-W4 Warrants.

- Allocated 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.
- **November** MBK Real Estate Company Limited (MBK-RE), operations to property management service, a direct subsidiary which MBK 100.00%, has approved to invest in three new companies. Details are as follows:
 - MBK Unity Company Limited (MBK-UNI), operated an investment business by holding shares in other companies related to the real estate business.
 - MBK Development Company Limited (MBK-DE), operated development services to real estate projects.
 - Green Element Company Limited (GEM), architectural designed and decorated for the development of real estate projects, as well as business administration of trees and economic crops.

However, MBK Public Company Limited (MBK) adopted a resolution approved by the Extraordinary General Meeting of Shareholders No. 1/2022 in order to significantly take actions as follows:

- Decreased the registered capital of the company from the original registered capital of THB 2,485,641,029 to new registered capital of THB 1,985,641,029 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 2022.
- Increased the registered capital of the company from the original registered capital of THB 1,985,641,029 to THB 1,988,712,432 by issuing not more than 3,071,403 new ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W1 Warrants, MBK-W2 Warrants, MBK-W3 Warrants and MBK-W4 Warrants from interim dividend payment to shareholders.
- Increased the registered capital of the company under the General Mandate from THB 1,988,712,432 to THB 2,488,712,432 by issuing 500,000,000 new ordinary shares with a par value of THB 1 per share.
- Allocated newly issued ordinary shares of the Company not more than 3,071,403 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W1 Warrants, MBK-W2 Warrants, MBK-W3 Warrants and MBK-W4 Warrants. The details as follows:
 - 1) Allocated not more than 765,422 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of MBK-W1 Warrants from interim dividend payment to shareholders.
 - 2) Allocated not more than 883,827 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W2 Warrants from interim dividend payment to shareholders.
 - 3) Allocated not more than 273,954 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W3 Warrants from interim dividend payment to shareholders.
 - 4) Allocated not more than 1,148,200 newly issued ordinary shares with a par value of THB 1 per share to accommodate the adjustment of rights of the MBK-W4 Warrants from interim dividend payment to shareholders.
- Allocated 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 2022, the changes and developments were made to the spaces inside the MBK Center. The changes and improvements are as follow:

- Renovated rental spaces and central areas in the Open Well Zone on G floor and in Zone C on the 2nd floor as commercial areas of approximately 300 square meters.
- Renovated rental spaces and central areas in Zone B on G floor as commercial and central areas and the Muslim Prayer Room, covering approximately 1,200 square meters.
- Renovated rental spaces and central areas in Zone A on the 6th floor as commercial areas of approximately 2,000 square meters.
- Renovated rental spaces and central areas in Zone B on the 6th floor as commercial areas of approximately 1,000 square meters.
- Renovated rental spaces in Zone A on the 7th floor as commercial areas of approximately 1,100 square meters.

2) The Paradise Park

In 2022, the Paradise Park run by Paradise Park Company Limited, agreed to renew the land contract with S.S. Real (Suan Luang) Company Limited. The land is where the Paradise Park is situated on. The contract will run for a term of 20 years, remaining enforceable from August 1st, 2023 to July 31st, 2043. The contract also states the improvement and maintenance of systems, equipment, and facilities inside the Paradise Park as well as providing continuous services.

The Paradise Place Building

In 2022, 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, as well as gathering food sources such as All for Baking Super Mart, Thai Walters Engineering Company Limited, and U Passion Group Company Limited.

3) The Nine Center Rama 9

The Nine Center Rama 9 was improved and renovated its areas in order to bring variety which responded to customer need by adding new stores such as restaurants for customers who concerned themselves with good health, pet stores providing products and services for pet lovers, and IT stores.

4) The Nine Center Tiwanon

The year 2022, The Nine Center Tiwanon had the concept of the outstanding community mall which responded to the community's lifestyle. It also selected and gathered more variety of stores including Lao Nuo Restaurant, Domino's Pizza, Phad Phad, the hub of doll claw machines and Echo Games Stations.

5) The Glas Haus Ratchada Building

In 2022, the Glas Haus Ratchada improved the surrounding landscape and pruning trees and bushes around the building for the sake of neatness.

THE HOTEL AND TOURISM BUSINESS

In 2022, there were changes in various aspects as follows:

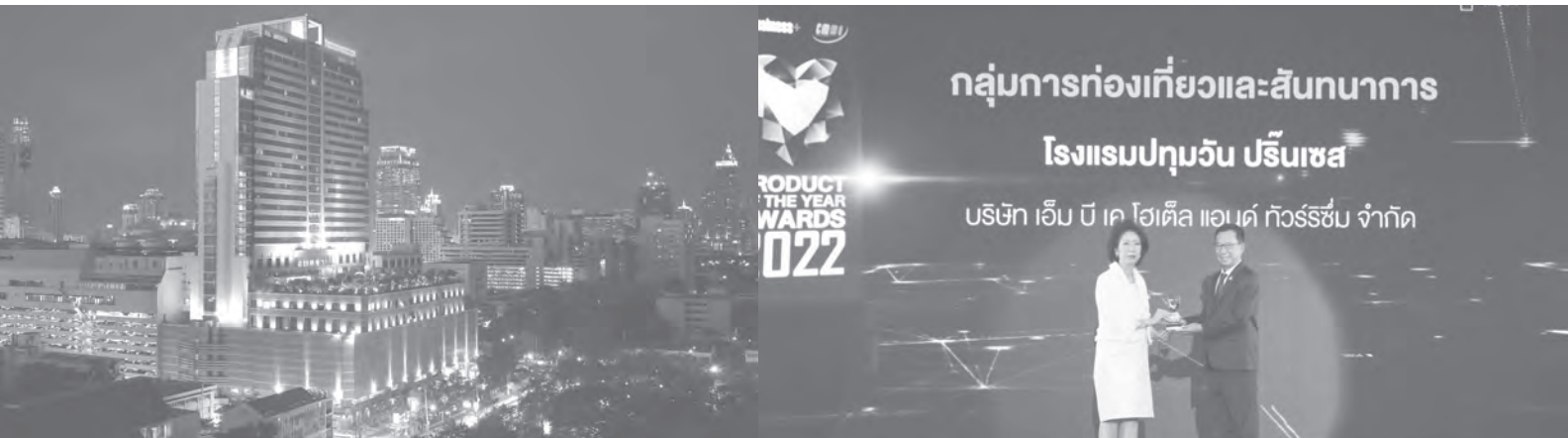
1) Pathumwan Princess Hotel

In 2022, Pathumwan Princess Hotel offered the Hospitel service in cooperation with 3 hospitals in total, because people infected with COVID-19 were increasing countrywide, while domestic hospitals and hospitals located in Bangkok could not meet the demand of COVID-19 infected people. The Hotel then provided more hotel rooms for infected patients. This service became available until May, 2022, which generated an income from hotel rooms, public utilities, and meal expenses.

After people infected with COVID-19 worldwide had increased, the European countries began to lessen measures to curb the spread of COVID-19 and open their countries under conditions imposed by each country. Thailand had a policy to open the country as well and drew tourists to inbound travelling to Thailand continuously. The Hotel altered the policy to welcome guests appropriately in order to meet the needs and a number of guests, while continuously increased the higher level of guest satisfaction.

Awards Received in 2022

- “Haute Grandeur Global Awards 2022” (2022 Award Winner Hotel)
 - Best Prime Location Hotel in Asia, Best Hotel Residences in Thailand
 - Best Hotel Service in Thailand
- “Haute Grandeur Global Awards 2022” (2022 Award Winner Restaurant)
 - Best Grill in Thailand, Best Hotel Restaurant in Thai-land
 - Most Unique Experience in Thailand
- TripAdvisor Travelers' Choice 2022
- Business Product of the year Award 2022
- Outstanding Establishment in Labor Relations and Labor Welfare Award 2022, National Level





2) Dusit Thani Krabi Beach Resort Hotel

During the first half of the year, the majority of guests were Thai people from “We Travel Together” and “Tours around Thailand” projects. During the second half of the year, after the epidemic situation of COVID-19 was alleviated and the public sector took lessened measures and opened the country, the Hotel welcomed more guests. However, the Hotel still had both domestic and foreign sales promotion campaigns set for agencies, organizations, institutes, and agents in Thailand by means of sales through E-Commerce, expansion of its guest base through social media and influencers in order to increase business partners, and sales promotion packages; which all received good feedback, particularly during weekends or long holidays.

Moreover, the Hotel arranged more fun-filled activities in order that guests enjoyed a game selected by the Hotel each day. For the BeWell Program Package, it covered Ice bath, Kupp games, yoga, tai chi, water sports, and Muay Thai (Thai kickboxing). The activities were arranged as group-based and one-on-one activities. All packages—such as the Spa package, Weight Loss, Muay Thai (Thai kickboxing), and yoga—were accompanied by the menu for good health in order to respond to the expansion of both domestic and foreign guest groups of guests who concerned themselves with good health. The month-based and year-based Fitness Packages were provided for both Thai and foreign guests who lived in Krabi province.

Food and Beverages

Marketing strategies were changed by focusing on co-selling food and hotel rooms and expanding target groups into banquets, meetings, seminars, and wedding celebrations, adding a variety of set menus in Toh Kin Khaw Restaurant, and adding healthy food to the menu for MICE market in order to meet the market’s needs.

Other Aspects

- Dusit Thani Krabi Beach Resort 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.
- Set “Celebrate Life” Programs for Private Dinner on the beach and Private Chef Table at Toh Kin Khaw, which provided new experiences for guests in order to increase an income for the Food and Beverages Division.
- Organized promotions and festival events in order to attract guests to stay at the Hotel such as the World Cup event, the Christmas festival the New Year festival, weekends, and long holidays.
- Changed menus and add new menus to Toh Kin Khaw Restaurant and the Italian Restaurant—covering both food and beverages in order to meet the needs of guests.
- Organized the special price promotion for Thai guests in particular.
- Was the Official Location for the IRON MAN Race which was held for the 4th consecutive time.

Awards received in 2022

- Received the award “Amazing Thailand Safety & Health Administration: SHA+”
- The Wellness Center was certified by Thailand’s Department of Medical Services and Department for Development of Thai Traditional and Alternative Medicine for the category of Spa for Health 2022
- ASEAN Tourism Standard (ASEAN Green Hotel) 2022-2024
- The prototype of promoters for environment-friendly tourism of Krabi 2022
- Accommodation Standard for Tourism (Resort)
- 5-Star Resort Standard of Thailand Hotel Standard
- The venue standards for the category of the Meeting Room, certified by Thailand Convention and Exhibition Bureau (TCEB)
- Linger Longer Spa (DTKR) to be wellness center by Department of Thai Traditional and Alternative Medicine Category Wellness Spa
- Asean Green Hotel Standard 2022
- Asean Tourism Standard 2022
- Best Theme Restaurant on a Global level
- Best Food Styling Presentation in Thailand
- Most Unique Experience in Asia
- “Haute Grandeur Global Awards 2022” (2022 Award Winner Hotel)
- Best All-Inclusive Family Hotel on a Global level
- Best Destination Wedding Hotel on a Global level
- Best Resort Hotel in Asia

3) Tinidee Golf Resort Phuket Hotel

In 2022, buildings and hotel rooms were continuously renovated and kept in a good condition by repainting 4 buildings and reducing from 8 hotel rooms to 6 hotel rooms in Loch Palm Residence (which 2 hotel rooms were sold) in order to provide services for guests and golfers who required suite-type hotel rooms. 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.

From the epidemic outbreak of 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 hygienic safety measures for tourists or SHA Plus (SHA+), SHA Extra (SHA++)

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





4) Layana Resort and Spa

In 2022, the majority of guest groups were Thai people and foreigners who lived in Thailand, because it was not a tourist season of foreign guests— mainly European guests— and the war between Ukraine and Russia which had an impact on an increase in oil prices and cost of living, made the Hotel's room occupancy rate not to reach its target. The Hotel took the opportunity to renovate hotel rooms of Ocean Deluxe Villa 1-2-3 by building additional outdoor showers in order to create new a new experience for the guests, modifying the mood and tone of the Sea Sky Restaurant, and changing all glass doors of the Sea Sky Restaurant, the Sundowners Bar, and areas around the lobby in order for more aesthetic view. In the last quarter of 2022, a number of guests from the European Continent and Scandinavia who began to re-check in and stay at the Hotel were 60% of the normal period of time.

Awards received in 2022

- Tripadvisor Awards 2022:
 - No.5 Top Hotel in Thailand
 - No.5 Luxury Hotel in Thailand
 - Best Hideaway Spa in Asia
 - Best Luxury Spa in Thailand
 - “Haute Grandeur Global Awards 2022” (2022 Award Winner Hotel)
 - Best Beach Villa on a Global level
 - Best Boutique Honeymoon Hotel on a Global level
 - Best Honeymoon Hotel in Asia
 - Best Hotel View in Asia

5) Tinidee Hotel Bangkok Golf Club

From the outbreak of the COVID-19, the Hotel joined the public sector and communities to change the Hotel itself to be the Hospital in order to support patients with COVID-19 who had slight symptoms (green level). This helped the Government and hospitals lighten their burden, together with building automatic mobile robots for the purpose of killing the COVID-19 viruses.

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

6) Tinidee Hideaway Tonsai Beach Krabi Hotel

In 2022, the Hotel cooperated with the public sector for the projects called “We Travel Together” and “Tours around Thailand” in order that to advertise more domestic travels for Thai tourists. The Hotel also adjusted all guidelines under hygienic safety standards which feedback was well-accepted. The room occupancy rate rose and the price strategy was altered in order to be consistent with the situation as well as taking a measure to control the epidemic of COVID-19. The Hotel met standards of SHA, SHA Plus, and SHA Extra Plus.

THE GOLF BUSINESS

In 2022, the situation of COVID-19’s epidemic began to improve. The public sector announced to officially open the country in July, 2022, which led to a remarked increase in incomes of Loch Palm Golf Course (LPGC) and Red Mountain Golf Course (RMGC)— where were situated in Phuket— because the majority of golfers of both golf courses were foreign golfers. Both golf courses focused on maintaining the quality of these golf courses in order to well meet the needs of the golfers. Riverdale Golf Club (RDGC) and Bangkok Golf Club (BKGC) could offer services as usual in 2022. The golfers came to receive services continuously, particularly for the Night Golf service of Bangkok Golf Club (BKGC). Moreover, there was the cooperation with All Thailand Golf Tour in order to hold national competitions called “Thailand Open” between September 1st – 4th, 2022 at Riverdale Golf Club (RDGC) and “Singha Bangkok Open 2022” between October 13th – 16th, 2022 at Bangkok Golf Club (BKGC). The competitions made both golf courses famous and widely renown. However, these 4 golf courses still took building confidence in their safe services according to public health standards called Amazing Thailand Safety and Health Administration— SHA and SHA+ — into consideration in order that the customers gained confidence and came back to receive services continuously.

THE REAL ESTATE BUSINESS

MBK-RE focuses on the real estate development with high-rise condominium projects under the brand “Quinn”. The projects are in good locations convenient for transportation. Now, there is 1 Quinn project available for sale, where is situated on Sukhumvit 101 Road, adjacent to Punnawithi Sky Train Station. The project’s value is more than 2,000 million Baht. It is an ongoing project which follows the “Quinn Ratchada 17” project. It has been warm welcome by customers. Also, 3 horizontal projects in potential locations are developed. They are the “Quartz” project— detached houses and allocated plots of land in the area of Rama 9 Road with the total value of over 700 million Baht; the “Park Riverdale” project— detached houses with the project’s value of over 700 million Baht; the “Riverdale Residence” project with the value of over 1,800 million Baht. Two latter projects are located inside the “Riverdale District”, Pathum Thani province, where facilities for the living of residents are available.





THE FOOD SOLUTION BUSINESS

1) The Rice Business

In 2022, the situation of the global market was affected by the epidemic of COVID-19 but had a tendency to recover, particularly in the latter half of the year which the public sector had a policy to boost the economy. Meanwhile, in 2022 there was a war between Russia and Ukraine which had impacts on supply chains in several global businesses, resulting in the change of the economy, consumer purchasing power, and changing life styles. These impacts, in an overall picture, caused the domestic rice business had the negative growth rate in some sales channels, however, in an overall picture, there was not much change because rice was a necessary consumer product. In the foreign market, the volume of rice exports increased because of the depreciation of Thai Baht when compared to the previous year. The increasing rate of oil prices had an impact on both domestic and foreign transportation costs. Therefore, the price competition in order to maintain both domestic and foreign market shares rose. Meanwhile, in 2022 the domestic situation of the sales value of jasmine rice dropped because of an increase in the price competition which was opposite to increasing prices of raw material. Therefore, an investment policy to purchase raw material in each period of time was still a factor in enjoying an advantage or suffering from a disadvantage of each entrepreneur.

Then, PRG set business plans carefully— the plans for buying raw material, 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) 4 separate channels for domestic sale
 - 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.
 - Online channel consisting of sales channels through E-commerce and Line OA of PRG.

- (2) Foreign sale in order to increase more sales of cargo containers or one-stop service centers in order to respond to the customer groups of HORECA (Hotels, restaurants, and caterings) as well as selling products other than rice fully contained in the cargo containers for the aim that helping customers seek new products. The foreign sale was divided into 4 zones as follows:

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

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) OEM Business

OEM Business focuses on make-to-order business as Original Equipment Manufacturer (OEM) by manufacturing products under customers' own brands for retail stores and agencies in order to be sold within the country and exported to foreign countries. In 2022, OEM Business gained another customer group— more large industry customers which used rice as raw material. This customer group needed quality rice by international standards in order to make products for sale within the country and for export to foreign countries. In 2023, the Sales Department focused on large industry customers in particular and had a plan to further develop from popular unbranded products to its own branded products in order to expand more markets by beginning with northeastern areas first which the traditional customers and local department stores were its focus of sale.

3) Food Court Business

“Food Legends by MBK” Food Court

“Food Legends by MBK” Food Court, under the management of PRG Food Island Company Limited (PRG-FI) was formerly known as MBK Food Island Company Limited (MBK-FI). It provides 4 food courts in total. The food courts are situated downtown and in renowned shopping centers. They can be reached by BTS, MRT, and other public transportation. The two food courts are situated on the 6th floor of MBK Center, the third one is situated on the 4th floor of Samyan Mitrtown, the 1st floor of The Nine Center Tiwanon and Siam Premium Outlets Bangkok. In 2022, in the first quarter, Im Jung Food Court, situated on the G floor of MBK Center, terminated because of the impact of the epidemic of COVID-19.





However, during the latter half of the year, the situation of the epidemic of COVID-19 alleviated, resulting that customers could come back to use services as usual. PRG-FI— as the executive team of Food Legends by MBK— improved its image of the food courts in order to respond to coming back to use services, as well as developing products and services in order to be consistent with consumer behavior. In the third quarter, one more food court opened— under the cooperation with Siam Piwat Simon Company Limited— under the name of OASIS EATERY, situated in the Sport zone, Siam Premium Outlets Bangkok project.

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

Moreover, MBK-FI still maintained its services providing by rotating stores and legendary restaurants in alliance which received many awards such as Cheng Sim Ei Dessert Shop, Nai Soi Beef Noodles Shop, Ros Siam Noodles Shop, Pow Tiam Heng Stewed Pork Leg with Rice Shop (originally from Trok Soong), Sew Lung Hainanese Chicken Rice Shop. Customer-favorited restaurants with their regular customers and their fame for great taste which attracted interest. Snack shops with great taste were selected based on the quality and uniqueness for available services all the year of 2022 in order to add a variety of taste to respond to customer groups.

4) 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-PP). It consisted of marinas for speed boats, yachts, and jet skis, 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, and a venue for organizing events in the area of more than 6,000 square meters. It was part of the Riverdale District which was a 10-year plan.

Moreover, in 2022, the establishment of Riverdale Marina Company Limited (PRG-RM) was registered in order to manage the marina business in the Riverdale Marina project which has opened since March, 2022. It received satisfactory feedback. Many interested customers docked their boats and used marina services as anticipated. Also, it was promoted by the Tourism Authority of Thailand (TAT) to be a center of water travels— offering a service of hiring out tourist boats to tourists according to a public agency’s master plan to develop water travels. In 2023, services of an oil station for boats, retail areas to be rent out for a boat showroom, a boat maintenance center, restaurants, a venue for organizing events, and the Marina Plaza— a center of everything about the boats— will be available.

5) Logistics Business

In 2022, for Logistics Business of PRG, a technological system of logistics was improved through the development of the Warehouse Management System (WMS) and the Transportation Management System (TMS) for the sake of their modernization, by increasing the efficiency of the warehouse management and the distribution of products to PRG, and responding to the business expansion in order to provide services for outside customers in the future according to the business's goal.

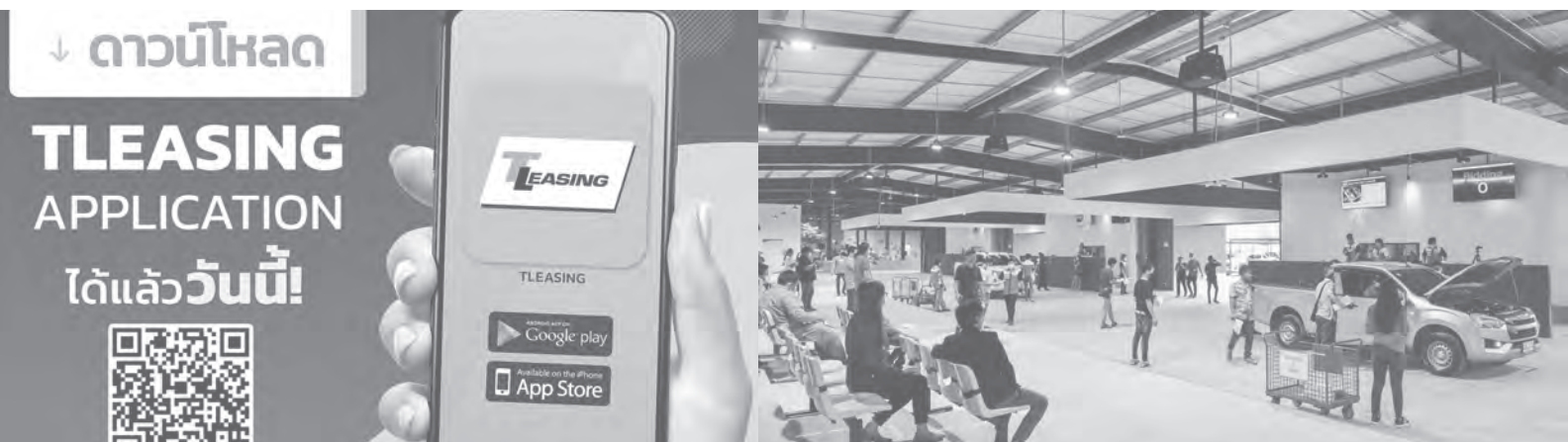
FINANCIAL BUSINESS

TLS has a policy to be the business entrepreneur— which offers full services of hire purchase and financial contracts— and has been growing continuously and sustainably. However, in 2022 it had major changes as follow:

- More investment in purchasing common shares of Q Broker Company Limited, with the net book value of 13,487,644.13 Baht.
- Reduction of authorized capital of MBK Broker Company Limited, with the value of 3,550,000.00 Baht, leading to the remaining value of authorized capital of 221,875,000.00 Baht.
- Expansion of service areas to provinces in order to respond to consumers' growing need for hire purchase of motorcycles.

In 2023, MBK-G sets its vision to be a leader in alternative credit and its mission to help people who need capital in urgent time with friendliness and sincerity, under strategies formulated as follows:

- To improve credit products in order to meet the needs of customers
- To forge a relationship with the organizations and entrepreneurs
- To run both proactive marketing and direct approach marketing for entrepreneurs
- To develop the potential of employees to be able to undergo an End-to-End process
- To increase speed of credit approval
- To adjust to a pricing strategy and a process of Non-Performing Assets (NPA) in order to speed the sale up





AUCTION BUSINESS

The second-hand car and motorcycle auction business

AAA parking spaces are increased in provinces in order support an increasing number of cars confiscated by sellers of the Finance Group. Nowadays, the parking spaces cover 26 provinces nationwide. In 2023, It has a plan to open a car auction venue in 2 more provinces, resulting that AAA will have its car auction venues in 17 provinces in total. Moreover, AAA also forges an alliance with key partners in order to expand services to cover more retail partners.

For the technological aspect, in 2022, AAA developed and improved its Apple Auction Book in order to reach a target group of service users for the sake of convenience of buyers and sellers. They could search for prices of cars and close deals of online auctions for every brand and every model of the cars which partners' needs were satisfied. Moreover, AAA still increased its potential for business competition.

CORPORATE SUPPORTING CENTER

In 2021, Technology Gateway Company Limited was restructured in order to respond to the expansion of the MBK Group and increase its potential for providing services of information technology within the MBK Group, by offering information technology support in order that the 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 2,488,712,432 |
| Paid-up Capital | THB 1,895,598,424 |
| Type of Share | Ordinary Share |
| Number of Paid-up Shares | 1,895,598,424 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 | | | | | |
|------------------------------------|---|--|---------------------------------|--------|-----------|--------|-----------|--------|
| | | | 2020 | | 2021 | | 2022 | |
| | | | Revenues | % | 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 | 2,382,986 | 25.80 | 1,490,725 | 18.16 | 1,714,815 | 18.14 |
| 2. Services | - Golf | MBK Resort Public Company Limited Riverdale Golf and Country Club Company Limited, and MBK Enterprise Company Limited | 825,427 | 8.94 | 904,908 | 11.03 | 993,067 | 10.51 |
| | - Auction | Apple Auto Auction (Thailand) Company Limited | | | | | | |
| 3. Sales | - Processing and packaging rice | PRG Corporation Public Company Limited PRG Properties Company Limited Ratchisima Rice Company Limited Khao Mahboonkroong Company Limited PRG Logistic Company Limited, and PRG Global Company Limited | 2,471,893 | 26.77 | 2,617,702 | 31.89 | 2,532,996 | 26.80 |
| | - 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 Riverdale Golf and Country Club Company Limited PRG Food Island Company Limited | | | | | | |
| 4. Revenue from hotel operations | - Hotel | MBK Public Company Limited MBK Hotels and Resorts Company Limited Supinnthanee Company Limited Lanta Land Development Company Limited MBK Resort Public Company Limited MBK Bangkok Golf Hotel Company Limited MBK Tonsai Resort Company Limited The Olympic Fitness Club Company Limited | 469,753 | 5.09 | 205,989 | 2.51 | 805,246 | 8.52 |
| 5. Revenue from financial business | - Lending and debt guarantee business - Motorcycle hire purchase | MBK Guarantee Company Limited, and T Leasing Company Limited | 2,485,531 | 26.92 | 2,411,234 | 29.38 | 2,358,788 | 24.96 |
| 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 | 598,793 | 6.48 | 576,817 | 7.03 | 1,047,022 | 11.07 |
| Total revenues | | | 9,234,383 | 100.00 | 8,207,375 | 100.00 | 9,451,934 | 100.00 |

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

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 with 29 stories and an 8-storied shopping center. 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, 2022

- 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 | |

Details of areas in MBK Center Building are as follows:

(1) Areas for rent include the following:

- Shopping center area (the MBK Center)

| These areas consist of: | 142,985.31 | Square Meters |
|-----------------------------|------------------------|---------------|
| • Area rented out to stores | 81,415.44 ¹ | Square Meters |
| • Central area | 61,569.87 | Square Meters |

- Office area for rent (the MBK Tower Building) Area from 9th to 20th Floors

| These areas consist of: | 23,330.07 | Square Meters |
|-------------------------|------------------------|---------------|
| • Office area for rent | 15,317.08 ² | Square Meters |
| • Central area | 8,012.99 | Square Meters |

(2) Area not for rent includes the following:

- Hotel area (Pathumwan Princess Hotel)

| These areas consist of: | 47,096.53 | Square Meters |
|-----------------------------------|-----------|---------------|
| • 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 2022 the rental area for general stores in the shopping center decreased for 3,131.38 square meters due to the renovation of G floor— Starbucks in Zone C and the Take Home are in Zone B, an area under the escalators in Zone D; removing stores around the Open Wall on 3rd floor; resizing rental areas in Zone A on 4th floor, renovating areas in Zone A-C on 6th floor; and changing part of areas in Zone A to be the central area connected to the glass elevators on the 7th floor.

² In 2022 the office rental at MBK Tower decreased for 154.44 square meters from the change in the boundary of the rental area on the 15th-17th floor.



The area rented out by 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 10% 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 90% of the area rented.

The Target Customers of Shopping Center Business

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

- **Anchor Tenants** They are tenants whose business is about entertainment, movie theatres, a super market, apparels, food courts, public agencies, a center of different stores, educational institutes, mobile devices and accessories stores, banking and financial 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 31st December, 2022 | (Unit: Square Meters) |
|--|-----------------------|
| 1. SF Corporate Public Company Limited | 13,364.17 |
| 2. MBK Food Island Company Limited | 3,087.24 |
| 3. I.C.C. International Public Company Limited | 2,805.00 |
| 4. Donki (Thailand) Company Limited | 2,777.00 |
| 5. Thoresen Thai Agencies Public Company Limited | 1,543.28 |
| 6. Department of Consular Affairs | 1,467.79 |
| 7. Central Food Retail Company Limited | 1,361.00 |
| 8. Koshidaka (Thailand) Company Limited | 1,100.00 |
| 9. CRC Sports Company Limited | 876.00 |
| 10. Mr. D.I.Y. (Bangkok) Company Limited | 724.00 |

- **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.

Marketing and Competition

Selling and Distribution Channels of MBK Center

MBK makes use of the direct sales approach to promote the sales of rental spaces in 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 MBK Center, who accounts for over 30% of MBK's total revenues.

The Competitive Situation of MBK Center

After the situation of the epidemic of COVID-19 was better, it led the business and people to be able to re-run business and live their lives as usual. Moreover, foreign tourists were welcome. As a result, a full picture of the shopping center business tended to be better in the 3rd quarter and it recovered obviously in the 4th quarter.

Moreover, MBK Center had largely renovated since 2021 and this renovation was completed in April, 2022. The new look has supported customers who come back for services in time and has received warm feedback from the customers. The proportion of stores arranged for Thai people in MBK Center increases. These stores are all-day-dining restaurants providing all day and all night services, cosmetics stores, and the Bangkok Express Service stop. However, the Bangkok Tourist Destination has been focused on by adding SME stores to MBK Center in order to be the center of products for the foreign tourists.

The marketing events still focus on the working age and students by holding various marketing activities in order to add more colors and a welcoming atmosphere to MBK Center such as MBK Young Talents, showcases for students' works, mini concerts of different artists, and Thai kickboxing. Seasonal sales promotions are held as well. Both marketing events and seasonal sales promotions aim to stimulate spending inside MBK Center and build a regular customer base through the Loyalty Program which is in MBK Plus Application. Every single spending in MBK Center can be collected for points in exchange for discounts and privileges.

Industry Trend and Future Competition of MBK Center

The situation of the epidemic of COVID-19 reflects the importance of a digital platform which plays a part in a daily life more. Consumers adjust themselves to this situation and are more familiar to use an online platform in terms of communication, financial transactions, entertainment, and shopping. It can be seen that the customers can use both online and offline platforms. They have convenience and more choices of shopping. Tenants have various channels of distribution which lead to decreases in branches or sizes of rental spaces in front of the stores.

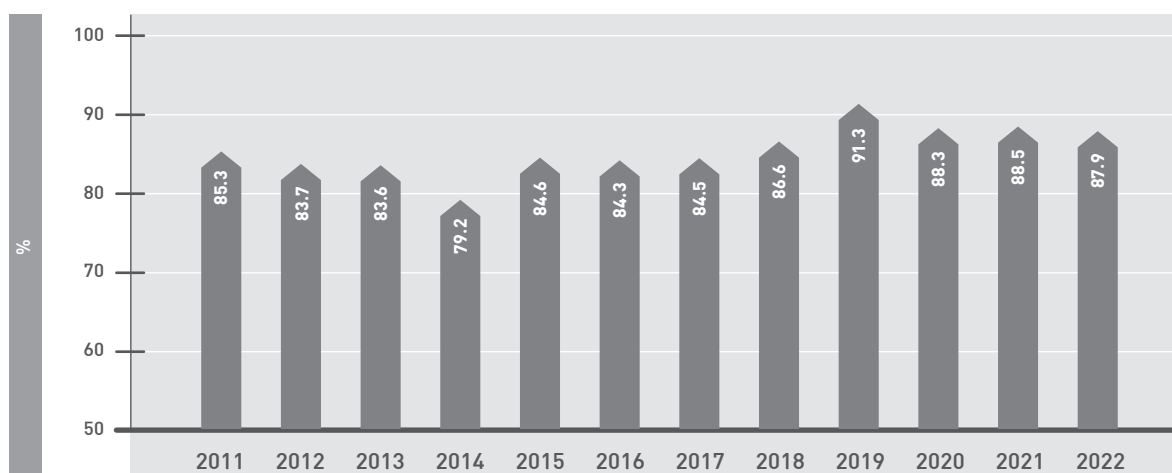


These have an impact on fiercer competition in retail business. Moreover, the Personal Data Protection Act brings about review and improvement to work relating to gathering, collecting, using, and disclosing personal data in order to comply with law and boost confidence of services users. Therefore, the direct communication with customers through information and marketing events has to be screened and analyzed in order that appropriate information is provided and it truly satisfies the needs of the customers.

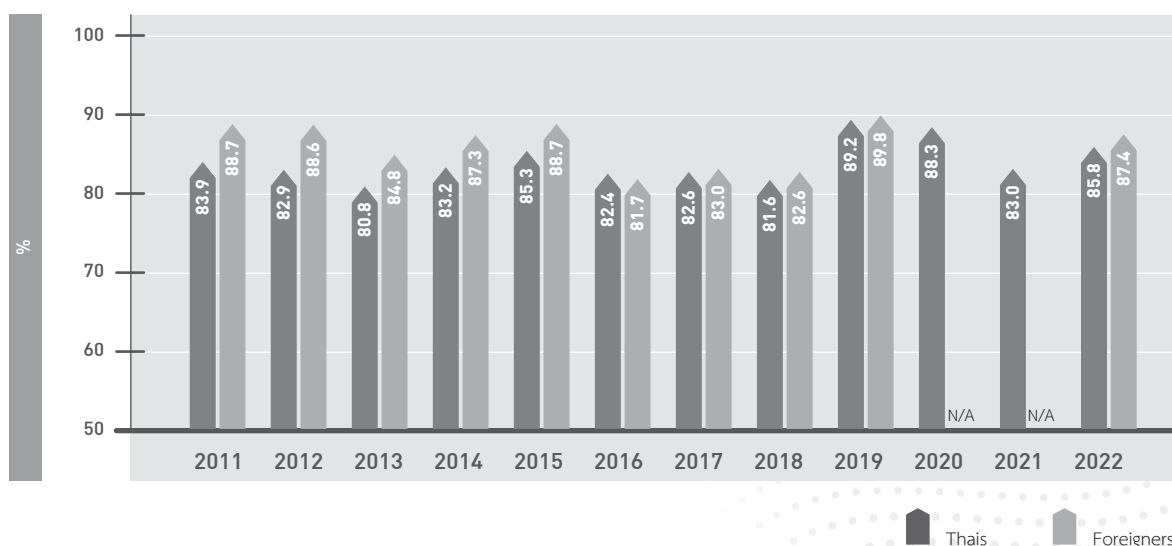
The Information on Customer Satisfaction

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 2022 showed that the tenant satisfaction was 87.9%. Thai customer satisfaction was 85.8%. The foreign customer satisfaction was 87.4%. The overall satisfaction was higher than 80.0% 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 between 2020 to 2021 because of the situation of the epidemic of COVID-19.

Customer satisfaction reflect 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.

Product or Service Procurement

Procurement of products to be distributed

- None -

The environmental conflicts

- None -

Nature of Business Operations of Other Shopping Centers

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

- Paradise Park, currently operated by Paradise Park Company Limited.
- 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) Paradise Park and 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.

Paradise Park Company Limited (PDP) renewed a lease agreement on land where is the location of the Paradise Park. The lease endures for a term of 20 years, starting from 1st August 2023 to 31st July 2043. Both internal and external renovations are planned with the aim of being the hub of stores and the largest center of full holistic services of treatment, healing, promotion, and prevention, in the Srinakarin area, with the concept of "the Philosophy of Living: Because we care about living". It includes healthy food restaurants, vegan restaurants, organic food stores, and stores for specialty devices of clinical medicine.

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





As of 31st December 2022,

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

- Commercial area 85,432.55 square meters
- Office area 2,940.40 square meters
- Central area 63,732.62 square meters
- Parking space 115,946.43 square meters

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 2022,

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

- Commercial area 14,235.55 square meters
- Office area 7,503.67 square meters
- Central area 11,616.55 square meters
- Parking space 8,455.07 square meters

Marketing and Competition Situation

Selling and Distribution Channels of Paradise Park and Paradise Place Building

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— food business, fashion, banks, educational institutions, beauty clinics, jewelry, services, and other businesses. 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.

Competitive Situation of Paradise Park and Paradise Place Building

In 2022, negative effects of the COVID-19 affected a decline of domestic customers' purchasing power, causing a continuous direct impact on the shopping center. Consumers' lifestyles changed such as decreasing time in shopping centers, and increasing online shopping services usage and the frequency of visits decline continuously. In addition, the competition of neighboring shopping centers was adjusted to the situation such as Seacon Square—the food court zone on 4th floor was renovated and some new stores have opened like EVEANDBOY; and Mega Bangna— TOPGOLF has opened in the Mega City Project.

Procurement of Products or Services

Nature of the Procurement of Products to be Distributed

-None-

3) The Nine Center Rama 9

Products and Services

The Nine Center Rama 9 offers rental spaces within the mall, consisting of:

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

Marketing and Competition Conditions

Selling and Distribution Channels of the Nine Center

Rental spaces within the Nine Center Rama 9 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

Although the situation of the epidemic of COVID-19 tends to ease more but it still has an impact on consumers' worries and spending as necessary only. Therefore, the Nine Center has to adapt itself by selecting suitable stores and increasing more stores in order to respond to new behavior of customer groups such as customers who are pet lovers, concerned for health, and interested in IT products, as well as boosting interest and increasing new customer groups to come for services.

(1) 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) 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.

Procurement of Products or Services

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 11,800.38 Square Meters
- Common area 5,896.62 Square Meters

Marketing and Competitive Situation

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) Direct Competitors

Robinson Lifestyle Sri Samarn— located around the entrance and exit of Sri Rat Expressway on Sri Samarn Road— is the mall which its services are focused on products that respond to living a daily life such as fashion apparel, restaurants and stores for food and beverage, electric and domestic appliances, and movie theatres.

(2) Indirect Competitors

Market conditions of nearby shopping centers are as follow:

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. Moreover, there is an outdoor space designed for arranging a variety of marketing activities on both large and small scales. These marketing activities has attracted services users' interest continuously.

Procurement of Products or Services

Nature of the Procurement of Products to be Distributed

-None-





5) Glas Haus Ratchada Building

Products and Services

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. 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.

Marketing and Competitive Situation

Selling and Distribution Channels of the Glas Haus Ratchada Building Business

At present, the Glas Haus Ratchada Building has the main 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 Glas Haus Ratchada Building Business

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.

Procurement of Products or Services

Nature of the Procurement of Products to be Distributed

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

Glas Haus Ratchada Building has have improvements in order to respond to the change of service users continuously such as the system development of the Customer Database & Loyalty Program through the form of MBK Plus which is the operating system that the services users or customers can use it on iOS or Android mobile operating system in order to manage sales promotions, a system of collecting reward points and exchanging them for products, discounts, gifts, and privileges, lucky draws, and sweepstakes. Members only exchange reward points for privileges through mobile phones Glas Haus Ratchada Building focuses on the improvement of this appication

in order to facilitate more convenience and easier user-friendly use. Various and interesting privileges are offered as well. Obtained data will be analyzed in order to gain the understanding of the members' behavior and needs with the aim of conducting customized marketing. Nowadays, a number of downloads of MBK Plus application are more than 200,000 downloads from customers of every business group of MBK Group.

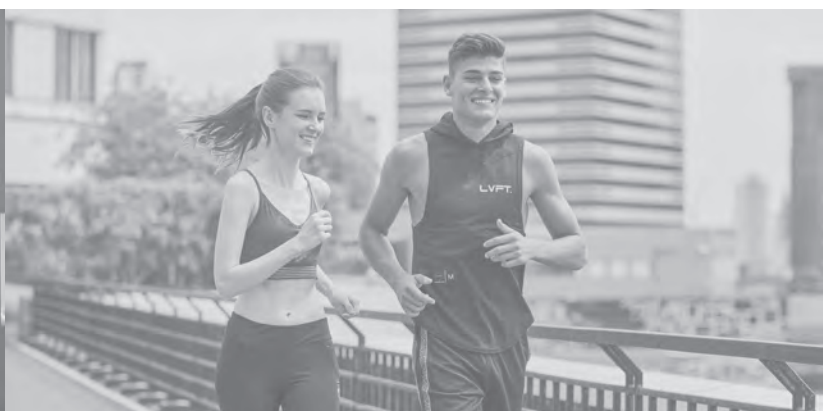
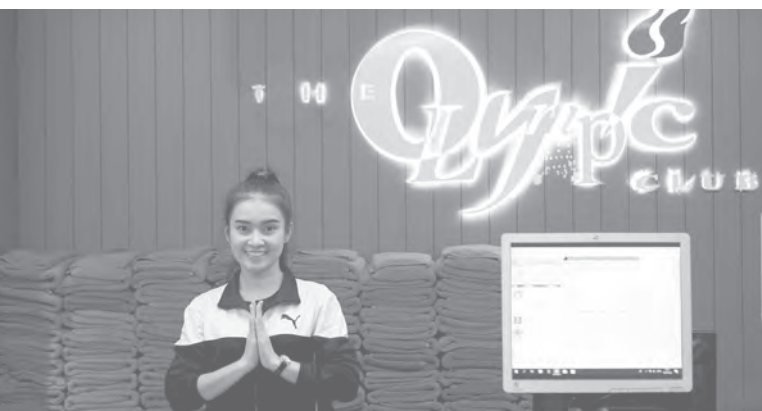
Moreover, Glas Haus Ratchada Building still has a plan to develop Artificial Intelligence (AI) technology in order to count a number of services users more accurately. The AI's capabilities to analyze the behavior of services users inside Glas Haus Ratchada Building have been studied and developed in order to be guidelines on planning the improvement of stores and marketing events and the assessment of organizing activities inside appropriately and more efficiently.

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 Krabi Resort Company Limited (MBK-KR), Supsinthanee Company Limited (SSTN), MBK Resort Public Company Limited (MBK-R), Lanta Land Development Company Limited (LLD), MBK Bangkok Golf Hotel Company Limited (MBK-BH), MBK Tonsai Resort Company Limited (MBK-TR). 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 open 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. Pathumwan Princess 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.

Target Group of Pathumwan Princess Hotel

From the epidemic outbreak of 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 2022 has follows:

- (1) **Main Customers** consist 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) **Minor Customers** consist of foreign existing guests from different countries who reside in Thailand and customers who book through special government programs such as Package Hotel Credit , Package Half Board, etc.

Marketing and Competitive Situation

Selling and Distribution Channels of the Pathumwan Princess Hotel

The effect of the epidemic outbreak of 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:

- Sold directly to companies, commercial establishments and educational institutions through providing special prices for any guests who reserve guest rooms 60 days or more in advance.
- Sold 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 opening of the country, with the privilege of free cancellation.
- Sold through electronic media channels or website, emphasizing the hotel’s own website through providing special price exclusively for Thai tourists.
- Co-sold with the public sector’s projects in order to stimulate the domestic tourism for “We Travel Together” campaign.
- Sold through leading airlines’ systems.
- The package promotion named “Hotel Credit”.

- Sold 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.
- Sold during tourism promotion events within the country in order to promote sales in 2022 which received satisfactory feedback.
- Sold 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.
- Increased 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 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

- Reduced guest rooms' price in order to attract Thai tourists to stay in.
- The restaurants in Pathumwan Princess Hotel provided both take-away and food delivery services.
- Cut unnecessary costs such as some areas were temporarily closed or the operation that has operating costs higher than revenues.
- Slowed down some costs such as the termination of outsourcing.
- Conduct marketing more through digital channels and social media such as Facebook, Instagram, Line, Bloggers, or other online platforms.
- Generated incomes from other services in the hotel's 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.
- Allowed 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.
- Partially transformed hotels as a Hospitel to accommodate low-symptom (Green level) Corona Virus (COVID-19) patients supporting the government and hospitals and build automatic moving robots in order to kill COVID-19 germs as well.
- Invited bloggers and influencers to conduct reviews of the Hotel for the sake of the recognition and increasing more opportunities to reserve guest rooms.

Apart from the impact of the epidemic outbreak of 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

It is anticipated that the industry trend and competition in the future of Pathumwan Princess Hotel will recover continuously from 2022, which is in accord with a number of tourists anticipated by Tourism Authority of Thailand (TAT) and the volume of business operations of different sectors which make an obvious recovery. From



the trend stated above, the occupancy rate and prices of guest rooms of Pathumwan Princess Hotel, in a whole picture, tend to go up, as well as the volume of using services of food and beverages. Prices of functions and seminars tend to rise as well. From these factors, Pathumwan Princess Hotel then places the significance of the management of guestrooms' return rates through channels, including the renovation of guest rooms in order to satisfy the needs such as increasing large guest rooms, raising services standards— both security and worth paying, creating new experiences for the guests who check in and stay, offering services to give impressions, and finding new alliances.

However, there are factors which should be observed— the situation of the war between Russia and Ukraine, the form and the period of the country's opening of Chinese tourists, and the economic situation of the European tourists.

Procurement of Products or Services

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. Dusit Thani Beach Resort 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.

Target Customers of Dusit Thani Krabi Beach Resort Hotel

Because the epidemic outbreak of 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 2022 as follows:

(1) Main Customers are Thai guests coming from the domestic traveling campaign called, We Travel Together and Thai Tour Travel through hotel's websites and various social media.

(2) Minor Customers are tourists from the European Continent, the United Kingdom, Scandinavia, and 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.

Marketing and Competitive Situation

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

The impact resulted from the epidemic outbreak of 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:

- Sold directly to companies and commercial establishments by providing special price for guest rooms and the organization of seminars.
- Sold 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.
- Sold through electronic media channels or websites, emphasizing the hotel's own website through offering special price for Thai tourists in particular.
- Offered co-selling with the public sector's campaign "We Travel Together" in order to encourage the domestic travelling and Thai Tour Travel.
- Sold through leading airlines' systems.
- Sold through press, advertisements and public relations by focusing mainly on Thai customer group and food delivery service provided by the hotel's restaurants.
- Sold during tourism promotion events in the country through in order to promote the sales in 2022.
- Sold through the Hotel's network channels such as those of Dusit International.
- Had joint-promotions with travel agencies.
- Had package with the other hotels in the Group.
- Proposed sales through affiliated companies.
- Provided packages proposed to sell through websites of the hotel and online companies.

Competitive Situation of the Dusit Thani Krabi Beach Resort Hotel

From the improved situation of the epidemic of COVID-19, the business's whole picture tends to become better, resulting in an gradually increasing number of foreign tourists coming back. The change of these returning tourists' behavior and a problem of reducing prices of guest rooms is still a continuous issue. To attract foreign tourists to come back to travel, particularly returning guests, the Hotel turns to focus and place emphasis on this target group in particular as well as offering packages for domestic tourists by means of participating in sales promotion events arranged by the public sector, conducting marketing through Tourism Authority of Thailand (TAT), and opening a marketing channel and a sales channel of gift vouchers for guest rooms and restaurants through the online platform.

Dusit Thani Beach Resort Hotel has 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 are the same as international standards— and more improved facilities by utilizing SHA, SHA+, SHA++ standards. It has built confidence in public health safety measures combined with the hotel's quality service standards for staying and organizing meetings and seminars. It responds to the tourists' lifestyle. Dusit Thani Beach Resort Hotel has added an IG SPOT for tourists as well as providing drone photography services to create new experiences.





In 2022, tourists' behavior towards guestroom reservation changed. Their reservation in advance was less. Last minute reservation was more. Dusit Thani Beach Resort 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

- Offered sales through tour operators in regions worldwide, and inside and outside the country. Also offered special prices for advance reservation in order to meet the need in advance of foreign tourists who wanted to travel abroad.
- Offered special prices of guest rooms in order to attract Thai tourists and arrange interesting water activities included in packages as value added to the offered packages.
- Restaurants inside the Hotel offered a more variety of health-focused food and local food.
- Part of services areas were modified in order to offer a rental space service for outsiders more.
- Reduced costs by considering more use of reused and recycled things.
- Conducted more marketing activities through digital channels and social media such as Facebook, Instagram, Line, bloggers, influencers, or other online platforms.
- Generated incomes from other services in Dusit Thani Beach Resort Hotel as the non-room revenue such as on-site and off-site catering services, wedding party according to measures to prevent the outbreak of COVID-19
- Allowed outsiders to be members of the fitness center inside Dusit Thani Beach Resort Hotel with special price
- Generated incomes from providing hotels in Krabi with a laundry service

Moreover, Dusit Thani Beach Resort Hotel still focuses on increasing revenues gained from organizing more functions by improving decoration styles and preparing the functions to meet the needs of the guests. Dusit Thani Beach Resort Hotel has so far received good feedback.

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

It is anticipated that the industry trend and competition in the future of Dusit Thani Krabi Beach Resort Hotel has recovered continuously since 2022 as a result that both Thai and foreign customers need to travel and take a rest in a resort-style hotel adjacent to a private beach with full facilities and standardized services. Dusit Thani Krabi Beach Resort Hotel then emphasizes the importance of the management of return rates gained from guest rooms through various channels, the renovation of the guest rooms, facilities in the Hotel, offering new products and services for customers, and studying the use of new energy alternatives for the customers in order that Dusit Thani Krabi Beach Resort Hotel is still one of the tops hotel which the customers choose to check in and stay.

However, it is because of the economic situation, war, and airplane tickets which prices go up, tourists are more aware of expenses and safety. The Hotel realizes these needs. Then, the Hotel provides the All Inclusive Package and the Wellness Package which are healthy tourism and the tourists can control expenses. Also, the Creative Tourism Package is available so that the tourists can more experience the way of local life. Moreover, the Hotel finds more business partners in order to further run the business in the future.

Procurement of Products or Services

Nature of the Procurement of Products to be Distributed

To present a guideline to open a store to sell products of the Royal Project called Doi Kham in order to be sold to guests inside the Hotel with the aim of increasing incomes and expanding a distribution channel of the Royal Project's products to get world renown.

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. Tinidee Golf Resort Phuket Hotel is operated by MBK-HT which is only 40 minutes from Phuket International Airport and 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. Guests can use services provided in the fitness and the swimming free of charge. Outside customers can use these services with 3 options for membership on daily, monthly, and yearly bases.

Target Customers of Tinidee Golf Resort Phuket Hotel

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

(2) **Minor Customers** are from government agencies, state enterprises, independent organizations, students and parents from various international schools, foreigners living in Thailand, focusing on travellers who come to participate in various sports competition held in Phuket.

Marketing and Competitive Situation

Selling and Distribution Channels of Tinidee Golf Resort Phuket Hotel

From the epidemic situation outbreak of COVID-19 has 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:





- Sold directly to companies, commercial establishments, schools and educational institutions.
- Sold through local travel agencies and overseas tour operators in different regions of the world by offering special prices for tour operators in different regions for advance reservation in order to respond to the need of both Thai and foreign tourists, and to prepare for the need of foreign tourists who want to travel abroad when Thailand reopens. These special offers can be cancelled free of charge.
- Sold through electronic media or websites, particularly hotel's website as well as the social media by providing the special price for Thai tourists exclusively.
- Through channels of influencers who had a lot of followers in order to conduct reviews of the Hotel.
- Offered co-selling with the public sector's campaign "We Travel Together" in order to promote the domestic travelling.
 - Sold through leading airlines' systems.
 - Sold through press, advertisements and public relations by mainly focusing on the Thai tourist market.
 - Sold during domestic tourist promotion events in order to promote the sales in 2022.
 - Was certified for the hygiene safety measure or SHA, SHA+, SHA++ in order to build guests' confidence.
 - Had measures to control the epidemic outbreak of Corona Virus (COVID-19) according to the public sector's regulations.
 - Sold through The hotel's network channels, such as those of MBK-HT Group.
 - Sold through partners.
 - Sold as a package with a golf club.
 - Sold through golf agencies.
 - Sold in Group Series with tour companies.
 - Sold through activity organizers promoting kinds of exercise such as walking clubs, running clubs, and bicycle clubs in Phuket.
 - Sold monthly stay both for Tinidee Golf Resort Phuket Hotel and Loch Palm Residence

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. Tinidee Golf Resort Phuket Hotel then aimed to offer a lot of promotions on its website. Mostly, customers still preferred seaside locations. Therefore, Tinidee Golf Resort Phuket 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 2022, the government created a Phuket Sandbox project starting in July causing the number of foreign tourists to increase a certain number. Tinidee Golf Resort Phuket 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 had communication with the guests to be informed that the cleanliness was place as The hotel's first priority. These measures of the preparedness tends to be taken again because of an increase in Chinese tourists in 2023.

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

For the impact on the industry trend and competition in the future of Tinidee Golf Resort Phuket Hotel, it is because Phuket is one of the top tourist attractions of Thailand, therefore, a number of tourists in Phuket increase certainly, including a lot of Russian tourists who are refugees to live in Phuket. However, Tinidee Golf Resort Phuket Hotel still focuses on the main customer group is the group of golfers whose needs tend to use services more as well. The Hotel emphasizes the arrangement of promotions together with guest rooms as well as expanding an alliance base and giving special discounts for Thai tourists.

However, Tinidee Golf Resort Phuket Hotel needs to focus more on a long stay group which in this market, there are various services users— newly built hotels, accommodations, and condominiums. The Hotel has to enhance its competitive potential with the focus of the quality, services, and prices.

Procurement of Products or Services

Nature of the Procurement of Products to be Distributed

- Offer miscellaneous and necessary items for sale in a Mini Mart for inexpensive prices.
- Prepare for a contract hospital to consult and take care of customers who have COVID-19 infected to be sent to the hospital according to the customers' request.
- Offer a spa service inside the hotel in order to add another service to the services provided for guests and to increase incomes from renting spaces of partners.

4) Layana Resort and Spa

Products and Services

Layana Resort and Spa is operated by MBK Hotels and Tourism Company Limited (MBK-HT). Layana Resort and Spa 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.

Target Customers of Layana Resort and Spa

After the past situation of COVID-19, the public sector eased the immigration policy, resulting that more tourists of each country began to come to travel in Thailand late last year. Main customers were customers from European Continent.

(1) Main Customers are customers from Germany, U.K., and Switzerland. They will come to stay in a tourist season. The main customers are also customers who come for honeymoon trips, reach the retirement age, and adults only because the Hotel has a policy that any customer under the age of 18 cannot check in to stay at the Hotel.

(2) Minor Customers are foreigners who live in Thailand, including Thai customers and customers from the public sector's project called "We Travel Together". Reservations are made through websites and sold through wholesale travel agents. Customers also make direct reservations with the hotel (walk-in customers). They will check in to stay out of the hotel's main tourist season.



Marketing and Competitive Situation

Selling and Distribution Channels of Layana Resort and Spa

- Sell via travel agencies in regions around the world by offering special prices for reservations in advance and cancellations free of charge.
- Sell through websites, particularly the Hotel's website, or social media channels by Bloggers and Influencers.
- Sell through representative agents in other countries such as U.K., Germany, Switzerland and Australia by offering the special price for bookings in advance.
- Sell packages with affiliated hotels.
- Offer special packages for customers who come back repeatedly.
- Provide additional packages such as the Spa Package, Local Tour Package and Follwing Loves Lanta.
- Participate in the campaign "We Travel Together" and "Thai Tour Travel".
- Promotion called "Resort Credit."
- Pick-up service for the airport free of charge as scheduled and announced by the hotel on the websites.
- 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.
- 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.
- Invite bloggers and influencers in order to conduct reviews of the hotel for the sake of building recognition and increasing more opportunities for guest room reservations.

Competitive Situation of Layana Resort and Spa

Because Layana Resort and Spa clearly sets target groups of its customers such as not allowing children under the age of 18 to check in and stay at the hotel, because it focuses on target groups of customers who come for honeymoon trips or the aged people who require calmness and privacy, including Thai and foreign customers who live in Thailand as well as customers whose families consist of teenagers over the age of 18. Therefore, Layana Resort and Spa is then the leader of accommodation on Lanta Island where a lot of customers interested in checking in and staying.

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

Layana Resort and Spa Hotel is 5-star hotel that its strength is offering services beyond expectation in order to give an impression to guests by focusing on foreigners as the main customers. The Hotel emphasizes to satisfy the needs of customers who check in and stay again and again. Due to the economic situation in the European Continent and airplane tickets which prices go up, it makes tourists have more long stays. The Hotel then arranges

different packages such as Stay Longer & Save More, All Inclusive Package, and other packages in order that the guests can manage their expenses.

After the Hotel is more recognized by Thai people, the Hotel has special prices for Thai people. The policy to determine the age of guests staying in the Hotel out of season is changed, therefore, there are more tourists classified as families. Free shuttle buses between the airport and the Hotel is available and this makes impressions for the tourists very much.

Procurement of Products or Services

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). Tinidee Hotel Bangkok Golf Club 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. Tinidee Hotel Bangkok Golf Club 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.

Target Customers of Tinidee Hotel Bangkok Golf Club

(1) Major Customers are the seminar customers from government agencies, private companies in Bangkok Industrial Park, tour operators focusing on guests and golfers from abroad, and private companies in Pathum Thani which welcome customers from provinces and overseas.

(2) 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.





Market and Competitive Situation

Selling and Distribution Channels of Tinidee Hotel Bangkok Golf Club

- Offer direct sales to public agencies and private companies with special prices for hotel accommodation and seminar room.
- Offer sales through golf tour operators in regions worldwide, both inside and outside the country, by offering special prices for golf tour operators in regions which make reservations in advance in order to satisfy the needs of foreign tourists who come to travel in Thailand during the country's opening. These reservations can be cancelled free of charge.
- Participate in government promotional campaigns, "We Travel Together" and "Thai Tour Travel" for domestic tourists.
- Special prices for Thai people.
- Do the marketing through the Tourism Authority of Thailand and tourism in Pathum Thani Province including marketing and promoting the hotel with Riverdale Marina.
- Have an online marketing channel to sell vouchers for hotel accommodations, spas, and restaurants including issue room vouchers, restaurants, and spas at hotels in Bangkok and other provinces.
- Have hotel space rental for filming.
- Rent out spaces and organize activities of team building for organizations.
- 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.
- Tinidee Hotel Bangkok Golf Club received Green Health Hotel Award (healthily- and environmentally-friendly hotel) given by the Department of Health.
- Offer sales through the electronic media or websites, focusing on the hotel's website and the social media.
- Offer sales through publications, advertising media, and public relations.
- Offer sales in tourism promotion fairs.
- Offer sales through channels of the Hotel's network of MBK-HT.
- Offer sales as co-packages with the golf club service, fitness and massages for health.
- Offer sales as group series to tour operators.
- Offer monthly stay.
- Be an official partner with Riverdale Marina for holding parties and functions.

Competitive Situation of Tinidee Hotel Bangkok Golf Club

Due to COVID-19 pandemic, number of foreign tourists especially Koreans visiting Thailand are 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:

- 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.
- 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.
- Organize beautiful and modernized function styles, focusing on services and food flavor.
- 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.
- 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.
- 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.
- Collaborate with contract hospitals in the preparation of Hospitel for Corona Virus (COVID-19)

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

Tinidee Hotel Bangkok Golf Club focuses on customers from a target group of training and seminars organized by public and private agencies, as well as golfers. The needs of the golfers tend to be higher because of the improved economy, resulting in the confidence in the increasing volume of business as well. The Hotel emphasizes the arrangement of promotions together with the golf club and guest rooms. Education is provided for customers who need to have longer stays.

In 2023, the Hotel provides the long stay package for the aged people who have good health, with the focus of both Thai and foreign customers, and have cooperation with the Riverdale Marina in order to create experiences for the guests who check in and stay.





Procurement of Products or Services

The Nature of the Procurement of Products to be Distributed

A melon farm is established in order to enhance experiences of customers who stay or use services of the hotel, as well as being an alternative to healthy souvenirs for business groups under MBK Group.

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 Tonsai Resort Co., Ltd. (MBK-TR). It is divided into 40 rai of agricultural land and 17 Rai of hotel area. There are 2 types of guest rooms which are: 16 villas with a sea view from the balcony and 4 units of friends and family rooms which 4 guests can stay in each unit. Previously, they were unisex guest rooms for both male and female guests (16 beds and 20 guest rooms in total.) Swimming pools and water sports equipment are provided.

Target Customers of Tinidee Hideaway Tonsai Beach Krabi Hotel

(1) Major Customers are Thai tourists who like natural travel, sea, adventure, taking the photo, and wellness.

(2) 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.

Market and Competitive Situation

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

- Sell at various tourism fairs.
- Sell through electronic media or websites, focusing on the hotel's website.
- Sell through business partners for example the banks' credit card.
- Do marketing through various social media, influencer and blogger.
- Sell 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.
- Have marketing channels to sell accommodation vouchers online, including issuing accommodation vouchers in Bangkok and other provinces.
- Have certified standard of SHA, SHA+, and SHA++.

Competitive Situation of 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 are surrounded by mountains. Therefore, there is beautiful and fantastic scenery which is hard to be seen nowadays. Also, at the back of the hotel, there are great places for activities and photography.

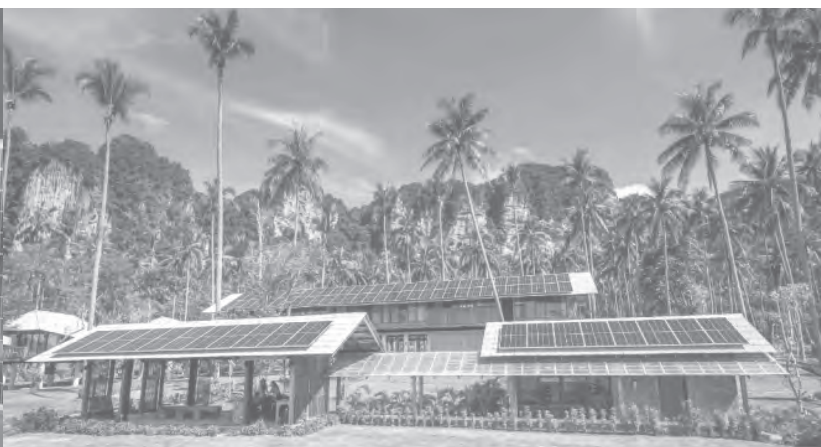
Moreover, for the sake of security of guests, Tinidee Hideaway Tonsai Beach Krabi temporarily closes every year during the monsoon between September and October. The hotel issues an announcement to inform customers through the online media in advance, therefore, it does not have an impact on a decrease in reservations in advance. Also, the hotel's location is on Tonsai Beach where its environment looks like an island and this allows a water route to be an only route to there, resulting in several challenging factors. Tinidee Hideaway Tonsai Beach Krabi, in cooperation with the public sector, helps stimulate different projects such as:

- 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.

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

Nowadays, there are a lot of new hotels and accommodations in Krabi province with a variety of services in terms of types and levels. This has an impact on the market share in the competition today, and local competitors have an advantage in terms of shuttle buses between the hotels and the marina. The Hotel's location and its guest rooms are beautiful and gorgeously outstanding, therefore, the Hotel has received excellent feedback. The Hotel, in order that the customers feel satisfaction the most, the Hotel then has changed the strategies as follows:

- Due to the situation of COVID-19, the Hotel changed from 4 guest rooms with 32 beds designed for the unisex purpose to 4 family rooms instead.
- To find tourist partners and local operators of long-tailed boats in order to provide convenience for customers.





- To focus on the quality and services and security standards at international level.
- To expand and diversify a customer base.
- To focus on distinct experiences which are nowhere to be found.

Procurement of Products or Services

The Nature of the Procurement of Products to be Distributed

- None-

Development of Innovation or Technology

In 2022, the hotel and tourism business group studied and began to install solar panels at Pathumwan Princess Hotel which was in collaboration with MBK Center. Currently, Tinidee Hideaway Tonsai Beach Krabi Hotel installed solar cell panels and created an “autonomous mobile robot kills Corona Virus (COVID-19)” with UVC light. It was an integration of autonomous robot technology in order to reduce risks occurred in the hotel business in terms of guest rooms and restaurants where there were a lot of exposure points. This could well ensure the confidence of customers and service staff. Particularly, Tinidee Hideaway Tonsai Beach Krabi Hotel installed solar cell panels in order to generate the electricity for office buildings, guest rooms, electrical appliances, and swimming pools, for example. Since January, 2021, the Hotel is able to cut costs of energy and fuel up to 40% nowadays.

THE GOLF BUSINESS

Products and Services

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:

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 the 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 on an area of 346 rai 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. 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 2022 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 including Nicklaus, Dye, and Norman.

From such alliances, 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, 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.

Group of 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. Moreover, the public relations are also run through the electronic media such as 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:

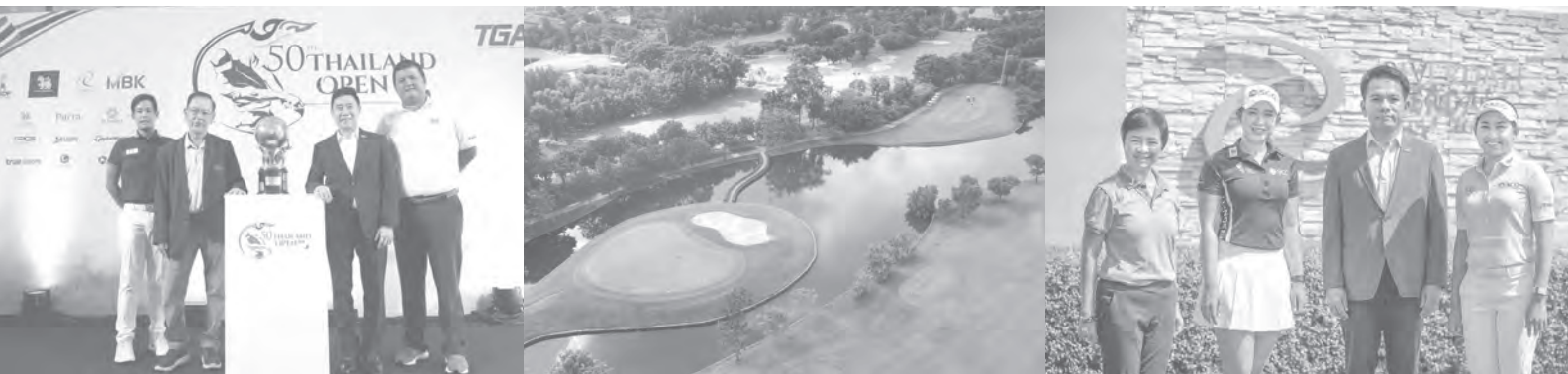
- **Overseas Customers**

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.mbk golf.com or e-mails. Moreover, public relations are also run through the electronic media such as 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 MBK 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.

(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 and Japan 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.mbkgolf.com or e-mails.
- Moreover, public relations are also run through the electronic media such as Facebook and LINE Official Account

- **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 (BKGC) occasionally organize seasonal promotion activities and tournaments for associations and clubs in general.

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.

Marketing and Competitive Situation

The epidemic situation of COVID-19 between 2020-2022 caused a decrease in golfers who came to use services in golf courses. However, when the public sector officially announced the country's opening, a number of golfers from foreign countries increasingly came to use services in 4 golf courses obviously, particularly in the Loch Palm Golf Course (LPGC) and the Red Mountain Golf Course (RMGC).

Competitive Situation of the Golf Business

When the public sector announced the country's opening officially, the Golf Business has tended to be better. All 4 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 2022, the overall situation of the Golf Business improved after the government officially announced the opening of the country, resulting that foreign golfers came to Thailand in succession and used services in the Loch Palm Golf Course (LPGC) and the Red Mountain Golf Course (RMGC) continuously. Meanwhile, local golf courses still focused on local golfers who lived in the province instead with the 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 2022, 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 Tour to establish a new National Golf Center in Pathum Thani Province as a training center for golfers of all levels. It was honoured to be a venue for the professional golf tournament called “Thailand Open” for 2 consecutive years— 2021 and 2022. It is 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 the Riverdale Golf Club (RDGC) at least once.”.

The Bangkok Golf Club (BKGC) is another golf course that joins force with the vigorous alliance— All Thailand Golf Tour— to hold the Bangkok Golf Club (BKGC) as a venue for the latest golf tournament “Singha Bangkok Golf Open” in 2022. The Bangkok Golf Club’s fields have been improved for the sake of the suitable condition of the tournament and maintained the quality of the golf club continuously in order to attract both existing and new customers to come to use services. There are renovation and decoration inside the club house as well as other facilities and the lighting system for the Night Golf in order to have more brightness.

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

(1) Phuket

According to the epidemic outbreak of COVID-19, both golf courses of MBK-R—have still faced challenges of price competition with other golf courses very much. Today, these both golf courses have to adapt themselves and turn to focus more on local golfers and domestic golfers. However, both golf courses have still maintained the quality of the golf courses and their offered services in order to impress both Thai and foreign golfers as well.

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

The Riverdale Golf Club (RDGC) and the 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 the Riverdale Golf Club (RDGC) and the Bangkok Golf Club (BKGC)'s income in the future. Thus, the future of the Riverdale Golf Club (RDGC) and the Bangkok Golf Club (BKGC)'s industry trend and competitive situation mainly depend on domestic factors and impacts such as the epidemic outbreak of 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, the Riverdale Golf Club (RDGC) and the 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.

Procurement of Products or Services

Nature of the Procurement of Products to be Distributed

-None-

Development of Innovation or Technology

Golf business has studied guidelines on the development of the booking system for golf courses through the application in order to increase the volume of bookings for golf courses and decrease employees' time spending of making bookings via calls; and the development of the booking system for caddies in order to solve a problem of overlapped bookings for caddies and save time of the employees' work.

Real Estate Business

Real Estate Business has operated the business as follows:

1) Property Development for Sales 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.





Target Customer of Property Development for Sale Business

- The home 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 home 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.

Marketing and Competitive Situation

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.

Competitive Situation of Property Development for Sales Business

In 2022, horizontal residences still had a higher growth rate than vertical residences because the resident behavior changed up to situations. Therefore, when the situation of COVID-19 was faced, a lot of the vertical residences remained in stock. In 2023, an opportunity for foreigners' purchasing power returns and the economic situation possibly improves; while it is anticipated that the market for horizontal residences has more new demand and tends to expand. However, it may face a risk of selling prices which are more expensive because the costs of the projects' development rise.

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.

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

Real estate market in 2023 tends to be better than 2022 because of a supporting factor of purchasing power of foreigners who will come to Thailand, the public sector's measures to support the real estate business, and the

economic situation of Thailand. However, there are risks of interest hikes, a policy directly affecting people who take out mortgages for more financial burdens. Moreover, factors in labor costs, construction costs, and land costs tend to rise which may have an impact on higher real estate prices. Real estate business has followed up and assessed the situation's risks regularly in order to keep pace with possible uncertainties and better satisfy the needs of customers.

2) 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.

Target Customer of the Property Management Business

(1) **Key Customers** are most of PST's customers are those of financial institutions.

(2) **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.

Marketing and Competitive Situation

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.

Competition Situation of 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.

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 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 2023 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) 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.

Target Customer of Property Appraisal and Advisory Service Business

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

Marketing and Competitive Situation

Selling and Distribution Channels of 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.

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 2023, banks' credit giving tends to have caution, because of an impact of the epidemic outbreak of 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 2023, PAS focuses on expanding a diversity of the customer base of the property appraisal business for the growth in the future.

Procurement of Products or Services

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. For the space design concepts, it is critical to concentrate on the customers' demands. The Company has implemented IoT (Internet of Things) 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.





Food Solution Business

Food Solution Business is operated by PRG Corporation Public Company Limited (PRG) and its subsidiary. It consists of 5 business groups as follows:

1. Rice Business
2. OEM Business
3. Food Court Business
4. Property Development Business
5. Logistics Business

Products and Services

1) Rice Business

• Main Product

Main product of PRG is rice in plastic packages, 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 increased product distribution under trademarks of “Pun Suk Rice” (Sharing the Happiness Rice) and “Organic Rice”. In 2022, Khao Mahboonkrong Company Limited (PRG-KM) was set up to be a seller and a distributor of products through a domestic sales channel and PRG Global Company Limited (PRG-FP) was set up to be a seller of rice in plastic packages and other products through a foreign sales channel.

• By-Products

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.

• Other Food Products

Other food products such as oils, seasoning sauces, and other products which the Company supplies and sells in order to satisfy the customers’ needs.

2) OEM Business

Ratchasima Rice Company Limited (PRG-RR) operates as an original equipment manufacturer (OEM) to make products under the customers’ brands to be sold inside and outside the country. It makes finished products, house brand products, unbranded products, own brand products, and an industrial production of alcohol.

Moreover, it trades in raw materials. The raw materials are bought early in a season in order to be kept to sell when profits from raw materials are speculated as well as making finished products in order to be sold in the country.

3) Food Court Business

PRG Food Island Company Limited (PRG-FI) runs Food Court Business under the trademark of Food Legends by MBK. The food court called “Im Jung” stopped operating in the 1st quarter of 2022 and the food court called “OASIS EATERY” was opened (It opened in the 3rd quarter of 2022.). It runs 4 food courts which are situated on G floor and the 6th floor of the MBK Center, on the 4th floor of Samyarn Mitrtown, and on the 1st floor of the Nine Center Tiwanon, and the project called “Siam Premium Outlets Bangkok”.

4) The Property Development Business

PRG Properties Company Limited (PRG-PP) operates a marina business under the name of Riverdale Marina, the 83-Rai area development in Pathum Thani province as a comprehensive marina project, the first A-class of the Chao Phraya River. Its main products are the allocation of areas for the marina business through renting out spaces for yachts being moored and full yacht services, a yacht showroom, restaurants, the Marina Plaza, activities, and water travel.

5) Logistics Business

PRG Logistics Company Limited (PRG-LG) offers services of transportation, storage, and distribution of “Mah Boonkrong” rice products and other products for the PRG Group by distributing the products from 2 warehouses located in Pathum Thani and Surat Thani.

Marketing and Competitive Situation

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 57% is the distribution of rice in Bangkok and its surrounding areas, and the remaining 43% 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 48% of the total sales volume of rice in the country. In 2022, 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.



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- **Modern Wholesale and Retail Stores, a Supermarket Network and Co-Operatives** PRG has a sales volume for approximately 31% 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 20% 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 2022, PRG focused on more expanding its business to industrial factories in order to replace the contracting of the Hotel and Restaurant Business.
 - **Online Sales** Channel has sales volume of 1% of all rice distributed in the whole country by distributing through the E-commerce channel and on Line OA platform of the Company in order to respond to the change of consumer behavior.
- (2) **Export:** In the past year, PRG continued to export to main customers and a number of customers were increased. In 2022, rice exports were approximately 50.81% of all customers through the foreign selling channel.
- (3) **Original Equipment Manufacturer (OEM)** PRG expands its market by being the Original Equipment Manufacturer to produce more products under the customers' brands for domestic distribution and export markets. Selling raw materials for trade is planned more clearly after it began to have customers in 2022. Moreover, unbranded rice is produced in order to be sold in front of the factory for customers nearby and the customer group consisting of retail stores, hotels, and restaurants. In 2023, unbranded products— which are best sellers— are further developed to its own branded products in order to expand more markets by starting from the northeastern areas first with the focus of traditional customers and local department stores. It has a plan to expand the markets to other areas in the following year.
- This increases the volume of production and makes the factory work at full capacity. The factory itself reduces costs in many aspects so that overhead costs fall and can compete in prices while maintaining the quality.

Market Condition of the Food Business

An overall picture of the market, there is no growth rate and rice consumption per person decreases each year, as well consumers' decreased purchasing power. Therefore, domestic competition is very aggressive, each entrepreneur fully tries 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.

Industrial Trend of the Market of Rice Packed in Plastic Bags

Previously, new entrepreneurs increasingly entered the rice market for domestic consumption, particularly large rice mills and rice exporters who turned to expand the domestic market, in order to reduce a risk of income fluctuation in the export market. Modern retail entrepreneurs participated in competition in rice packed in bags and were able to expand market share well by taking advantage of selling channels and a price strategy because selling unbranded rice packed in bags did not have a slotting fee (or a shelving fee) in modern retail stores like normal rice packed in bags. Also, costs of brand building and advertisements for products were lower than other branded products.

For the trend of the competition of domestic market in rice packed in bags from 2023 onwards, several entrepreneurs will focus on adjusting competition strategies for products' types, prices, and selling through the online channel which meets the market needs in terms of prices and quality, and focuses on utilizing modern technology of digital media to send a message of the trademark as "the brand's recognition" in order to reach more consumers.

The market in healthy rice is anticipated that its growth rate is expanding because of the customers' change of fondness for healthy food and high nutrition, an increasing number of diabetes and obesity patients, and the growth of consumers who become interested in taking exercise. Moreover, high nutrition is considered food for babies and toddlers who are growing up. It is anticipated that the innovation of packaging which takes the health and environment into consideration will stimulate growth in the healthy rice market.

Procurement of Product or Services

Nature of the Procurement of Products to be Distributed

Raw Materials and Suppliers

Main raw materials used in the production of rice business are rice and brown rice which can be roughly divided into:

- In-Season Rice or Napee Rice
- Off-Season Rice or Naprungr Rice



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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 "one way degassing valve" which the mechanism of the valve is to control the density of air inside a 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.

Financial Business

Products and Services

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)

The 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).

The 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.

Marketing and Competitive Situation

Marketing Situation of the Financial Business

For the situation of competition in the financial system for MBK-G, there is higher competition from big players and a credit service through an intermediary (matching for credit through an online platform). Although this is a small scope of raising funds, it is popular. Then, the Company has to adjust itself in terms of speed of offering services and providing products which match the needs of the customers.

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 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 2022, it was





estimated that the number of new motorcycle registrations in the country will be approximately 4 – 1.8 million units, representing a 12.5% growth over 2021 (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 still follows up and observes the needs of customers and utilizes results in order to develop the procedure and process of credit approval, 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.

During the situation of high inflation which leads to adjust a policy interest rate in order to solve a problem of inflation, MBK-G changes the fixed interest rates according to agreements with customers to the floating rate instead in order to relate to financial costs which tend to be higher.

Procurement of Products or Services

Nature of the Procurement of Products to be Distributed

-None-

Development of Innovation or Technology

MBK-G raises the importance of the storage of its customer base by reviewing spaces for storing a data base, improving forms of data input, preparing data cleansing, a method of connecting data, and the security of data, in order to gather data for the sake of analysis, following up, and planning for the business operation.

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.

Auction Business

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 inspecting a car's conditions from Japan.

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 2022, more than 83,000 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.

Marketing and Competitive Situation

Second-Hand Car and Motorcycle Auction Business

The competition in the car and motorcycle auction business has competed continuously, and the credit policy formulated by the public sector has an impact on a decrease in seized cars in the market. The Company then changes its strategy by expanding a new customer base in order to get cars to be available in the auction yards all the time. Moreover, in the car auction business, new operators have entered the market continuously, particularly large operators with foreign investment funds. Thailand is viewed that has potential to grow in the automobile business. Therefore, auction entrepreneurs have to adapt strategies to offer standard services, inspect a car's conditions by international standards, improve the efficiency of E-Auction to surpass competitors, and respond to business partners in terms of services all the time.

The Competition in Auction Business's Industry Outlook and Competitive Situation in the Future

In 2022, the growth of the automotive industry slightly increased because the volume of new cars sold in the country grew at approximately 2%. It had an impact on the expansion of the hire purchase of cars and consequently led to the car auction. In 2022, financial institutes had a project to help customers have the debt restructuring and debt moratorium. Therefore, cars which were into the auction system decreased more than 40%. However, when the project finishes, the cycle of the automotive business will take a return to normality.

In 2023, cars increasingly tend to enter the auction system but it is unlikely by leaps and bounds because a strict factor in offering hire purchase credit indicates the cautiousness of the economic situation. Although several trends are positive factors in terms of opening the country in order to welcome tourists, people's household debt is highly problematic. Therefore, the financial institutes are still strict about giving hire purchase credit.

For the business sector, the car auction is still competitive continuously in terms of offering services and developing new platforms in order to respond to changing ways of life, the entering of new domestic and foreign



entrepreneurs who seek opportunities for the optimizing automotive industry and opportunities to develop types of services in order to satisfy the needs of the customers as best possible.

Procurement of Products or Services

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 Car Rental Companies

It is a business group that continually provides 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 Car Dealers

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

(4) From Insurance Companies

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

(5) From Large Companies

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 General Public

The general public (end user) that needs to trade or 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. The system's improvement of showing the car's prices throughout the auction process "Apple Auction Book" so that ordinary people can have access to and use the system conveniently. A cashless payment system to make the services of the business to be modern and efficient is also provided.

Corporate Supporting Center

Products and Services

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.

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.



Procurement of Products or Services.

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, applying technology through training, and workshops. It still develops Hi-Potential employees (HIPO) of the Group in order to apply technology to each business group in order to help solve work problems (or pain points), improve work or generate incomes/reduce costs.

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 concentrates on increasing knowledge, developing the new business related to digital transformation for employees of 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

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 real estate business, some jobs are undelivered, which are as follows:

As of 31st December 2022, 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. | Names of Projects | Locations | House to be delivered | |
|-------|------------------------------------|-------------------------|-----------------------|----------------------------|
| | | | No. of Unit (Unit) | Sales value (Million Baht) |
| 1 | Quinn Sukhumvit 101 Condo Project* | Sukhumvit Rd., Bangkok | 6 | 64.94 |
| 2 | Quaritz Project ** | Rama 9 Rd., Bangkok | 2 | 127.00 |
| 3 | Park Riverdale Project *** | Bangkadee, Pathum Thani | 1 | 18.80 |
| 4 | The Riverdale Residence Project*** | Bangkadee, Pathum Thani | 3 | 152.90 |
| Total | | | 12 | 363.64 |

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)
- Intelligent Creative & Marketing Company Limited (ICM) 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)
- MBK Krabi Resort Company Limited (MBK-KR)
- Lanta Land Development Company Limited (LLD)
- MBK Bangkok Golf Hotel Company Limited (MBK-BH)
- MBK Tonsai Resort Company Limited (MBK-TR) 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)
- MBK Golf Management Company Limited (MBK-GM) 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)
- MBK Development Company Limited (MBK-DE)
- Green Element Company Limited (GEM) etc.

5) Food Solution Business

operated by MBK's subsidiaries:

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

- Khao Mahboonkrong Company Limited (PRG-KM)
- PRG Global Company Limited (PRG-GB)
- Ratchasima Rice Company Limited (RR)
- PRG Properties Company Limited (PRG-PP)
- PRG Logistics Company Limited (PRG-LG)
- PRG Food Island Company Limited (MBK-FI)
- Riverdale Marina Company Limited (PRG-RM) 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) 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, 2022

| 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 Place Suanluang Company Limited | Bangkok | 0-2780-1000 | 0-2780-1122 | Shopping center and property for lease | 2,025,000,000 | 2,025,000,000 | - | 99.99 ⁷ |
| | 4. Glas Haus Building Company Limited | Bangkok | Head Office 0-2853-9000 | Head Office 0-2853-7000 | Property for lease (lease operation from September 2020) | 220,000,000 | 220,000,000 | - | 100.00 ⁵ |
| | 5. Glas Haus Ratchada Company Limited | Bangkok | Head Office 0-2853-9000 Branch 0-2693-9388-9 | Head Office 0-2853-7000 Branch 0-2693-9388-9 Ext. 108 | Property for lease | 270,875,000 | 270,875,000 | 100.00 | - |
| | 6. MBK Smart Force Security Guard Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Security service | 1,000,000 | 1,000,000 | 99.97 | - |
| | 7. The Nine Center Company Limited | Bangkok | Head Office 0-2853-9000 Branch 0-2056-7999 | Head Office 0-2853-7000 Branch 0-2056-7998 | Shopping center, property for lease and real estate | 3,000,000,000 | 3,000,000,000 | - | 100.00 ⁴ |
| | 8. MBK Center Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Car park rental | 2,000,000 | 2,000,000 | 99.99 | - |
| | 9. MBK Square Company Limited | Bangkok | Head Office 0-2853-9000 Branch 0-2853-7070-7,7079 | Head Office 0-2853-7000 Branch 0-2853-7078 | Property management service | 100,000,000 | 100,000,000 | 100.00 | - |
| | 10. MBK Online Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Online selling | 1,000,000 | 1,000,000 | 99.97 | - |
| | 11. The Nine Tiwanon Company Limited | Bangkok | Head Office 0-2853-9000 | 0-2853-7000 | Shopping center | 500,000,000 | 500,000,000 | - | 99.70 ¹ |
| | 12. MBK Properties Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Property for lease | 88,750,000 | 88,750,000 | 100.00 | - |
| | 13. X-Gen Premium Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Property for lease | 90,000,000 | 90,000,000 | 100.00 | - |
| | 14. Intelligent Creative & Marketing Company Limited | Bangkok | Head Office 0-2853-9000 | 0-2853-7000 | The provision of services of CRM loyalty program | 5,000,000 | 5,000,000 | 99.99 | - |
| | 15. Siam Privat 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 & 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 | 520,000,000 | 520,000,000 | 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 hotel operation from March 2021) | 252,662,500 | 252,662,500 | 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. MBK Bangkok Golf Hotel Company Limited (Formerly known as "Absolute Travel Company Limited") | Bangkok | 0-2147-5858 | - | Hotel | 800,000,000 | 800,000,000 | - | 99.99 ⁸ |
| | 23. MBK Tonsai Resort Company Limited (Formerly known as "M G 1 Company Limited") | Bangkok | 0-7562-8000 | - | Hotel | 730,000,000 | 730,000,000 | 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. MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 3,220,000,000 | 3,220,000,000 | 99.99 | - |
| | 26. MBK Krabi Resort Company Limited (Formerly known as "MBK Asset Company Limited") | Bangkok | 0-7562-8000 | - | Dormant | 250,000,000 | 250,000,000 | - | 100.00 ²¹ |
| | 27. C L P Management Company Limited | Bangkok | 0-7631-1929 | - | Property management service | 2,000,000 | 500,000 | - | 72.99 ¹³ |
| | 28. Paemala Spa Company Limited | Bangkok | 0-2048-7038, 0-2048-7034 | - | Property for lease | 5,000,000 | 5,000,000 | - | 25.00 ⁶ |
| | 29. DWS Property Investment Private Limited | Republic of Maldives | 0-2853-9000 | 0-2853-7000 | Dormant | 6,013,130 | 6,013,130 | - | 35.00 ⁹ |
| | 30. Rehapp Plus Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 5,000,000 | 5,000,000 | - | 50.00 ⁸ |
| Golf | 31. 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 | 1,500,000,000 | 1,500,000,000 | 100.00 | - |
| | 32. 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 | - | 72.99 ⁹ |
| | 33. 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 |
| | 34. NASSET PROPERTY FUND1 | Bangkok | - | - | Property fund (The Fund matured and dissolution on 31 August 2015) | 13,656,192 | 13,656,192 | - | 72.45 ¹² |
| | 35. MBK Enterprise Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Golf course and property for lease | 613,500,000 | 613,500,000 | 100.00 | - |
| | 36. MBK Golf Management Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Personnel management services | 5,000,000 | 5,000,000 | - | 100.00 ²⁰ |
| | 37. 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 | 47.13 | - |

| Type of business | Name of company | Headquarters | Telephone Number | Fax Number | Main business | Registered capital (Baht) | Paid-up capital (Baht) | Direct shareholding (%) | Indirect shareholding (%) |
|------------------|--|--------------|---|---|---|---------------------------|------------------------|-------------------------|---------------------------|
| Real Estate | 38. 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 | 1,573,000,000 | 1,573,000,000 | 100.00 | - |
| | 39. 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 |
| | 40. 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 |
| | 41. 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 |
| | 42. 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 |
| | 43. Kathu Land Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 4,000,000 | 4,000,000 | - | 70.36 ⁹ |
| | 44. MBK Residence Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Real estate | 105,000,000 | 105,000,000 | - | 100.00 ⁴ |
| | 45. MBK Sukhumvit Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Real estate | 800,000,000 | 800,000,000 | - | 100.00 ¹⁸ |
| | 46. MBK Realty Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Real estate | 71,200,000 | 71,200,000 | - | 82.00 ³ |
| | 47. MBK Charan Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Real estate | 550,000,000 | 550,000,000 | - | 100.00 ¹⁸ |
| | 48. M G 6 Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Real estate | 400,000,000 | 400,000,000 | - | 99.97 ¹⁸ |
| | 49. MBK Asset Solution Company Limited (Formerly known as "Tantara Gallery Company Limited") | Bangkok | Head Office 0-2216-3700 | Head Office 0-2216-3730 | Space rental | 5,000,000 | 5,000,000 | - | 99.99 ¹⁸ |
| | 50. MBK East One Company Limited (Formerly known as "MBK Leisure Company Limited") | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 37,500,000 | 37,500,000 | - | 100.00 ⁶ |
| | 51. Green Element Company Limited | Bangkok | Head Office 0-2853-9000 Branch 0-20220000 | - | Design, decorate architectural services for property development projects, and manage businesses related to trees and economic crops | 5,000,000 | 5,000,000 | - | 99.99 ¹⁸ |
| | 52. MBK Development Company Limited | Bangkok | Head Office 0-2853-9000 Branch 0-20220000 | - | Property management service | 5,000,000 | 5,000,000 | - | 99.99 ¹⁸ |
| | 53. MBK Unity Company Limited | Bangkok | 0-2853-9000 | - | Investment | 5,000,000 | 5,000,000 | - | 82.00 ¹⁸ |
| Food Solution | 54. PRG Corporation Public Company Limited | Pathum Thani | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Investment in companies engaged in processing and packaging rice and related companies (2021: Processing and packaging rice) | 874,970,249 | 658,698,729 | 74.85 | - |
| | 55. PRG Properties Company Limited | Pathum Thani | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Warehouse, marina and space rental | 250,000,000 | 250,000,000 | - | 74.85 ¹⁵ |
| | 56. Ratchsina Rice Company Limited | Pathum Thani | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Distributor and improving the quality of rice (2021: Distribution and improving the quality of rice, plant and factory building rental) | 75,000,000 | 75,000,000 | - | 74.85 ¹⁵ |
| | 57. PRG Logistic Company Limited | Pathum Thani | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Warehouse rental and transportation | 10,000,000 | 10,000,000 | - | 74.85 ¹⁵ |
| | 58. PRG Global Company Limited (Formerly known as "Innofood (Thailand) Company Limited") | Pathum Thani | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Sales of goods in overseas (2021: Dormant) | 5,000,000 | 5,000,000 | - | 74.85 ¹¹ |
| | 59. Khao Mahboonkrong Company Limited (Formerly known as "MBK Food and Entertainment Company Limited") | Pathum Thani | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Sales of goods in domestic (2021: Dormant) | 21,875,000 | 21,875,000 | - | 74.85 ¹¹ |
| | 60. PRG Food Island Company Limited (Formerly known as "MBK Food Island Company Limited") | Bangkok | 0-2048-0146, 0-2084-8888 | 0-2501-2176 | Food center | 300,000,000 | 300,000,000 | - | 74.85 ¹⁹ |
| | 61. PRG Food Product Company Limited (Formerly known as "MBK Restaurant Group Company Limited") | Bangkok | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Dormant (2022: holding investment in a group of subsidiary) | 5,000,000 | 5,000,000 | - | 74.85 ¹⁵ |
| | 62. PRG Food Service Company Limited (Formerly known as "MBK Food Service Company Limited") | Bangkok | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Dormant (2022: holding investment in a group of subsidiary) | 105,000,000 | 105,000,000 | - | 74.85 ¹⁵ |
| | 63. Riverdale Marina Company Limited | Pathum Thani | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Marina service | 5,000,000 | 5,000,000 | - | 74.85 ¹⁶ |
| | 64. Sima Asset Company Limited | Pathum Thani | 0-2501-2175, 0-2084-8888 | 0-2501-2176 | Real estate trading | 18,000,000 | 18,000,000 | - | 74.85 ¹⁵ |

| 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 (%) |
|-----------------------------|--|--|---|---|--|---------------------------|------------------------|--------------------------|----------------------------|
| Financial | 65. MBK Guarantee Company Limited | Bangkok | 0-2853-7878 | - | Lending | 2,400,000,000 | 2,400,000,000 | 100.00 | - |
| | 66. Primacy Elegance Investments Limited | British Virgin Island Contact center: Bangkok | Contact to office 0-2853-9000 | Contact to office 0-2853-7000 | Investment | 2,218,000 | 110,900 | 100.00 | - |
| | 67. MBK Premium Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Leasing and hire purchase | 132,079,830 | 132,079,830 | 100.00 | - |
| | 68. T Leasing Company Limited | Bangkok | 0-2832-2555 | 0-2832-2591 | Motorcycle hire purchase | 2,400,000,000 | 2,400,000,000 | 100.00 | - |
| | 69. Paradise Retail Company Limited | Bangkok | 0-2780-1000 | 0-2780-1122 | Property for lease (cease operation from April 2020) | 1,027,500,000 | 1,027,500,000 | - | 100.00 ⁵ |
| | 70. M G 3 Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Held property foreclosed | 40,000,000 | 40,000,000 | - | 99.97 ⁵ |
| | 71. M G 4 Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Held property foreclosed | 200,000,000 | 200,000,000 | - | 99.97 ⁵ |
| | 72. M G 7 Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 1,000,000 | 1,000,000 | - | 99.99 ⁵ |
| | 73. M G 8 Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 1,000,000 | 1,000,000 | - | 99.99 ⁵ |
| | 74. MBK Broker Company Limited | Bangkok | 0-2832-2519 | - | Insurance broker | 221,875,000 | 221,875,000 | - | 99.99 ¹⁰ |
| Auction | 75. Q Broker Company Limited (Formerly known as "Q Mall Company Limited") | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 12,000,000 | 12,000,000 | - | 99.99 ¹⁰ |
| | 76. Max Asset Management Company Limited | Bangkok | 0-2613-6000 #10 1021 | 02-6119499 | Asset management | 40,000,030 | 40,000,030 | 16.56 | - |
| | 77. 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 | Vehicle and motorcycle broker | 90,000,000 | 90,000,000 | 53.56 | - |
| | 78. MBK Advanced Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 1,000,000 | 1,000,000 | - | 99.99 ¹⁷ |
| | 79. MBK Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 2,000,000 | 2,000,000 | 99.99 | - |
| | 80. MBK Training Center Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Training service to affiliates | 3,000,000 | 3,000,000 | 99.99 | - |
| | 81. Technology Gateway Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | IT service to affiliates (2021: Dormant) | 37,500,000 | 37,500,000 | 100.00 | - |
| | 82. MBK CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 4,000,000 | 4,000,000 | 99.99 | - |
| | 83. MBK Contact Center Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000, 0-2118-2607 | Call Center | 100,000,000 | 100,000,000 | 99.99 | - |
| | 84. MBK Trading Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Inventory trading | 5,000,000 | 5,000,000 | - | 90.00 ² |
| Corporate Supporting Center | 85. Puen Pob Patt Company Limited | Bangkok | 0-2853-9000 | 0-2853-7000 | Dormant | 1,000,000 | 1,000,000 | 36.29 | - |
| | 86. TM Communication 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 | - |
| | 71. Held by MBK Shopping Center Company Limited | | | | Public Company Limited | | | | |
| | 72. Held by Technology Gateway Company Limited | | | | Properties Company Limited | | | | |
| | 73. Held by MBK Unity Company Limited | | | | Plan Estate Company Limited | | | | |
| | 74. Held by Riverdale Golf and Country Club Company Limited | | | | PRG Corporation Company Limited | | | | |
| | 75. Held by MBK Guarantee Company Limited | | | | PRG Properties Company Limited | | | | |
| | 76. Held by MBK Business Company Limited | | | | MBK Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | | | | |
| | 77. Held by The Nine Center Company Limited | | | | MBK Real Estate Company Limited | | | | |
| | 78. Held by MBK Hotels and Tourism Company Limited | | | | PRG Food Service Company Limited (Formerly known as "MBK Food Service Company Limited") | | | | |
| Note | 79. Held by MBK Hotels and Resorts Company Limited | | | | PRG Food Service Company Limited | | | | |
| | 710. Held by T Leasing Company Limited | | | | MBK Enterprise Company Limited | | | | |
| | 711. Held by PRG Food Product Company Limited (Formerly known as "MBK Restaurant Group Company Limited") | | | | HTB Company Limited (Formerly known as "MBK Food System 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 20, 2022 (The date set a list of names on the shareholders' registration, who are entitled to attend the EGM No. 1/2022 of shareholders' meeting and entitled to receive dividends. (Record Date))

The Company's shareholders - who hold shares exceeding 0.5% of its paid-up capital - are 27 shareholders or 77.62% 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 6,790 shareholders or 22.38% of its paid-up capital, while shareholders who hold less than 100 shares are 782 shareholders or 0.001% of its paid-up capital. The Company's total shareholders are 7,599 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 | 512,754,797 | 27.106 |
| | PRG Properties Company Limited | 27,029,800 | 1.429 |
| | | 539,784,597 | 28.535 |
| 2 | Thanachart Capital Public Company Limited | 410,951,408 | 21.724 |
| | Thanachart S PV 1 Company Limited | 33,416,857 | 1.767 |
| | | 444,368,265 | 23.491 |
| 3 | Thai NVDR Company Limited | 118,061,493 | 6.241 |
| 4 | MORGAN STANLEY&CO. INTERNATIONAL PLC | 40,805,752 | 2.157 |
| 5 | Mr. Parinya Tianvorn | 31,200,000 | 1.649 |
| 6 | Krungsri Dividend Stock LTF | 28,782,200 | 1.522 |
| 7 | Ms. Sukulaya Uahwatanasakul | 28,145,356 | 1.488 |
| 8 | STATE STREET BANK AND TRUST COMPANY | 25,096,620 | 1.327 |
| 9 | DBS BANK LTD | 24,302,498 | 1.285 |
| 10 | SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED | 20,890,119 | 1.104 |
| | Total | 1,301,436,900 | 68.798 |

Note : * 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, 2022, MBK had authorized capital of 2,488,712,432 Baht and paid-up capital of 1,895,598,424 Baht which were 1,895,598,424 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 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 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 wish 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, 2022

Number of unexercised warrants 24,801,141 unit

Number of remaining shares reserved 27,991,547 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 wish 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, 2022

Number of unexercised warrants 29,606,585 unit

Number of remaining shares reserved 32,340,085 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 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 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 wish 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, 2022

Number of unexercised warrants 9,491,745 unit

Number of remaining shares reserved 10,643,455 shares

The warrants to purchase ordinary shares of MBK Public Company Limited No.4

Number of Warrants Issued 71,778,083 unit

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

Warrant Issuance Date May 30, 2022

Warrant Maturity Date May 15, 2025

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 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, 2022 and the last exercise date will be on the date of 2 years 11 months and 16 days which will be on May 15, 2025 (“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 wish 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

71,778,083 shares (at the par value of 1.00 Baht)

As of December 31, 2022

Number of unexercised warrants 16,503,515 unit

Number of remaining shares reserved 17,631,888 shares

1.5.2 DEBT SECURITIES**Bonds (Information as of December 31, 2022)****Key features of the bonds**

- 1) 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

- 2) 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
- 3) 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
- 4) 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
- 5) 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

6) 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 |

7) 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 |

8) 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 |

9) 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 |

10) 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 |

11) 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 special reason from the operation or incident beyond expectation, the company has a policy to pay a dividend equivalent to a net amount 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.

Details about the Company's Dividend Payment in the Past

| | 2020 | 2021 | 2022 |
|---|------|--------|-------|
| Dividend per share | - | - | 0.80* |
| Earnings (loss) per share (the Consolidated financial statements) | 0.11 | (0.60) | 0.23 |
| Par value | 1.00 | 1.00 | 1.00 |

Remark: *Propose to the shareholders for approval in respect of the allocation of profit from retained earnings for dividend payments for the second half-year of 2022 at the rate of Baht 0.40 per share. The total 2022 dividend will be Baht 0.80 Baht per share, including the interim dividend for the first half-year of 2022 at the rate of Baht 0.40 per share. Dividends will be paid to the shareholders listed in the record date for shareholders who have rights to attend the Annual General Meeting and receive dividends (Record date) as of March 20, 2023 and the dividend will be paid on May 3, 2023. However, the entitlement to receive the dividend is uncertain because it has yet to be approved by the shareholders.

In this regard, the Company omission of annual dividend payment for 2020 and 2021 to maintain the financial liquidity of the company, due to the situation of the 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. 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

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 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. enforces 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 in all levels and required to submit 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. The Risk Management Committee reports of MBK GROUP are available at www.mbkgroup.co.th, topic "Who We Are" >> "Internal Control and Risk Management" >> "Risk Management"

2.2 RISK FACTORS ON BUSINESS OPERATION

2.2.1 Operational risk associated with the Company or the Group of Companies

Risk Factors of the Shopping Center Business

Although in 2022 there were signs of recovery from the COVID pandemic due to gradual reopening for foreign tourists and government spending stimulus measures, the shopping center business remained under pressure from the rising cost of living in line with inflation which reduced the purchasing power of consumers, especially the middle and lower income groups that had not fully recovered. The purchasing power of the middle-upper income group began to slow down, resulting in only a slight increase in spending frequency as these customers focused on buying only the necessity.

Under the situation in which consumers slowed down their spendings, entrepreneurs, Therefore, focused on improving and expanding their storefronts along with developing online marketing channels. This included the development of new business models by applying more technology to help differentiate and increase the competitiveness of the business amid intensifying competition so that it could continue to grow in the long run.

1) The MBK Center

(1) Risk from the Economic Situation and Increasing Competition

Although the COVID-19 situation had improved, MBK Center still maintained necessary hygiene measures such as alcohol gel service, reducing contact with automated parking ticket dispensers, a mask requirement of staff during working hours to build confidence for the customers. In addition, the conflict between Russia and Ukraine that had a large impact on the economy and caused oil prices to surge led to the pricing adjustment of products. Therefore, the consumers became cautious in their spending, resulting in price competition, marketing, promotion, and activities to stimulate consumer spending.

To prepare for fiercer competition, MBK Center revamped the shopping center in 2022 by renovating the shops inside the shopping center to create a new experience for both Thai and foreign customers. The shopping center also focused on various marketing activities to liven up the atmosphere and make it more colorful and attractive. Sales promotions were also launched during various festivals to stimulate spendings at shopping centers. The shopping center remained focused on building a loyal customer base through the Loyalty Program system under MBK Plus Application, where users could collect points to redeem discounts, benefits and various promotional items on every spending at MBK Center.

(2) Risk from Changes of Technology

The spread of COVID-19 resulted in the normalized use of various technologies in everyday life. This was particularly true about shopping on various online platforms that had become more convenient. As a result, the online retail market became a channel used in parallel with offline purchases. Moreover, searching for information or comments about the products and services to help make decisions complicated the decision-making process for customers when they bought products or services. As a result, the market became more competitive, not just in terms of pricing, but also in the aspects of information, experience and reach to the customers across all channels.

In 2022, MBK Center continued to go for digital marketing by distributing information and activities of MBK Center through numerous social media channels, including website, Facebook, Instagram, Twitter, Youtube and Line@, as well as adding Tiktok, a new social media trend that had gained huge popularity.

As for customer communication via social media, customer data and behaviors were analyzed to plan appropriate content and timing for communication in response to different customer interests in each channel.

In addition to social media, MBK Center also has MBK Plus Application, which is a loyalty program system for accumulating points from every purchase of products or services in MBK Center and establishing a regular customer base. The application is also a communication channel about various benefits directly to customers through the right offering to enhance better experience in MBK Center.

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

(1) 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 COVID-19 pandemic. As a result, a strategy has been created to deal with such situations by following 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) 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 to have available services lately in 2023. This construction has caused traffic 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.

3) The Nine Center Rama 9

Although the situation of the COVID-19 seemed to improve, due to the economic situation and the rising cost of living, consumers spent only as necessary. The Nine Center Rama 9 therefore used digital marketing to publish information, marketing activities and store promotion on social media through a variety of marketing tools to reach all interest groups of the customers such as Facebook, Instagram, Twitter, Line Official of The Nine Center Rama 9. MBK Plus application was used to connect between the customers and the merchants in the shopping center to stimulate spending, repeated purchases, and referrals. This was achieved by offering attractive promotions that met the needs of the customers the most. The shopping center also foresaw the sustainability of attracting more customers during weekdays and being a shopping center that was part of the community. Therefore, Fam Play activities were organized every Wednesday of the week. There were various activities that the residents of the community around the shopping center could bring their children and family members to participate. The activities would rotate each week and not be repeated, and they had been well received.

4) The Nine Center Tiwanon

Due to the spread of COVID-19, the revenue and number of customers of The Nine Center Tiwanon did not meet the target. Therefore, a marketing strategy was formulated. It included advertising, public relations, marketing activities according to the target group and the current situation. The focus was on family activities to meet the needs of the customers, organizing various promotions in conjunction with the merchants in the shopping center to stimulate spending. As part of the strategy, new stores, products and services were added with a greater variety. The festive atmosphere was also created during various festivals where putting up decorations inside and outside the shopping center to make it beautiful and modern to meet the needs of and create utmost satisfaction to the customers.

In this regard, the shopping center provided a distribution area for farmers, manufacturers, and distributors of community products and various independent entrepreneurs, etc. so that they had the opportunity to sell products to generate income. The general public was also provided more alternatives to buy good quality products at affordable prices to help mitigate the impact of the COVID-19 and continue to stimulate consumer spending.

5) Glas Haus Ratchada Company Limited

Glas Haus Ratchada's area rental business was a risk factor in 2022 due to the uncertainty for the renewal period of the space rental agreement with the State Railway of Thailand which affected the confidence and investment value of tenants, including finding new tenants to replace the return of partial rented areas to Thanachart Bank Plc. due to the merger between Thanachart Bank Plc. and TMB Bank Plc., resulting in cancellation of the main rented area from MBK. 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.

Sustainability Risk Factors of Shopping Center Business

Global warming affected the current climate change, causing air pollution problems, particulate matter or "PM 2.5" which was harmful to the health of the customers. As a result, the customers avoided outdoor activities. The shopping center was aware of air quality and cared about the environment by focusing on reducing energy consumption, reducing wastes, and controlling air quality. The environment in and around the shopping center was managed to prevent dust pollution. The shopping center also reduced carbon dioxide emissions that caused global warming to lessen the impact of climate change and conduct business on the basis of sustainable development.

In addition, alternative energy was used within the shopping center with the installation of a solar rooftop system to generate electricity from solar energy to be used as a renewable energy. In addition, the Company set up an internal energy management working group to drive and promote energy conservation to comply with the policies, plans and laws. The Company also developed energy initiatives by applying the international standard ISO50001 energy management system to control and manage energy in buildings to be efficient and sustainable.

Risk Factors of the Hotel and Tourism Business

In 2022, the hotel and tourism business saw a clear recovery after the government declared the outbreak of COVID-19 an endemic disease. However, the recovery of tourist demand differed region to region.

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

- Provided a long stay service package in order to generate constant incomes and meet different needs of customers who had different objectives.
- Reduced guest rooms' price and have value-added offers for guests and to focus on the service rates for maximum value.
- Sold rooms through tour operators in different regions around the world, as well as through domestic operators, prepare a special advance booking rates with free cancellation to accommodate foreign tourists who wished to visit Thailand.
- Emphasized on public relations through social media and bloggers.
- Participated in the public sector's campaigns such as We Travel Together, Thai Tour Travel which received warm welcome in Thai customers. The Hotel is also certified for hygiene standards or Amazing Thailand Safety and Health Administration (SHA, SHA Plus (SHA+), SHA Extra (SHA++).
- Promoted sales of "Resort Credit".
- Focused on being an eco-friendly hotel.
- Searched for partners to complement hotel services.
- Increased Thai tourist market by changing services that are popular for Thai tourists as a way to adapt to capture new customers with potential.
- Performed job rotation both inside and outside the Business Group in order to use human resources more efficiently.
- Reviewed partly cease operations of the business where the operating costs are significantly higher than the return.
- Collaborated with the contracted hospital as a treatment option, Hospitel, for COVID-19 patients who have a green level without severe symptom (Closed service in May 2022).
- Measured to control and prevent the epidemic outbreak of COVID-19 through social distancing according to the regulations of the public sector in order to boost confidence of guests.

Sustainability Risk Factors of Hotel and Tourism Business

Sustainability risks in the hotel and tourism sector underscore the ability to maintain profits at the same level as those in the same industry. This was achieved by focusing on managing employee remuneration to be performance pay and increasing high-margin business, such as finding partners to rent space in hotels and looking for hotel management opportunities, etc. Meanwhile, the hotel and tourism business group was aware of the importance of conserving the environment. Therefore, they participated in using alternative energy and choosing environmentally friendly products. They also reduced the amount of plastic and foam waste which led to sustainable environmental conservation.

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

From the past the situation of the epidemic outbreak of 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 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. After the above-mentioned situation, LPGC and RMGC continued to improve, but still faced with a high price competition. However, in order to reduce such an impact, the Golf Business organized sales promotion events in order to increase a number of golfers as follows:

- Special green fee rates were 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.
- Organized 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.
- Organized golf competitions and tournaments in the form of New Normal for ordinary golfers and local golfers in order to use the golf course services more.

Although the epidemic outbreak of 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 could book Tee-Time through the booking online, together with special price promotions.
- Add more distribution channels through more distributors.
- Created an ecosystem for the golf business, for example, joining key partners in the establishment of the leading and national National Golf Training Center at RDGC and BKGC etc., to expand the golfer base.

(2) The Risk from Natural Disasters

In 2022, Phuket faced with natural disasters (rain storms) causing the Red Mountain Golf Course (RMGC) to have a landslide and imperfect course conditions. The golf course therefore, proceeded to build a line to prevent landslides and recondition the course to be suitable for service quickly. That was already completed. The Bangkok Golf Club (BKGC) located in Pathum Thani was affected by a natural disaster as there was flooding in the golf course for a short period of time. The flood was an obstacle to service. However, a master plan was devised, and management measures to prevent flooding in the golf course in Pathum Thani were already in place.

(3) Risk from the Global Economy

Because of problems of the sluggish global economy, the situation of the epidemic outbreak of COVID-19, the situation of the war between Russia and Ukraine, 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 group of customers travels to Thailand less, it has a negative effect and impact 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.

Sustainability Risk Factors of the Golf Business

In the golf business, fertilizer and various chemicals are used to maintain good conditions of the golf course on a regular basis. By realizing the importance of sustainable business which comprised environmental, social, and governance aspects, a business strategy of “creating environmental balance” was formulated. The strategy involved reducing the use of fertilizers and chemicals to maintain the the course upkeep and using compost and natural substitutes instead. For the governance aspect, RDGCC and MBK-EP joined the Thai Private Sector Collective Action Coalition against Corruption certified by the IOD.

Risk Factors of the Real Estate Business

(1) 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) 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) 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;

- 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.
- Compile a guideline for housing construction and providing training for both contractors and employees working in the Real Estate Business.

(4) 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:

- Follow situations of the housing and the real estate market through closely observing an economic tendency and adaptation of the real estate entrepreneurs.
- Study the changing behavior and needs of customers as information for developing housing projects in order to satisfy the customers' needs.
- 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.
- Increase new target groups and new channels of distribution that will allow the Real Estate Business to reach its new target groups.
- 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.
- 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.
- 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) Risk from the Economic Situation

The spread of COVID-19 and the economic slowdown caused by inflation and the situation of the Russian-Ukrainian war resulting in the economic slowdown. It was expected that the impact from such risk would remain a cautionary factor in 2023. 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.

Sustainability Risk Factors of the Real Estate Business

The Environment

In construction work to develop real estate projects, the real estate business considers the impact from the project construction on nearby communities. For large-scale projects in particular, the environmental impact assessment reports (EIA) are studied and prepared before the project implementation. The impact assessment on the communities is ongoing in conjunction with monitoring throughout the construction period to ensure that the implementation does not affect the community's environment and that involvement to the surrounding communities is promoted. There are also concepts for efficient environmental management in the projects, such as planting trees, waste management, etc.

The Society

Currently, Thailand has begun to become an aging society as people of working age are having fewer children, and the number of elderly people is increasing, and technology plays a role in the daily life. As a real estate development company, the company considers the behavior and lifestyles of residents in each age range. Before developing projects, a housing demand survey will be made. And the company is not just designing spaces in home and condominium projects for living only, but it is also taking into account the lifestyle of the residents in order to be able to live according to their needs.

In addition, the company always monitors information of residents, the demographic structure, and behaviors in each age group. The company also develops its services by introducing technology to help facilitate the residents in order to provide them with maximum satisfaction.

Risk Factors of the Food Solution Business

1) The Rice Business

(1) The Risk Arising from Prices of Raw Materials

Rice was the main raw material of the Company's production. It was classified as an agricultural commodity which its prices fluctuated all the time according to the market's situations— whether they were economy, politics, climates, or the environment. These factors stimulated demand and supply. In 2022, Thailand's rice supply on the global export market would continue to shrink, because of the COVID-19 in the first half of the year with the Russian-Ukraine war situation, it caused Global Supply Disruption 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 slowed, the price of

Thai rice when reflected with shipping costs was raised. Therefore, in 2022, overall export of Thai rice was stable compared to 2021, even though in the second half of the year there would be a recovery after the spread of COVID-19. Additionally, the Thai-baht currency depreciation and the effect of inflation caused by high oil prices following the Russia-Ukraine war resulting in a shortage of wheat which was a raw material for animal feed production. This allowed Thai white rice a chance to be able to compete as a substitute.

As for aromatic rice, the price dropped, attracting the return of demand from importing countries in Europe, the Middle East, Asia and America. However, container shortages and freight costs remained the main factors affecting importing countries' decisions. The world's number one exporter was still India while Thailand ranked second in the past year. Nevertheless, Thai rice still had growth potential overseas due to the confidence in the product quality and reliable service. As for the domestic market, the government gradually reopened the country to foreign tourists to benefit overall consumption recovery in the last quarter from COVID-19 as things started to gradually return to normal. On the contrary, the economic sector might still face many challenges and be vulnerable in the early stages of the recovery. This would affect the purchasing power of consumers, and the purchasing power of the grassroots consumers who were the country's majority might improve slowly.

Therefore, price competition and the categorization of products were employed in 2022. However, PRG formulated an operational policy in order to reduce risks from the market's fluctuation by:

- Stored 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 was 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 are used in order to reduce the risk of prices of inventory raw materials when compared with the market.

(2) Risk Arising from Price Fluctuations

In 2022, due to economic conditions and the situation of the epidemic outbreak of COVID-19 made consumers' purchasing power similar to not increase, causing the market's price mechanism to employ price competition strategy and short-term profit. 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 2022 - 2023, the public sector had a policy to promote retail stores in the traditional trade. Therefore, PRG focused on this market's expansion to be consistent with the consumers' purchasing power after the COVID-19 outbreak.
- The Modern Trade's strategies used in this channel focused on creating an image and trying to maintain sales areas by means of organizing promotions continuously, managing distribution areas for each shopping center and emphasized increasing sales channels for Healthy Rice products and aiming to expand online sales channels in order to maintain as much market share 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 are used as a one-stop-service strategy in order to maintain the customer base.

(3) Risk Arising from Rice Export

In 2022, the impact of the epidemic outbreak of 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 did not harmonize with the demand. This leads to be unable to satisfy consumers. However, PRG still maintained target customers. PRG's main customers still had confidence in the Company continuously. PRG's focused policy was to reduce the risk from foreign trade as follows:

- PRG agreed to make a sales contract only when there were sufficient raw materials.
- PRG stored an appropriate amount of raw materials as a minimum required by public agencies.
- Financial transactions were done through leading and trusted banks and customers' creditability was verified as well.
- In order to prevent fluctuations in the Thai Baht currency, PRG had to buy a forward contract for a foreign currency exchange rate after each purchasing order was received immediately.
- In order to prevent fluctuations in shipping costs, PRG separated the product price and shipping cost, where the freight was 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) Risk in Value of Thai Baht Currency

PRG prevented 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 was made.

(5) Risk from Natural Disasters

PRG had 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 was scheduled in order to prepare measures in advance. These policies were laid in order to reduce the risk of the response to consumers' needs and the Company's damage.

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

In 2022, products were sold to the first 10 biggest customers, calculated as 40% of 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 considered that there was no risk of depending on any big customer. Moreover, PRG concentrated on increasing incomes from other businesses continuously, selecting other products in order that there was 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) OEM Business (Original equipment manufacturer)

(1) risk of Relying on Sole Major Internal Customer

Since 80% of PRG-RR's production is for its main customer, Mah Boonkrong Rice, which is part of the PRG group. 20% is for external distribution. By proportion, acquisition of external customers has to be expedited so that the number of customers and the production volume are close to the proportion of internal customers in order to reduce the risk. To increase external customers and retain internal customers, PRG-RR must try to find ways to reduce production costs, increase the efficiency of personnel and machines simultaneously.

(2) Risk of Fluctuations in Raw Material Prices

Rice is the main cost of all products. Many factors affected the price of raw materials. There are non-controllable factors such as climate, society, economy, politics, market fluctuations, consumer behavior, etc.

and controllable ones, such as buying raw materials at the beginning of the season for speculation. In this connection, there must also be personnel with expertise in analyzing the direction of domestic and foreign markets that were difficult to predict. In addition, there are energy costs used in production, particularly electricity costs that continuously increased and were uncontrollable.

3) Food Court Business

In the first half 2022, food court business was still affected by COVID-19. Main customers were still unable to return to normal life and activities. For example, office workers were working from home, educational institutions had to do online classes, travel remained restricted for the general public and foreign tourists. Therefore, the food court business was not able to meet the revenue forecast.

However, after COVID-19 resolved, the government announced that the pandemic was an endemic disease and reopened the country for foreigners to arrive in to Thailand without having to quarantine. This resulted in the return of both Thai and foreign customers in the food court visiting the shopping center while necessary hygiene measures were in place. PRG Food Island Co. Ltd. (PRG-Fi) as the manager of Food Legends by MBK renovated the food court to accommodate the return of the customers and developed products and services to match the customer behaviors after the COVID-19 crisis.

4) Property Development Business

Business Risk

PRG constructed the Riverdale Marina, the first fully integrated A-class yacht marina along the Chao Phraya River. Rentals for ports, retail, boat showrooms, restaurants, and boat services and equipment shops were all available at the project which would be completely constructed by 2022. Because of the impact of the COVID-19 epidemic, and the economic and investment slowdown, PRG might not be able to achieve its tenant's recruitment target for the Marina Project. This would have an impact on PRG's earnings in the future.

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

5) Logistics business

(1) Risk of Competition in the Industry

In the business of logistics services, both in the transportation of goods and warehouse services, there are a large number of service providers who are similar to or the same as PRG. If the competition intensifies, it may affect the company's performance. Therefore, PRG improves the logistics technology system by developing the Warehouse Management System (WMS) and the Transportation Management System (TMS) to be more modern to enhance the efficiency of warehouse management and the distribution of products to keep up with changes and the intensifying competition in the industry.

(2) Risk of Logistics Vehicle Supply

PRG hires an external logistics provider to ship products of PRG for a variety of vehicles. In this regard, there is a risk of hiring logistics providers who do not meet the specified standards. However, PRG has never experienced problems in supplying substandard external logistics providers as it is sufficient to meet the service needs. There is also a clear policy regarding the procurement of external logistics providers. The logistics are planned and managed by the company.

Sustainability Risk Factors of the Food Business

The spread of COVID-19 brought changes that affected the economy, society, lifestyle, and changing consumer behaviors. The company managed safety risks of employees in the factories at risk of contracting COVID-19 as it might affect the supply chain. The risk was currently in the level L (low), but the company still followed up and inquired about the well-being of employees. There were also regularly testing and hygiene maintenance before entering the work area. If the employees were found to be at risk, the company would arrange work from home and introduce the use of technology in the work process to reduce the risk of infection and the spread that might occur within the factory and office. This was to enable the production of clean and safe products and credibility delivered directly to partners, customers, and consumers.

In addition, the Company foresaw environmental risks that may occur in the future. Therefore, the Company put priority on packaging and began to change the type of plastic to mono-material which was 100% recyclable in the main product group to align with the values and foster sustainable business. The Company initiated a project to promote tree planting to increase the economic forest area on more than 100 rais of land at Sikhio District, Nakhon Ratchasima Province. The project's objective was to increase the economic forest area to maximize the land's potential, produce and sell wood to generate income and meet the continuously rising demand of wood in the country. It was also another way to expand the country's economic forest area, and it also benefit the overall carbon credit trading for the country.

Risk Factors of the Financial Business

(1) Risk of Relying on Major Customers

Currently, the first 10 major customers account for 60% of all customers. If the major customers close their accounts or default on debt payments, the revenue will decrease. The reason is the need to expand the income base quickly. The solution to this is to not expand the credit base to the major customers and to adjust product models or credit policies to support the expansion into middle and retail customers based on the acceptable level of risk.

(2) 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.

The financial business places importance on the debt collection management system by establishing policies and procedures to control credit quality. These start with a credit risk assessment of the borrowers conducted by Credit Analysis Unit to determine suitable credit conditions. The committee with experience in the financial business is responsible for approving credit and supervising operations. There are also life insurance products that protect credit limits as an option for customers to buy protection against the risk of debt obligations that they still have with the company.

Another main reason is granting credit to customers who are landowners without expertise in property development to generate income to repay their debts. The solution is to help them find ways to develop or sell assets to generate income, to reduce credit to customers who are landowners and increase credit to those who are real estate developers or have the ability to generate income from assets.

(3) Risk from Collateral

For secured loans with properties as collateral, the financial business requires an analysis and quality rating of each type of collateral by considering the liquidity, location and development guidelines to generate income if the properties were received (for real estates). The real estate collateral must be appraised by an acceptable

independent appraiser. Also, the loan to value ratio must be at a level that ensured the collateral enforcement to settle the debt entirely. In the case of collateral with buildings, the risk is reduced by taking out fire insurance. For movable properties that are shares, the price changes are tracked, and the collateral is required to be added when the share price declines to the determined point.

For the secured lending business with real estate collaterals, there is still a risk in managing collateral assets. The risk is caused by the delayed sale of the collateral assets, resulting in maintenance costs and the declining value in the future. This is due to inefficient sales channels, and/or impractical development guidelines analyzed in the underwriting process, and/or changes in economic conditions, and/or the emergence of new diseases. The preventative measures to minimize risks include analyzing and focusing on effective sales channels, increasing the return on sales, analyzing the causes of impractical property development. Prevention is achieved by adopting it as a policy in laying out development guidelines and following up on the results and analyze and modify them until they become effective.

For motorcycle hire purchase business runs 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. In this regard, the company had a systematic debt collection measure for debt collection which reduced the risk. Therefore, there may be a risk of the inability to repossess collateral motorcycles. In addition, there is a risk that the auction sale price may not cover the loss incurred. However, the company can claim the difference from the loss on sale from hire purchasers.

(4) 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.

Sustainability Risk Factors of the Financial Business

Climate Change Risk

Climate change tends to increase resulting in severe natural disasters such as floods, storms, droughts, heat waves, forest fires, etc. These bring about deaths, property damage, shortage of goods and services, and business disruption, which are considered issues affecting the economy, various business sectors of the country, and the company's business. Consequently, the company's customers become unable to meet the repayment schedule, and it may impact the financial and reputational aspects of the company.

The company considers the uncertainty caused by climate change and therefore has prepared a Business Continuity Plan. The company requires an ESG policy as a guideline for the directors, executives, and employees at all levels to practice for the maximum benefit to the organization and the environment of the country. Examples of the ESG initiatives include the "T Leasing Smiles for the World project, TLS SAVE THE WORLD", the "T Leasing

Smiles and Care” project. These projects offered basic vehicle inspection and free engine oil change to maintain the vehicles to always be available and to reduce air pollution. The company also joined a campaign with government partners to measure black smoke, carbon monoxide (CO) and hydrocarbon (HC) gases to make sure they were within the standard threshold.

Social Risks

The company is committed to business development along with creating economic balance that may affect the community and society. The company is also committed to being a good corporate citizen for sustainable business growth with corporate social responsibilities. In this regard, the company is aware of possible risks that could affect communities in all areas of the business. In order to prevent local communities or societies from the troubles, CSR activities with surrounding communities were continuously organized in 3 projects as follows:

- “T Leasing Smiles and Care” helped flood victims, donated medical equipment to hospitals, supported the production budget for helmets with government agencies to distribute to society.
- “T Leasing Smiling Smiles” Taem Fun project granted scholarships to underprivileged students to study medicine, supported the community with a budget for futsal matches, and supported talented players to reach their dreams.
- “T Leasing Smiles to Kids” project donated educational equipment and computers to upcountry schools to promote learning through technology and sponsored sports equipment for children and youth.

Risk of Human Resource Management to Support Business Growth and Transformation

The Company plans to expand the business and continuously pursues business opportunities. In addition, new technologies and innovations have been introduced to drive the business to create stable and sustainable income to the organization. Therefore, that has led to the need for skilled personnel. If the Company is unable to prepare and develop personnel with sufficient expertise in time, it can affect the business and the achievement of long-term goals.

Thus, the Company had a direction to continuously develop the human resource management system in line with business strategies by requiring successor planning for key positions and planning individual development to continuously develop personnel to achieve expertise through reskilling and upskilling. The Company arranged learning and exchange among its employees and improved various course content to keep pace with the changes. The Company supported the use of the KM website system so that the employees could learn by themselves at any time. Leadership was developed, and overall learning was encouraged to ensure that the Company would have quality executives and employees that were sufficient for future business growth. In addition, the Company placed importance on employee engagement by conducting an organization-wide engagement survey and used the assessment results to make improvements to retain the employees.

Risk of Compliance with Laws, Rules and Regulations

Risks arising from non-compliance or incomplete compliance with laws, regulations and rules affecting the Company in reputational and financial aspects such as fines, suspension or revocation of business licenses.

Therefore, the Company prioritizes conducting business in strict accordance with relevant laws, rules and regulations by setting various policies for the directors, executives and employees to adhere to as a guideline for performing their duties in accordance with relevant laws, regulations and rules. The policies are regularly reviewed to reflect changing business practices and laws. Compliance department is responsible for ensuring compliance with the legal and regulatory requirements to ensure that the company strictly complies with relevant laws. There is communication to all employees for acknowledgment and compliance. Amendments to government policies, laws, rules and regulations are closely monitored. A network with relevant government and private agencies is forged so

that the business can always be carried out in accordance with the requirements correctly and properly.

Moreover, in compliance with a new law such as the Personal Data Protection Act B.E. 2562 which was effective in 2022, the Company formulated a personal data protection policy and set up a personal data protection working group to lay out a system and processes to comply with the law: the storage, collection, records of personal data processing, processing requiring legal bases, the rights and contact of data subjects, and internal communication to the personnel.

However, during the course of business, the Company has not had any dispute with any government authority regarding noncompliance with the rules, regulations and laws related to financial business that resulted in court cases.

Competition Risk

Sustainability risks in MBK-G's business arise from new competitors, large competitors such as financial institutions with high capital, real estate companies specializing in property appraisal, and retail competitors offering a new way of lending directly between property owners and investors. The Company manages its risk by monitoring changes inside and outside of the industry, securing low-cost financing and reducing reliance on capital from the parent company, developing knowledge and competency of personnel in property appraisal, including considering increasing the form of services to expand channels to generate sustainable income.

Risk Factors of Auction Business

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

For 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.

Sustainability Risk Factors of the Auction Business

Risk factors for the car auction business concentrate on good governance. The auction business must be conducted with fairness, transparency and accountability to business partners, without discrimination against any particular partner. Based on such risk factors, the business applied online bidding technology to show business partners transparency in bidding both in terms of price and quality. The business is also responsible for every vehicle that passed the inspection and bidding in the event of damage from the standard of business performance.

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) Risk in Human Resources and Management

In 2022, the ongoing pandemic of the 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) Risk from the Technology and Communication

It was 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 realized the importance of the risk management of all 8 business groups, continuously supports and drives the implementation of MBK GROUP's digital technology projects through hi-potential personnel to explore ways to apply modern technologies such as IoT, sensors, big data, AI, cloud, and mobile experiences to increase revenue or reduce expenses of each business in MBK GROUP to enhance competitiveness to each business in MBK GROUP. 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 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 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, including making work regulations concerning emergency situations. Moreover, equipment and tools are provided in readiness so that the employees can work from home efficiently.

Sustainability Risk Factors of the Corporate Supporting Center

The Corporate Supporting Center is responsible for managing the liquidity risk of MBK GROUP to maintain sufficient working capital for operations and increase returns for shareholders by investing money to generate long-term and short-term profits. The center is also responsible for reducing investment risks by setting policies and considering investments that generated suitable returns to MBK GROUP.

However, human resources are an important element in running a business. Under the New Normal environment, MBK GROUP therefore, encourages its employees to shift their mindset and way of work to support rapid changes in MBK GROUP after the outbreak of COVID-19. In addition, the corporate culture (MBK YES) is cultivated to employees at all levels. The culture includes being a supportive partner who understands issues and demands in running MBK GROUP's business in order to achieve the highest efficiency and effectiveness for MBK GROUP.



3. BUSINESS SUSTAINABILITY DEVELOPMENT

POLICIES 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 interests of all Stakeholders and the impact on business chain to lead the organization to grow sustainably. 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 MBK's business operations and operational activities will be part of the development of Thailand's retail and real estate businesses to meet international standards and relate to sustainable development guidelines which cover environmental, social and good governance aspects. The Sustainable Development Goals (SDGs) according to the United Nations framework are adopted as a guideline for setting sustainable business goals to drive concrete actions throughout the Company's value chain.

MBK's sustainable development policy has been established with a direction to deliver benefits to society and the environment with good corporate governance and to respond to the expectations and needs of all stakeholders. The guidelines are as follows:

Sustainable Management in the Environmental Aspect

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, using of alternative energy, focusing on energy-saving and recycling to reduce the waste from the business of the organization and the community and to help reduce and prevent various environmental problems. 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, as follows:

- Environmental management and legal compliance.
- Promotion of the valuable and efficient management and use of resources.
- Promotion and implementation to use alternative energy such as solar roofs and planting economic crops to increase the green area and reduce greenhouse gas emission and continuous energy consumption.
- Campaigns and public relations to save water and create awareness among the employees on the efficient use of water, change of equipment to new technology for water-saving efficiency.
- Efficient air quality management in the buildings.
- Adoption of technology to improve management by focusing on electronic transactions.
- Standardization of the establishments to be convenient, clean, and safe.
- Campaign for employees to properly and continuously sort wastes, i.e. recyclable wastes, dry wastes, and wet wastes in the office building, such as collecting wastes, separating plastic wastes to be recycled in order to reduce the amount of wastes and maximize the use of resources.
- Campaign for the economical use of paper by reusing and using a photocopier with a 2-sided printing option.

Sustainable Management in the Social Aspect

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 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. The social policy and practices are as follows:

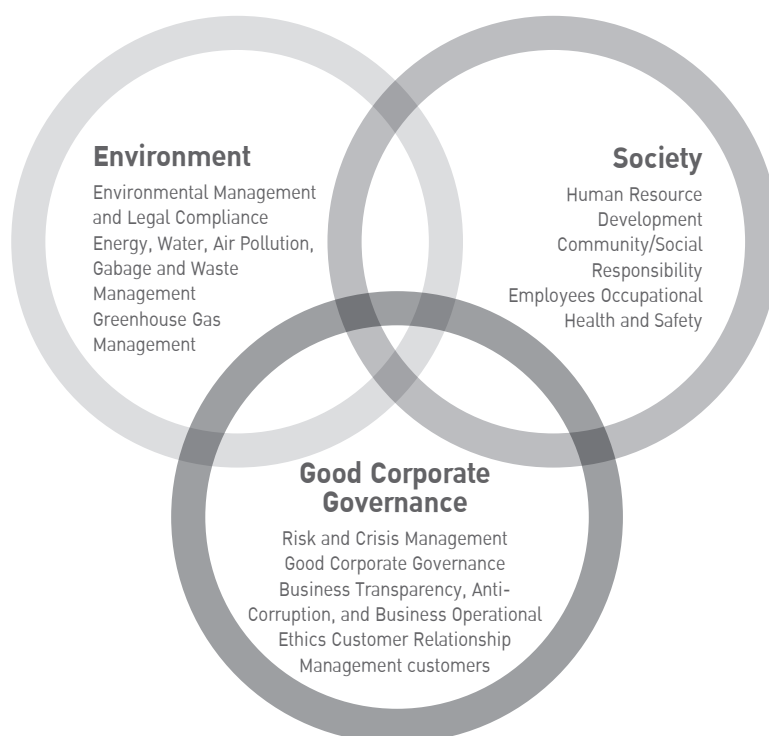
- Take into account human rights principles to take care of and treat the employees fairly and equally without discrimination based on race, skin color, religion, gender, age, nationality, sexual orientation or anything else so that employees have a good quality of life.
- Create a culture of kinship, mutual dependence, help and support within the organization.
- Take care of hygiene and the safety of employees, workers, and the Company's assets without affecting the rights and safety of others, and to protect personal rights, confidential information, disclosure and the use of personal data.
- Promote and develop the potential of personnel in the organization continually both in the short term and in the long term.
- Recognize the importance of customers in obtaining maximum satisfaction by setting a management policy to create customer satisfaction and to treat all customers fairly so that they can be confident in the Company's services as much as possible.
- Cooperate with the government and nearby communities in improving their well-being and environment.

Sustainable Management in the Good Corporate Governance Aspect

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 under the following directions:

- Conduct business in accordance with good corporate governance principles, the Company's Code of Conduct, as well as policies, regulations, notifications and relevant orders of the Company.
- Adhere to integrity and transparency in business and operations, along with complying with laws, rules, regulations, methods and standards set by regulators and the international practices.
- Continuously seek ways to develop and improve operational efficiency in all activities.
- Create, invent, and develop inventions and new technologies continuously to provide the Company with the qualifications and leadership capabilities.
- Use modern technology to meet the needs and strive to offer the best products to customers.
- Efficiently manage all areas of risks.
- Give importance to the protection and monitoring of the information technology system to be stable and safe from cyber threats which are considered an international risk issue to which every organization should pay attention.
- Establish a personal data protection policy and appointing a personal data protection working group in accordance with the law to ensure that personal data protection measures cover all stakeholders.
- Encourage and support allies, partners and stakeholders throughout the business chain to conduct business in accordance with the sustainable development guidelines.



The Board of Directors assigns the MBK Corporate Governance and Sustainability Committee to have roles, duties, and responsibilities with sustainability and report to the Board of Directors. For clarity, the Sustainability Report is also separated from the Annual Registration Statements / Annual Report (Form 56-1 One Report) from 2016 onwards. Please see more details in “Sustainable Development Report 2022” 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 2022

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 2022 and 2021 are as follows:

(Unit: Million Baht)

| For the years ended 31 December | | | | |
|---|-------|--------|-----------|--------|
| | 2022 | 2021 | Inc/(Dec) | |
| 1) Operating revenue | 8,405 | 7,631 | 774 | 10% |
| 2) Operating profit | 312 | 16 | 296 | 1,850% |
| 3) Share of profit (loss) from investments in associates and joint venture | 407 | (334) | 741 | 222% |
| 4) Other income | 640 | 577 | 63 | 11% |
| 5) Finance costs | (721) | (734) | 13 | 2% |
| 6) Income tax expense | (258) | (269) | 11 | 4% |
| 7) Net profit (loss) | 380 | (744) | 1,124 | 151% |
| 8) <u>Less:</u> Profit attributable to non-controlling interest of the subsidiaries | (48) | (60) | 12 | 20% |
| 9) Net profit (loss) – attributable to equity holders of the Company | 332 | (804) | 1,136 | 141% |
| 10) Earnings (loss) per share (Baht) | 0.23 | (0.60) | 0.83 | 138% |

The overall group operating results in comparison with the same period of last year showed that the revenue for the years ended 31 December 2022 and 2021 were Baht 8,405 million and Baht 7,631 million, respectively, increased by Baht 774 million or 10%. The net profit (loss) attributable to equity holders of the Company for the year ended 31 December 2022 represented net profit of Baht 332 million but for the year 2021 represented net loss of Baht (804) million, the net profit increased by Baht 1,136 million or 141%. 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, especially in 2021, the new outbreaks of COVID-19 epidemic are widespread and more severe. This situation has affected the business operations of the Group. the Group's business activities temporarily closed in accordance with the government measures during the year 2020 and 2021 as follows:

| Year | Business segment | Closing periods | No.of days |
|------|---|----------------------|------------|
| 2020 | All shopping centers and food centers | 22 Mar. - 16 May. 20 | 56 days |
| | All golf courses | 22 Mar. - 2 May. 20 | 42 days |
| | All hotels (except for Tinidee@Bangkok Golf Club) | 1 Apr. - 17 Jul. 20 | 108 days |

| Year | Business segment | Closing periods | No.of days |
|------|--|--|------------|
| 2021 | All shopping centers and food centers | 19 Jul. - 31 Aug. 21 | 44 days |
| | Two golf courses in Pathumtani | 23 Jul. - 31 Aug. 21 | 40 days |
| | All hotels (except for Pathumwan Princess and Tinidee@Bangkok Golf Club) | Mar. - Oct. 21 (Refer to details in 2.1(b)) | - |

The COVID-19 situation in 2022, there were still several new waves of outbreaks, but the level of severity and concerns of the epidemic began to decline continuously. In addition, after the Government has gradually issued relief measures starting from the fourth quarter of 2021 until at present to reduce the strict control of the epidemic including the opening of the country for foreign tourists. As a result, all business sectors, especially for tourism business, began gradually to recover.

The overall revenue and net profit for the current year has continued improvement. 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. In addition, the Group's management has followed up continuously on the situations for strategic planning and coping with changes in several contexts.

- b) Share of profit from investments in associates and joint venture increased by Baht 741 million or 222%. The profit sharing from an associate that operates shopping center business increased sharply by Baht 752 million or 221%. During the same period of last year, such associate was affected by the closure of shopping centers. In addition, at present the government has issued the relief measures to control COVID-19 and the concerns over the disease have decreased accordingly as mentioned above.

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, food center business, and marina for rental/service 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 2022 when compared to the same period of 2021 were as follows:

2.1 Operating revenue – by segment

(Unit: Million Baht)

| For the years ended 31 December | | | | |
|---|--------------|--------------|---------------------|------------|
| Segment | 2022 | 2021 | Increase/(Decrease) | |
| 1) Shopping Center | 1,703 | 1,480 | 223 | 15% |
| 2) Hotel and tourism | 829 | 221 | 608 | 275% |
| 3) Golf | 412 | 258 | 154 | 60% |
| 4) Real-estate | 908 | 1,000 | (92) | (9%) |
| 5) Food Solution | 1,601 | 1,646 | (45) | (3%) |
| 6) Finance | 2,359 | 2,412 | (53) | (2%) |
| 7) Auction | 568 | 602 | (34) | (6%) |
| 8) Corporate Supporting Center and Others | 25 | 12 | 13 | 108% |
| Total | 8,405 | 7,631 | 774 | 10% |

The operating revenue of the Group for the years ended 31 December 2022 and 2021 were Baht 8,405 million and Baht 7,631 million, respectively, which increased by Baht 774 million or 10%. The major changes in operating revenue by segment were as follows:

- a) The revenue of shopping center business increased by Baht 223 million or 15% because in the current year, the situation of COVID-19 began to gradually improve. As a result, the shopping center business has continued to recover. The shopping center business still has measures to help tenants to be able to continue their business until the situation returns to normal such as exemption of rental and service fees throughout the closing period, discount on rental and service fees during the period of operation, reduction in 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 addition, the management periodically assesses the situation of providing assistance to tenants. In the current year, the discount rates for tenants have continued to decline according to the epidemic situation which has gradually improved.

In addition, regarding the revenue recognition under TFRS#16 - Lease agreement determined that the rental discount given to tenants will be adjusted to reduce rental income throughout the remaining lease period and recalculated revenue recognition based on a straight-line method over the remaining lease period. The company will continue to recognize rental income although the shopping center is closed, or there was an exemption of rental charge or giving a discount to a tenant during the operation period. Therefore, the recognition of revenue according to this standard resulted that the revenue for the current year was lower

than normal revenue recognition. Because in 2020 and 2021 there were exemption of rental charges and high rental discount rates, but the rental revenue was still recognized based on the recalculated straight-line method. Moreover, most of the lease agreements were a period of 3 years.

Since 2021 till to present, 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 in many zones for renovation to be more modern, and developing new technologies applied to the new normal trends.

- b) The revenue of hotel and tourism business increased by Baht 608 million or 275%. In November 2021, the government opened the country for foreign tourists but still maintained strict epidemic control measures and has issued relaxation measures periodically. Moreover, the benefits programs such as "Tour Tawe Thai" and "Rao Taew Duay Kan" resulted in higher number of Thai people traveling in the country. In the fourth quarter of 2022 which is the high season period, the number of foreign tourists traveling to Thailand increased sharply. Therefore, the hotel and tourism business in 2022 has started to recover continually. In addition, the management expects that the hotel business will return to normal situation (or before the epidemic) in 2023 onwards.

In addition, during the second and third quarters of 2021, some hotels temporarily closed their services to control operating costs during low season period 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. Fitness Center at Pathumwan Princess and Paradise Park | 26 Apr. 21 | 30 Sep. 21 |
| 5. Fitness Center at Bangkok Golf Club | 26 Apr. 21 | 25 Dec.21 |
| 6. Tinidee Hideaway@Tonsai Beach Krabi | 1 Aug. 21 | 31 Oct. 21 |
| 7. Dusit Thani Krabi Beach Resort | 1 Sep. 21 | 30 Sep. 21 |

*** Tinidee@Ranong closed from 1 March 2021 onwards which no schedule to re-open as the hotel management is in process of assessing the situation.

The impact of COVID-19 resulted that the hotel business adapted 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", and increasing distribution channels to reach different groups of customers etc.

- c) The revenue of golf business increased by Baht 154 million or 60%. The major reasons were that in the same period of last year, the golf courses in Pathum Thani were temporarily closed their services according to the government measures during 23 July – 31 August 2021 (total of 40 days). In addition, the opening of the country causing more foreign golfers to travel and play a golf in Phuket and the promotion packages through various channels to increase number of golfers. As a result, golf courses in Phuket have gradually recovered and the golf courses in Pathum Thani also increased in number of local and foreign golfers. Moreover, In August 2022 Riverdale Golf Course arranged 50th Thailand Open which is regarded as the greatest and oldest professional golf tournament in Thailand, to promote the golf courses to be more famous and well-known.
- d) The revenue of real-estate business decreased by Baht 92 million or 9%, mainly due to the decrease of Baht 59 million from revenue recognition under residential projects which the significant changes were as follows.

(Unit: Million Baht)

| Residential projects | For the year | | |
|---|--------------|------------|-------------|
| | 2022 | 2021 | Inc (Dec) |
| Riverdale Residence – Premium residential | - | 240 | (240) |
| Riverdale Residence – Land | 303 | 120 | 183 |
| Park Riverdale – Housing | 116 | 56 | 60 |
| Quaritz Rama IX – Premium residential | 206 | 52 | 154 |
| Quinn Sukhumvit 101 - Condominium | 71 | 317 | (246) |
| Baan Rom-Mai-Borwin – Small housing | 96 | 119 | (23) |
| Residential projects (housing & plot of land) in Phuket | 109 | 56 | 53 |
| Total | 901 | 960 | (59) |

Due to the epidemic of COVID-19 situation and the current economic slowdown, the real-estate business decided to postpone the residential development projects in other locations until the economic returns to normal situation. However, the management continues studying and looking for a new plot of land in potential locations to develop a residential project to meet the needs of consumers who are constantly changing behaviors according to the context, society, and environment.

- e) The revenue of food solution business decreased by Baht 45 million or 3%. The significant changes were as follows:
- The revenue of rice business decreased by Baht 152 million or 10%, due to the decrease of Baht 151 million from domestic sales. The major reasons were that the rice mills business is both manufacturer and distributor of rice causing many retailers ceased its operation or reduced purchase of rice volume. In addition, the consumer purchasing power is lower as a results of higher living costs. Therefore, they switched to purchase other brands with lower price and quality instead.
 - The revenue of food center business increased by Baht 107 million or 187%. The major reasons were that all food centers were temporarily closed their services according to the government measures during 19 July – 31 August 2021 (total of 44 days). Moreover, the epidemic situation in 2022 is more relaxing resulted in higher number of customers to eat in the food centers.
- f) The revenue of finance business decreased by Baht 53 million or 2%. 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 increased by Baht 43 million or 3%. In the current year, there was revenue recognition of Baht 71 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 decreased by Baht 28 million. The hire-purchase business still has conservative policy in lending although is facing in higher market competition.
 - The revenue of lending business decreased by Baht 97 million or 11%.
- g) The revenue of auction business decreased by Baht 34 million or 6%. The COVID-19 situation over the past two years, affected to the consumer purchasing power of a new car, the financial institutions are more conservative in lending, and the automobile industry reduced its production capacity. Consequently, the number of new cars, used cars and seized cars in the market has declined.

2.2 Operating profit (loss) – by segment

(Unit: Million Baht)

| For the years ended 31 December | | | | |
|---|------------|-----------|---------------------|---------------|
| Segment | 2022 | 2021 | Increase/(Decrease) | |
| 1) Shopping Center | (745) | (846) | 101 | 12% |
| 2) Hotel and tourism | 50 | (318) | 368 | 116% |
| 3) Golf | 71 | (35) | 106 | 303% |
| 4) Real-estate | 207 | 192 | 15 | 8% |
| 5) Food Solution | (78) | (39) | (39) | (100%) |
| 6) Finance | 600 | 851 | (251) | (29%) |
| 7) Auction | 204 | 229 | (25) | (11%) |
| 8) Corporate Supporting Center and Others | 3 | (18) | 21 | 117% |
| Total | 312 | 16 | 296 | 1,850% |

The operating profit of the Group for the years ended 31 December 2022 and 2021 were Baht 312 million and Baht 16 million, increased by Baht 296 million or 1,850%. 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:

- Due to the continual relaxation of the COVID-19 epidemic situation resulted that the group revenue had a better trend. However, the Group management has closely monitored the progress of COVID-19 situation and manage operating expenses to be more efficiency. In the same period of last year, some operating expenses were cut and controlled to minimize the impact on the Group operating results.
- Employee expenses increased by Baht 192 million or 13%, respectively, due to the better of COVID-19 situation in the current year resulted in higher employment and increasing staff expenses in accordance with business operations.

- c) Shopping center business and hotel business received a rental discount on land and its related buildings due to the impact of the COVID-19 epidemic. The rental discount can be recognised when receiving the official notice from the lessor only. In 2022, the Company recognised rental discount of Baht 231 million, decreased by Baht 62 million, which had details below.

| Recognition of rental discount in : | 2022 | 2021 | Inc/(Dec) |
|-------------------------------------|------------|------------|-------------|
| The first quarter | 179 | 58 | 121 |
| The second quarter | - | 145 | (145) |
| The third quarter | 52 | 90 | (38) |
| Total | 231 | 293 | (62) |

- d) Land and building tax increased by Baht 24 million, because in 2020 and 2021 the government discounted the land and building tax at the rate of 90% of the calculated tax, but in 2022 the tax is returned to pay at the normal rate.
- e) Bad debt and provision for expected credit losses (provision for doubtful debts) of the finance business increased by Baht 127 million. In the current year, a provision was made for accrued interest income of Baht 132 million from a debtor who is in the process of filing a lawsuit to bring collateral to pay the debt.
- f) As a result of COVID-19 epidemic which affected to the operations of the group hotel business, During in 2021, hotel business reduced number of employees in order to adjust the size of business operation and to reduce fixed costs in accordance with the situation and recognized the cost of staff reduction of Baht 26 million.
- g) 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 2022 when compared with the balance as at 31 December 2021 were as follows:

(Unit: Million Baht)

| | 31 Dec. 2022 | 31 Dec. 2021 | Increase/(Decrease) | |
|-----------------------------------|---------------|---------------|---------------------|-------------|
| Total assets | 54,350 | 55,257 | (907) | (2%) |
| Total liabilities | 32,537 | 34,199 | (1,662) | (5%) |
| Total shareholders' equity | 21,813 | 21,058 | 755 | 4% |

3. Assets

3.1 Cash and cash equivalents

Cash and cash equivalents balance as at 31 December 2022 was Baht 1,269 million, decreased by Baht 3,180 million or 71%. Since the epidemic situation began to improve in a better trend, therefore, financial liquidity has been managed for maximum benefits by focusing on the investment in financial instruments of various companies which had good fundamentals and growth prospects to get higher returns than deposits with financial institutions. Therefore, the Company purchased investments in equity and debt securities totaling of Baht 2,697 million.

3.2 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 2022 was Baht 14,568 million, decreased by Baht 230 million or 2%. The major changes were as follows:

- The portfolio of motorcycle hire-purchase receivables decreased by Baht 257 million due to the hire-purchase business becoming more competitive. In addition, the rising costs of living and the current economic situation resulted in higher conservative credit control.
- The portfolio of loan receivables which secured by pledged/mortgaged of assets specified in the loan agreements increased by Baht 229 million, which mainly from the increases in lending of Baht 97 million and accrued interest income by Baht 131 million.
- Allowance for expected credit losses (provision for doubtful debts) increased by Baht 187 million, mainly due to fully provision providing to accrued interest income of Baht 132 million from a debtor of lending business. At present, the debtor is in the process of filing a lawsuit to bring collateral to pay the debt.

3.3 Inventories

Inventories balance as 31 December 2022 was Baht 2,038 million, decreased by Baht 259 million or 11%. The major changes were as follows:

- a) The development costs of residential projects decreased by Baht 356 million. The major decrease was from the transfer development costs of several residential projects to cost of sales according to the revenue recognition in the current year as mentioned in No. 2.1 (d).
- b) Purchased a plot of land located in Chonburi of Baht 40 million for further development the next phase of Baan Rom Mai project.
- c) Rice business increased stock on hand level by Baht 56 million.

3.4 Other current financial assets

Other current financial assets balance as at 31 December 2022 was Baht 1,809 million, increased sharply Baht 1,806 million. The Group has a policy to manage its financial liquidity to maximise benefits by focusing on investing in a company which has good fundamentals and growth prospects. Therefore, there were purchases of investment in debt instruments – bonds for a total of Baht 1,799 million and recognition the increase in fair value of Baht 7 million.

3.5 Other current financial assets

Investment in associates and joint venture balance as at 31 December 2022 was Baht 5,408 million, increased by Baht 296 million or 6%. The increase of Baht 407 million was from the recognition share of profit under equity method, but the decrease of Baht 116 million was from dividend income.

3.6 Other non-current financial assets

Other non-current financial assets balance as at 31 December 2022 was Baht 6,657 million, increased by Baht 1,589 million or 31%. The major changes were as follows:

- a) Investments in equity marketable securities balance as at 31 December 2022 was Baht 6,297 million, increased by Baht 1,297 million or 26% due to the purchase of investments in available for sales marketable securities of Baht 592 million and recognition the increase in fair value of Baht 705 million.
- b) Investment in subordinated perpetual bonds balance as at 31 December 2022 was Baht 316 million. During the current year, the Company purchased perpetual bonds from an associate of Baht 307 million and recognized the increase in fair value of Baht 9 million.

3.7 Land held for development

Land held for development balance as at 31 December 2022 was Baht 1,900 million, increased by Baht 103 million or 6%. The increase of Baht 101 million was from the purchase of a plot of land located near Riverdale residential projects in Pathumtani for further development of real-estate project.

3.8 Investment properties

Investment properties balance as at 31 December 2022 was Baht 12,398 million, decreased by Baht 667 million or 5%. The significant movements during the year were as follows:

| | Description | Million Baht |
|---|--|--------------|
| 1 | Paradise Park Shopping Center - prepaid rental from the renewal rental contract of for another 20 years which classified to be Rights of use | 334 |
| 2 | MBK shopping center - renovation | 119 |
| 3 | The Nine Tiwanon Shopping Center - construction costs and purchase of operating equipment | 44 |
| 4 | The project of Riverdale Waterfront & Marina in Pathumtani – purchases of additional land and construction costs | 66 |
| 5 | Depreciation and amortization | (1,225) |
| 6 | Others | (5) |
| | Total net movements | (667) |

3.9 Property, plant and equipment

Property, plant and equipment balance as at 31 December 2022 was Baht 5,444 million, decreased by Baht 179 million or 3%. The significant movements during the year were as follows:

| | Description | Million Baht |
|---|--|--------------|
| 1 | Car auction business – 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 | 96 |
| 2 | Recognition rights of use from the long-term rental contracts – car auction sites and tour car park | 39 |
| 3 | Renovation costs of golf courses in Pathum Thani | 24 |
| 4 | Purchases of other operating assets | 134 |
| 5 | Depreciation and amortisation | (519) |
| 6 | Others | 49 |
| | Total net movements | (179) |

4. Liabilities

4.1 Long-term loans from financial institution

Long-term loans from financial institution (including current portion) which represented loans of finance business, balance as at 31 December 2022 was Baht 1,432 million, decreased by Baht 808 million or 36% due to the repayments of loans which were due of Baht 1,001 million, but the increase in borrowings of Baht 193 million.

4.2 Long-term debentures

Long-term debentures (including current portion) balance as at 31 December 2022 was Baht 14,209 million, decreased by Baht 668 million or 4%. In the third quarter of 2022, the Company redeemed the maturity of debentures amounting to Baht 1,044 million. However, a subsidiary issued debenture of Baht 400 million for a period of 1-1.9 years, bearing interest rate of 3 - 4% per annum.

4.3 Long-term liabilities under financial lease agreements

Long-term liabilities under financial lease agreements (including current-portion) balance as at 31 December 2022 was Baht 11,437 million, decreased by Baht 248 million or 2%. 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 significant movements were as follows:

- a) Liabilities under financial lease agreements was due for payment in April 2022 amounting to Baht 810 million. The Company received rental discount during the first six-month period of 2022 totaling of Baht 179 million, therefore the remaining payment was Baht 631 million.
- b) Deferred interest expense decreased by Baht 595 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 2022 was Baht 21,813 million, increased by Baht 755 million or 4%. The significant movements were as follows:

- a) The increase of Baht 395 million was the warrant holders of 132 million units exercised their rights to purchase ordinary share at Baht 2.6 - 3.0 each, resulted in an increase in paid-up share capital of Baht 134 million and premium on ordinary of Baht 261 million.
- b) The increase of Baht 332 million was from net profit from operations for the year.
- c) The decrease of Baht 595 million was from the dividend payment.
- d) The increase of Baht 587 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 2022 and 2021 are summarised in table below.

(Unit: Million Baht)

| For the years ended 31 December | | | | |
|---|----------------|------------|---------------------|---------------|
| | Cash flows | | | |
| | 2022 | 2021 | Increase/(Decrease) | |
| Net income from operating activities before changes in operating assets and liabilities | 2,429 | 1,780 | 649 | 36% |
| Net movements in operating assets and liabilities | 452 | 651 | (199) | (31%) |
| Net cash flows received from (used in) operating activities | 2,881 | 2,431 | 450 | 19% |
| Net cash flow received from (used in) investing activities | (3,074) | 319 | (3,393) | (1,064%) |
| Net cash flows received from (used in) financing activities | (2,987) | (2,143) | (844) | (39%) |
| Net increase (decrease) in cash and cash equivalents | (3,180) | 607 | (3,787) | (624%) |

6.1 Cash flows from operating activities

Net cash flows received from operating activities increased by Baht 450 million or 19%. The significant movements in cash flows from operating activities and operating assets and liabilities are as mentioned in the analysis of operating results and financial status above and the significant changes as follows:

- The major cash increases were from: (i) Cash receipts from operating activities increased by Baht 649 million (ii) Cash receipts from trade and other receivable increased by Baht 298 million (iii) Cash paid for account payables decreased by Baht 252 million and (iv) Cash receipts for deposits received increased by Baht 262 million.
- The major cash decreases were from: (i) loans to customers (net of cash receipts) increased by Baht 646 million and (ii) Cash receipts from inventories decreased by Baht 290 million

6.2 Cash flows from investing activities

Net cash flows received from investing activities decreased by Baht 3,393 million or 1,064% due to the following major reasons:-

Factors in cash increases:

- a) Cash receipts from dividend income increased by Baht 126 million from additional purchases of investments during the current year.

Factors in cash decreases:

- b) Cash paid for purchases of investments in equity and debt securities (which are classified as current and non-current assets), net of sales, increased by Baht 2,651 million according to the financial liquidity management policy to get the higher returns.
- c) Cash paid for purchase of land for development increased by Baht 103 million.
- d) Cash payments for purchases of property, plant and equipment, and investment properties (net of cash receipts from sales) increased by Baht 132 million.
- e) In February 2021, there was net cash receipt from purchased a new subsidiary of Baht 131 million.
- f) 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.

6.3 Cash flows from financing activities

Net cash flows received from financing activities decreased by Baht 844 million or 39% due to the following major reasons:-

Factors in cash increases:

- a) Cash payments for maturity of long-term debentures (net of debentures issuance) decreased by Baht 212 million
- b) Cash payments to long-term lease liabilities decreased by Baht 149 million mainly due to the rental discount from COVID-19 crisis.
- c) Cash receipts from the shareholders of the Company and a subsidiary exercised their warrants to ordinary shares increased by Baht 159 million.

Factors in cash decreases:

- d) Cash payments from short-term from financial institutions increased by Baht 274 million.
- e) Cash payments to long-term loans from financial institutions increased by Baht 662 million.
- f) Cash payments for dividend increased by Baht 537 million.

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 2022, the auditors expressed an unqualified opinion on the auditor's report:

The auditors expressed an opinion that the statement of financial position as of 31st December 2022, 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 2022)

Statement of financial position

As at 31 December

| | Consolidated financial statements | | | | | |
|---|-----------------------------------|---------------|-----------------------|---------------|-----------------------|---------------|
| | 2022 | % | 2021 | % | 2020 | % |
| | Baht | | Baht | | Baht | |
| Assets | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | 1,268,997,113 | 2.33 | 4,448,804,675 | 8.05 | 3,841,661,459 | 6.72 |
| Other current financial asset | 1,809,491,856 | 3.33 | 3,478,250 | 0.01 | 3,287,859 | 0.01 |
| Trade and other receivables | 821,787,394 | 1.51 | 1,026,342,469 | 1.86 | 914,503,752 | 1.60 |
| Short-term loans to related companies | 83,173,467 | 0.15 | 64,775,200 | 0.12 | 54,765,200 | 0.10 |
| Current portion of loans to customers | 4,676,880,153 | 8.61 | 5,053,524,119 | 9.15 | 4,218,991,079 | 7.38 |
| Inventories | 2,037,907,878 | 3.75 | 2,297,350,433 | 4.16 | 2,840,430,770 | 4.97 |
| Other current assets | 157,267,667 | 0.29 | 165,741,011 | 0.30 | 125,997,206 | 0.22 |
| Total current assets | 10,855,505,528 | 19.97 | 13,060,016,157 | 23.63 | 11,999,637,325 | 21.00 |
| Non-current assets | | | | | | |
| Restricted fixed deposits | 3,039,144 | 0.01 | 3,033,669 | 0.01 | 3,026,193 | 0.01 |
| Investments in associates | 5,405,990,634 | 9.95 | 5,107,604,126 | 9.24 | 5,918,519,814 | 10.36 |
| Investments in joint ventures | 2,102,551 | - | 4,279,536 | 0.01 | 3,345,431 | 0.01 |
| Other non-current financial assets | 6,656,380,224 | 12.25 | 5,067,505,044 | 9.17 | 4,708,028,157 | 8.24 |
| Loans to customers - net of current portion | 9,891,151,218 | 18.20 | 9,744,965,185 | 17.64 | 11,310,334,507 | 19.79 |
| Investment properties | 12,398,019,235 | 22.81 | 13,065,117,327 | 23.64 | 13,914,081,813 | 24.35 |
| Land held for development | 1,899,755,084 | 3.50 | 1,797,088,529 | 3.25 | 1,666,419,700 | 2.92 |
| Property, plant and equipment | 5,444,440,209 | 10.02 | 5,622,845,068 | 10.18 | 5,926,230,018 | 10.37 |
| Goodwill | 71,793,178 | 0.13 | 71,793,178 | 0.13 | 71,793,178 | 0.13 |
| Intangible assets | 119,244,760 | 0.22 | 144,557,216 | 0.26 | 132,574,513 | 0.23 |
| Deferred tax assets | 805,826,139 | 1.48 | 776,683,157 | 1.41 | 781,491,108 | 1.37 |
| Property foreclosed | 391,078,057 | 0.72 | 389,551,885 | 0.70 | 287,109,676 | 0.50 |
| Other non-current assets | 405,774,851 | 0.75 | 402,379,887 | 0.73 | 419,668,946 | 0.73 |
| Total non-current assets | 43,494,595,284 | 80.03 | 42,197,403,807 | 76.37 | 45,142,623,054 | 79.00 |
| Total assets | 54,350,100,812 | 100.00 | 55,257,419,964 | 100.00 | 57,142,260,379 | 100.00 |

MBK Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December

| | Consolidated financial statements | | | | | |
|--|-----------------------------------|--------------|-----------------------|--------------|-----------------------|--------------|
| | 2022 | % | 2021 | % | 2020 | % |
| | Baht | | Baht | | Baht | |
| Liabilities and shareholders' equity | | | | | | |
| Current liabilities | | | | | | |
| Bank overdrafts and short-term loans from financial institutions | 937,584,529 | 1.73 | 990,000,000 | 1.79 | 768,003,111 | 1.34 |
| Other current financial liabilities | 85,550 | - | 895,799 | - | - | - |
| Trade and other payables | 1,037,921,629 | 1.91 | 1,006,553,796 | 1.82 | 1,065,488,579 | 1.86 |
| Current portion of long-term loans from financial institutions | 1,018,001,334 | 1.87 | 734,667,334 | 1.33 | 283,333,333 | 0.50 |
| Current portion of long-term debentures | 1,499,486,656 | 2.76 | 1,043,390,757 | 1.89 | - | - |
| Current portion of rental and service income received in advance | 161,938,496 | 0.30 | 198,746,827 | 0.36 | 280,218,100 | 0.49 |
| Current portion of lease liabilities | 898,681,685 | 1.65 | 634,650,382 | 1.15 | 665,526,233 | 1.16 |
| Corporate income tax payable | 153,973,446 | 0.28 | 142,851,940 | 0.26 | 208,145,973 | 0.36 |
| Other current liabilities | 801,856,179 | 1.48 | 794,436,792 | 1.44 | 743,315,149 | 1.30 |
| Total current liabilities | 6,509,529,504 | 11.98 | 5,546,193,627 | 10.04 | 4,014,030,478 | 7.02 |
| Non-current liabilities | | | | | | |
| Long-term loans from financial institutions - net of current portion | 414,296,055 | 0.76 | 1,505,686,889 | 2.72 | 2,102,777,778 | 3.68 |
| Long-term debentures - net of current portion | 12,709,142,821 | 23.38 | 13,833,273,382 | 25.03 | 15,762,262,906 | 27.58 |
| Rental and service income received in advance - net of current portion | 30,598,347 | 0.06 | 122,210,871 | 0.22 | 304,623,781 | 0.53 |
| Lease liabilities - net of current portion | 10,537,943,192 | 19.39 | 11,049,809,046 | 20.00 | 11,496,949,387 | 20.12 |
| Provision for long-term employee benefits | 342,095,404 | 0.63 | 324,688,627 | 0.59 | 324,276,674 | 0.57 |
| Deferred tax liabilities | 1,186,005,592 | 2.18 | 1,035,313,332 | 1.87 | 907,829,013 | 1.59 |
| Deposits | 769,906,283 | 1.42 | 736,879,654 | 1.33 | 819,144,719 | 1.43 |
| Other non-current liabilities | 37,614,856 | 0.07 | 45,256,578 | 0.08 | 25,259,209 | 0.04 |
| Total non-current liabilities | 26,027,602,550 | 47.89 | 28,653,118,379 | 51.85 | 31,743,123,467 | 55.55 |
| Total liabilities | 32,537,132,054 | 59.87 | 34,199,312,006 | 61.89 | 35,757,153,945 | 62.58 |

MBK Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December

| | Consolidated financial statements | | | | | |
|---|-----------------------------------|---------------|-----------------------|---------------|-----------------------|---------------|
| | 2022 | % | 2021 | % | 2020 | % |
| | Baht | | Baht | | Baht | |
| Shareholders' equity | | | | | | |
| Share capital | | | | | | |
| Registered | | | | | | |
| 2,488,712,432 ordinary shares of Baht 1 each | | | | | | |
| (2021: 2,405,583,548 ordinary shares of Baht 1 each) | 2,488,712,432 | | 2,405,583,548 | | 2,262,719,920 | |
| Issued and paid-up | | | | | | |
| 1,895,598,424 ordinary shares of Baht 1 each | | | | | | |
| (2021: 1,761,921,389 ordinary shares of Baht 1 each) | 1,895,598,424 | 3.49 | 1,761,921,389 | 3.19 | 1,694,923,000 | 2.97 |
| Premium on ordinary shares | 1,701,707,915 | 3.13 | 1,420,302,888 | 2.57 | 1,289,074,500 | 2.26 |
| Difference between the lower acquisition | 172,206,406 | 0.32 | 172,206,406 | 0.31 | 172,206,406 | 0.30 |
| Surplus from the change in the ownership interests in subsidiaries | 386,829,131 | 0.71 | 402,385,063 | 0.73 | 402,385,063 | 0.70 |
| Retained earnings | | | | | | |
| Appropriated - statutory reserve | 229,332,000 | 0.42 | 226,280,000 | 0.41 | 226,280,000 | 0.40 |
| Unappropriated | 14,456,301,304 | 26.60 | 14,707,008,398 | 26.62 | 15,555,663,718 | 27.22 |
| Other components of shareholders' equity | 3,124,299,890 | 5.75 | 2,549,046,305 | 4.61 | 2,202,806,294 | 3.85 |
| Equity attribute to owners of the Company before treasury stock and non-controlling interests of the subsidiaries | 21,966,275,070 | 40.42 | 21,239,150,449 | 38.44 | 21,543,338,981 | 37.70 |
| Less: Treasury stock | (804,692,074) | (1.48) | (711,993,784) | (1.29) | (711,993,784) | (1.25) |
| Equity attributable to owners of the Company | 21,161,582,996 | 38.94 | 20,527,156,665 | 37.15 | 20,831,345,197 | 36.46 |
| Non-controlling interests of subsidiaries | 651,385,762 | 1.20 | 530,951,293 | 0.96 | 553,761,237 | 0.97 |
| Total shareholders' equity | 21,812,968,758 | 40.13 | 21,058,107,958 | 38.11 | 21,385,106,434 | 37.42 |
| Total liabilities and shareholders' equity | 54,350,100,812 | 100.00 | 55,257,419,964 | 100.00 | 57,142,260,379 | 100.00 |

MBK Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December

| | Consolidated financial statements | | | | | |
|---|-----------------------------------|---------------|----------------------|---------------|----------------------|---------------|
| | 2022 | % | 2021 | % | 2020 | % |
| | Baht | | Baht | | Baht | |
| Revenues | | | | | | |
| Sales | 2,532,995,587 | 28.08 | 2,617,701,923 | 31.96 | 2,471,893,072 | 26.86 |
| Rental income | 1,714,814,652 | 19.01 | 1,490,725,781 | 18.20 | 2,382,985,801 | 25.90 |
| Service income | 993,066,943 | 11.01 | 904,907,574 | 11.05 | 825,427,196 | 8.97 |
| Revenue from hotel operations | 805,245,773 | 8.93 | 205,989,121 | 2.52 | 469,753,437 | 5.11 |
| Interest revenue from financial business | 2,358,788,408 | 26.15 | 2,411,233,867 | 29.44 | 2,485,530,967 | 27.01 |
| Other income | | | | | | |
| Dividend income | 422,231,489 | 4.68 | 399,943,200 | 4.88 | 467,123,950 | 5.08 |
| Gain from disposal of investments in associates | - | - | 46,675,461 | 0.57 | - | - |
| Gain from disposal of assets | 13,995,869 | 0.16 | 11,769,121 | 0.14 | - | - |
| Others | 180,488,111 | 2.00 | 100,870,872 | 1.23 | 98,798,977 | 1.07 |
| Total revenues | 9,021,626,832 | 100.00 | 8,189,816,920 | 100.00 | 9,201,513,400 | 100.00 |
| Expenses | | | | | | |
| Cost of sales | 1,758,725,099 | 19.49 | 1,874,355,517 | 22.89 | 1,900,382,154 | 20.65 |
| Cost of rental | 1,865,495,420 | 20.68 | 1,672,613,170 | 20.42 | 1,726,477,202 | 18.76 |
| Cost of service | 559,783,856 | 6.20 | 557,447,393 | 6.81 | 455,585,345 | 4.95 |
| Hotel operating expenses | 627,355,669 | 6.95 | 417,526,863 | 5.10 | 595,189,966 | 6.47 |
| Selling and distribution expenses | 754,520,279 | 8.36 | 654,992,767 | 8.00 | 657,618,122 | 7.15 |
| Administrative expenses | 2,063,867,739 | 22.88 | 1,907,074,520 | 23.29 | 1,931,352,035 | 20.99 |
| Difference from discount on rental | - | - | - | - | 158,642,638 | 1.72 |
| Total expenses | 7,629,748,062 | 84.57 | 7,084,010,230 | 86.50 | 7,425,247,462 | 80.70 |
| Profit from operating activities | 1,391,878,770 | 15.43 | 1,105,806,690 | 13.50 | 1,776,265,938 | 19.30 |
| Share of loss from investments in associates and joint ventures | 406,611,459 | 4.51 | (334,004,679) | (4.08) | (227,249,073) | (2.47) |
| Finance income | 23,695,792 | 0.26 | 17,558,666 | 0.21 | 32,869,239 | 0.36 |
| Finance costs | (1,185,026,973) | (13.14) | (1,264,341,814) | (15.44) | (1,134,681,162) | (12.33) |
| Profit (loss) before income tax expenses | 637,159,048 | 7.06 | (474,981,137) | (5.80) | 447,204,942 | 4.86 |
| Income tax expenses | (257,623,391) | (2.86) | (269,125,639) | (3.29) | (255,436,848) | (2.78) |
| Profit (loss) for the year | 379,535,657 | 4.21 | (744,106,776) | (9.09) | 191,768,094 | 2.08 |

MBK Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December

| | Consolidated financial statements | | | | | |
|--|-----------------------------------|------|----------------------|--------|------------------------|------|
| | 2022 | % | 2021 | % | 2020 | % |
| | 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> | | | | | | |
| Unrealised gains (losses) on investments in loans | - | | 3,656,735 | | (796,269) | |
| Unrealised losses on investments in loans of an associate | - | | - | | (16,910,717) | |
| Translation adjustment of an associate | 892,757 | | 1,116,679 | | 6,270,802 | |
| | <u>892,757</u> | | <u>4,773,414</u> | | <u>(11,436,184)</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 | |
| Actuarial gains of associates | 2,544,803 | | - | | 2,474,895 | |
| Gains (losses) on investments in equity designated | | | | | | |
| at fair value through other comprehensive income | 587,066,599 | | 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 | 589,611,402 | | 297,828,003 | | (2,740,698,533) | |
| Other comprehensive income for the year | <u>590,504,159</u> | | <u>302,601,417</u> | | <u>(2,752,134,717)</u> | |
| Total comprehensive income for the year | <u>970,039,816</u> | | <u>(441,505,359)</u> | | <u>(2,560,366,623)</u> | |
| Profit (loss) attributable to: | | | | | | |
| Equity holders of the Company | 331,852,284 | 3.68 | (804,475,422) | (9.82) | 149,187,843 | 1.62 |
| Non-controlling interest of the subsidiaries | 47,683,373 | 0.53 | 60,368,646 | 0.71 | 42,580,251 | 0.46 |
| | <u>379,535,657</u> | 4.21 | <u>(744,106,776)</u> | (9.09) | <u>191,768,094</u> | 2.08 |
| Total comprehensive income attributable to: | | | | | | |
| Equity holders of the Company | 922,684,266 | | (502,415,309) | | (2,605,731,264) | |
| Non-controlling interest of the subsidiaries | 47,355,550 | | 60,909,950 | | 45,364,641 | |
| | <u>970,039,816</u> | | <u>(441,505,359)</u> | | <u>(2,560,366,623)</u> | |
| Earnings (loss) per share | | | | | | |
| Basic earnings (loss) per share | | | | | | |
| Profit (loss) attributable to equity holders of the Company | <u>0.23</u> | | <u>(0.60)</u> | | <u>0.11</u> | |
| Dilute earnings per share | | | | | | |
| Profit attributable to equity holders of the Company | <u>0.21</u> | | <u>(0.60)</u> | | <u>0.11</u> | |

MBK Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December

| | Consolidated financial statements | | |
|--|-----------------------------------|----------------------|----------------------|
| | 2022 | 2021 | 2020 |
| | Baht | Baht | Baht |
| Cash flows from operating activities | | | |
| Profit (loss) before tax | 637,159,048 | (474,981,137) | 447,204,942 |
| Adjustments to reconcile profit (loss) before tax | | | |
| to net cash provided by (paid from) operating activities: | | | |
| Depreciation and amortisation | 1,777,037,532 | 1,800,097,712 | 1,543,472,953 |
| (Gains) losses on sales of investments in associates | - | (46,675,461) | - |
| Losses on allowance for impairment of non-financial assets (Reversal) | (1,233,475) | 1,394,845 | (48,188,776) |
| (Gains) losses on fair value adjustments of financial instrument | (8,155,304) | 1,046,336 | (3,287,859) |
| Gains on sales of financial assets | (4,566,819) | - | - |
| Losses on investments in loans | (177,528) | - | 578,904 |
| Losses on written-off of investments in loans | - | 2,044,458 | - |
| (Gains) losses on disposal/write-off of investment properties, equipment and intangible assets | 8,557,376 | 9,013,845 | 6,818,069 |
| (Gains) losses on disposal of property foreclosed | (1,928,175) | (4,621,268) | 11,083,586 |
| Unrealised gains on foreign exchange | - | - | (33,093,122) |
| Allowance for expected credit losses (reversal / written-off) | 198,109,454 | (84,856,675) | 187,027,746 |
| Allowance for diminution in value of inventories (reversal) | (19,065) | (2,926,866) | 2,829,908 |
| Provision for long-term employee benefits | 34,374,057 | 15,962,884 | 33,463,733 |
| Finance income | (23,695,792) | (17,558,666) | (32,869,239) |
| Finance cost | 1,183,816,044 | 1,261,869,014 | 1,133,805,140 |
| Difference from discount on rental | - | - | 158,642,638 |
| Rental cost discount | (230,670,000) | (292,880,000) | - |
| Dividend income | (422,231,489) | (399,943,200) | (467,123,950) |
| Shares of loss from investments in associates and joint ventures | (406,611,459) | 334,004,679 | 227,249,073 |
| Profit from operating activities before changes in operating assets and liabilities | 2,739,764,405 | 2,100,990,500 | 3,167,613,746 |
| Net movements in operating assets and liabilities | 451,897,351 | 651,405,255 | (1,813,254,416) |
| Cash flows from (used in) operating activities | 3,191,661,756 | 2,752,395,755 | 1,354,359,330 |
| Cash paid for employee benefits | (16,967,280) | (15,550,931) | (10,790,781) |
| Cash paid for corporate income tax | (294,305,655) | (306,347,553) | (247,242,637) |
| Net cash flows from (used in) operating activities | 2,880,388,821 | 2,430,497,271 | 1,096,325,912 |

MBK Public Company Limited and its subsidiaries

Statement of cash flow (continued)

For the year ended 31 December

| | Consolidated financial statements | | |
|--|-----------------------------------|--------------------|----------------------|
| | 2022 | 2021 | 2020 |
| | Baht | Baht | Baht |
| Cash flows from investing activities | | | |
| Increase in other current financial assets | (5,324) | (340,928) | (118,079,011) |
| Cash payments for purchases of other current financial assets | (1,983,323,216) | - | - |
| Cash receipts from sales of other current financial assets | 198,063,825 | - | - |
| Cash payments for short-term loans to related companies | (60,000,000) | (30,000,000) | (2,450,000) |
| Cash receipts from short-term loans to related companies | 41,601,733 | 19,990,000 | 4,382,000 |
| Interest income | 20,544,552 | 17,474,697 | 32,870,460 |
| Cash receipts from investments in loans | 3,055,074 | - | 14,255,229 |
| Cash payment for investments in loans | (3,849,649) | (40,477,606) | - |
| Cash receipts from sales of investments in associates | - | 486,515,342 | - |
| Cash payments for purchases of investments in associates and joint ventures | (922,161) | (5,716,233) | (151,732,601) |
| Net cash receipts (payments) from purchase of investment in subsidiary | - | 131,517,400 | (35,326) |
| Cash payments for purchases of investments in the subsidiary from non-controlling interest of the subsidiary | - | - | (9,901,292) |
| Cash receipts from share capital reduction of investment in an associate | - | - | 439,281,850 |
| Dividend receipts from investments | 335,447,003 | 409,224,395 | 1,000,381,550 |
| Cash receipts from sales of property, plant and equipments investment properties and intangible assets | 11,297,087 | 41,015,779 | 53,133,837 |
| Cash payments for purchases of property, plant and equipment and investment properties | (835,820,772) | (733,741,552) | (650,096,811) |
| Cash payments for purchases of intangible assets | (19,727,306) | (41,811,605) | (61,912,210) |
| Cash receipts from sales of land held for development | - | 1,498,014 | - |
| Cash payments for investments in land held for development | (101,865,731) | (196,402) | - |
| Cash receipts from sales of property foreclosed | 16,035,197 | 92,934,370 | 47,893,701 |
| Cash payments for purchases of other non-current financial assets | (1,343,405,376) | (28,689,953) | - |
| Cash receipts from sales of other non-current financial assets | 449,196,577 | - | 1,439,998,453 |
| Net cash flows from investing activities | (3,073,678,487) | 319,195,718 | 2,037,989,829 |

MBK Public Company Limited and its subsidiaries

Statement of cash flow (continued)

For the year ended 31 December

| | Consolidated financial statements | | |
|---|-----------------------------------|------------------------|----------------------|
| | 2022 | 2021 | 2020 |
| | Baht | Baht | Baht |
| Cash flows from financing activities | | | |
| Increase (decrease) in bank overdrafts | - | (3,111) | 1,506 |
| Cash receipts from short-term loans from financial institutions | 4,007,584,529 | 3,868,000,000 | 2,578,000,000 |
| Cash payments for short-term loans from financial institutions | (4,060,000,000) | (3,646,000,000) | (2,497,000,000) |
| Cash receipts from long-term loans from financial institutions | 800,000,000 | 1,350,000,000 | 2,400,000,000 |
| Cash payment for long-term loans from financial institutions | (1,608,056,834) | (1,495,756,889) | (213,888,889) |
| Cash payments for long-term liabilities under financial lease agreements | (693,645,000) | (842,978,842) | (784,502,537) |
| Interest payments | (576,554,980) | (634,240,982) | (735,592,860) |
| Dividend payments | (536,975,760) | (76,832) | (559,335,220) |
| Dividend payments to non-controlling interests of the subsidiaries | (31,350,225) | (83,719,894) | (62,463,631) |
| Cash receipts from long-term debentures | 399,550,000 | 1,000,000,000 | 3,795,971,758 |
| Repayment of long-term debentures | (1,044,000,000) | (1,856,000,000) | (4,000,000,000) |
| Cash receipts from exercise warrants | 302,132,844 | 198,226,777 | - |
| Capital increase from non-controlling interest | 54,797,530 | - | - |
| Net cash flows used in financing activities | (2,986,517,896) | (2,142,549,773) | (78,809,873) |
| Net increase in cash and cash equivalents | (3,179,807,562) | 607,143,216 | 3,055,505,868 |
| Cash and cash equivalents at beginning of year | 4,448,804,675 | 3,841,661,459 | 786,155,591 |
| Cash and cash equivalents at the end of year | 1,268,997,113 | 4,448,804,675 | 3,841,661,459 |
| Supplemental cash flows information: | | | |
| Operational cash flows from interest | 2,358,788,408 | 2,411,233,867 | 2,477,237,436 |
| Interest paid capitalised as property development for sale and land held for development | 7,423,095 | 3,451,728 | (31,889,925) |
| Non-cash transactions: | | | |
| Transfer from rental and service income received in advance to investments in loans | 36,881,435 | 36,736,125 | - |
| Dividend receivable | 2,405,534 | - | - |
| Transfer from inventories to land held for development | (800,824) | (12,824,888) | - |
| Transfer from property, plant and equipment to inventories | - | (4,819,523) | - |
| Increase (decrease) in purchase of property, plant and equipment and investment properties that have yet to be paid | 5,733,102 | 36,860,702 | (18,225,128) |
| Increase in right-of-use of assets | 63,163,882 | - | - |
| Property foreclosed transferred from loans to customers | 16,031,245 | 191,126,526 | 239,138,276 |
| Dividend payments to non-controlling interests of the subsidiaries | 54,326,610 | - | - |

MBK Public Company Limited and its subsidiaries

(For the year ended 31 December 2022)

Financial Ratio

Consolidated financial statements

As at 31 December

| | | 2022 | 2021 | 2020 |
|---|---|---------------------|----------|---------|
| Liquidity Ratio | | | | |
| Current Ratio (X) | = | 1.67 | 2.35 | 2.99 |
| Quick Ratio (X) | = | 1.03 | 1.53 | 1.93 |
| Account Receivable Turnover (X) | = | 1.94 | 1.68 | 2.04 |
| Average Collection Period (Day) | = | 185.57 | 214.29 | 176.47 |
| Profitability Ratio | | | | |
| Gross Profit Margin (%) | = | 38.42 | 34.02 | 39.33 |
| EBIT Margin (%) | = | 19.28 | 9.62 | 17.13 |
| Net Profit Margin (%) | = | 3.51 | (9.80) | 1.62 |
| Return on Equity (ROE) (%) ^A | = | 1.59 | (3.89) | 0.66 |
| Efficiency Ratio | | | | |
| Return on Asset (ROA) (%) | = | 0.61 | (1.43) | 0.27 |
| Total Asset turnover (X) | = | 0.17 | 0.15 | 0.17 |
| Financial Policy Ratio | | | | |
| Debt / Equity Ratio ^C | = | 0.76 | 0.86 | 0.88 |
| Interest Coverage Ratio ^C | = | 6.33 | 3.56 | 4.87 |
| Payout Ratio (%) | = | 347.83 ^D | - | - |
| Financial Ratio per Share | | | | |
| Net Book Value per Share (Baht) | = | 13.96 | 14.77 | 15.75 |
| Earning per Share (Baht) ^B | = | 0.23 | (0.60) | 0.11 |
| Dividend per Share (Baht) | = | 0.80 ^D | - | - |
| Growth Rate | | | | |
| Total Asset (%) | = | (1.64) | (3.30) | 8.96 |
| Total Liabilities (%) | = | (4.86) | (4.36) | 28.92 |
| Rental income, Service income, Revenue from hotel operations and Interest revenue from financial business (%) | = | 10.15 | (11.64) | (16.05) |
| Selling and distribution expenses Administrative expenses (%) | = | 10.00 | (6.75) | 2.72 |
| Net Profit (%) | = | 141.25 | (639.24) | (94.67) |

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

^D Propose to the shareholders for approval in respect of the allocation of profit from retained earnings for dividend payments for the second half-year of 2022 at the rate of Baht 0.40 per share. The total 2022 dividend will be Baht 0.80 Baht per share, including the interim dividend for the first half-year of 2022 at the rate of Baht 0.40 per share. Dividends will be paid to the shareholders listed in the record date for shareholders who have rights to attend the Annual General Meeting and receive dividends (Record date) as of March 20, 2023 and the dividend will be paid on May 3, 2023. However, the entitlement to receive the dividend is uncertain because it has yet to be approved by the shareholders.

5. GENERAL INFORMATION AND REFERENCES

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 |

References

| | |
|----------------------------|--|
| Debenture Registrar | Bank of Ayudhya Public Company Limited |
| Location | 1222, AA Floor, Rama3 Road, Bangphongphang, Yan Nawa, Bangkok 10120 |
| Telephone | 0-2296-5695, 0-2296-2796 |
| Facsimile | 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 |
| Facsimile | 0-2626-7543 |
| Website | www.cimbthai.com |
| Auditor | <div> <div> Ms. Gingkarn Atsawarangsali Mr. Chayapol Suppasertanon Ms. Orawan Techawatanasirikul Ms. Sumana Punpongsanon Ms. Kirdsiri Kanjanaprakasi </div> <div> CPA Registration No. 4496 and/or CPA Registration No. 3972 and/or CPA Registration No. 4807 and/or CPA Registration No. 5872 and/or CPA Registration No.6014 </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 |
| Facsimile | 0-2264-0789-90 |
| Website | www.ey.com |

5.2 OTHER INFORMATION

5.2.1 Other information 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 2022, 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 148.



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 business stability and the society as well as the creation of maximum value for shareholders so that it brings benefits for all sectors of stakeholders. Also, they will be guidelines for the committee, executives, and employees to follow as stated by relevant laws, 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 staffs.

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 Company discloses full versions of its corporate governance policy and code of conduct on its website at www.mbkgroup.co.th, subject “Who We Are”>> “Corporate Governance Policy”

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) Total number of members of the Board of Directors must be in line with the numbers 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. Related details are given on Page 192 under the subject entitled ‘Definitions and Qualification of the Independent Director’.

In 2022, 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 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 anyone who holds an executive position, or anyone who is in charge of any actions deemed to be taken by executive, and includes any authorized directors 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. In the year 2022, the Company had 2 executive directors, 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 followings:

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

- 4) The Corporate Governance and Sustainability 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 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 sectors 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 2022, 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 and manual 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 and manual 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 2022, the Board of Directors 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 2022-2024 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 digital lifestyle, 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 Digital focusing on digital services.
- 6) To develop marketing strategies by increasing awareness and deliver the right customer experience through data-driven personalization.
- 7) To focus on digital marketing in every channel to reach target groups.
- 8) To focus on developing the CRM system to satisfy the customers and build lasting customer relationships.

The Company's Board of Directors specifies monitoring 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 KPIs 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.

MBK Plc. Determined KPIs and sustainable development goals for the year 2022 as follows:

| KPI | Targets | Approach |
|--|-----------|--|
| Governance | | |
| CGR evaluation results of IOD (MBK/PRG) and internal audit evaluation results (7BU). | 92.50% | To supervise and encourage MBK GROUP companies to comply with the corporate governance policy. |
| Submission of the application to be a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) | Yes | To enroll MBK GROUP companies as members of CAC. |
| The percentage of units that propose innovation and obtain approval from the Innovation Committee. | 85.00% | To promote an innovative culture in MBK Center by inspiring internal units to be innovative and proposed innovation. |
| Environment | | |
| The amount of recycled wastes collected and delivered to entities / organizations. | 77,000 KG | To collect waste of various types and deliver it to entities / organizations that recycle it or make other uses. |

| KPI | Targets | Approach |
|--|---------|--|
| The number of employees with the public consciousness and participate in community services across every business group. | 850 | To participate in community services about the environment and community relations activities. |
| The percentage of energy conservation of MBK Center. | 1.06% | To implement the energy consumption reduction according to the 2022 energy conservation project to reduce MBK Center's energy consumption. |
| Social / Employees | | |
| Delivery of success in managing and developing the bonding culture of MBK GROUP. | Yes | To manage and develop the bonding culture of MBK GROUP through communication / "bonding" activities MBKYES consistently to create the awareness of the MBKYES culture among MBK GROUP employees. |
| Delivery of success in recruiting and developing successors of the executives. | Yes | To recruit and develop a pool of successors of MBK GROUP executives. |
| Engagement score of MBK GROUP employees. | 77.00% | To strengthen employee engagement through activities to get their feedback and comments. |
| Accumulated turnover rate of MBK GROUP employees per annum. | 16.25% | |
| Delivery of success in identifying and developing high potential (HIPO) of MBK GROUP. | Yes | To identify and develop high potential (HIPO) of MBK GROUP. |
| Percentage of implementing the privacy violation measures according to the Personal Data Protection Act. | 97.50% | To implement measures / guidelines prescribed by the Personal Data Protection Act. |

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 28 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).

The Company sent an invitation letter to shareholders on 5th April 2022, which was 21 days before the meeting, and published such invitation letter together with other relevant documents in both Thai and English on 26th March 2022 on the Company's website, which was 32 days before the meeting, so the shareholders could study the information before the meeting. The date, time, and method of attending the meeting were clearly specified for the shareholders' convenience. If any shareholder was unable to attend the meeting, the Company prepared a proxy form by which the shareholders could assign their proxies to attend the meeting and vote on each agenda on their behalf as the shareholders wished. Another channel if shareholders were unable to attend the meeting in person and wished to participate in making decisions or making any resolutions in the meeting agendas, they could assign 2 independent directors designated by the Company to be their proxies. The shareholders had one vote per one share for each agenda in the shareholders' meeting via electronic means.

(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 2022, due to the epidemic of the COVID-19, 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.3/22, dated 2nd March 2022, resolved to hold the 2022 Annual General Meeting of Shareholders at 2.00 p.m. at the Company's meeting room by electronic means arranged with 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 could be done in advance starting from 19th April 2022 at 8.30 a.m. to 28th April 2022 until the meeting was closed. 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 Techarungnirun, 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 Atsawarangsali, 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 2022, the Company was not added agenda 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 28 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>), Form 56-1 One Report 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, staffs 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.

Implementation of IT Security Actions

• MBK GROUP's IT Security Policy

The Company has formulated an IT security policy for the group companies. IT technology is used as a tool to ensure that the group companies' IT management is stable, secure, and reliable, meets internationally accepted standards and aligns with IT security regulations, rules, and laws, and that there is a strong IT security management framework. Therefore, 3 main goals in the management are set as follows:

1. To protect and ensure safety of key data of the group companies, employees, and customers.
2. To have operational standards and alignment with IT security regulations, rules, and laws.
3. To enhance the efficiency of IT system usage and to prevent internal and external threats.

• 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 The work is believed to be the result of creative knowledge, abilities of others, which is considered copyrighted work.
 - 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 approve the said copyright work. Chief Legal Officer MBK 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 consider that the employees do 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 plays significant role 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 and 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:

1) 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. The Company must treat 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 staffs 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 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 welfare and benefits by level of employees, 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 2022, 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 confidence for shareholders under 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 all sectors of 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. Telephone : Contact Center 1285
2. Website : www.mbkgroup.co.th
3. Email address of the Investor Relations Unit: inv@mbkgroup.co.th
4. 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 point for giving opinions and suggestions is placed on all floors of MBK Shopping Center.

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

The Company has set up procedures in dealing with complaints from all sectors 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 staffs. They serve as guidelines for all directors, executives and staffs 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 sectors of stakeholders including shareholders, customers, trading partners, competitors, creditors, staffs, 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 2022, the Board of Directors revised manuals concerning business ethics and code of conduct of directors, executives 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 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 directors, executives and employees to practice in accordance to the business ethic and code of ethics by encouraging all 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, directors, executives and employees are required to comply with all the laws, rules and regulations. The compliance is beneficial to the overall management systems.
- 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.

- Directors, executives and employees have responsibility towards the Company's customers and treat them in a fair and equitable manner. Directors, executives and employees establish good relationships with 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 customers to file their complaints and to give their opinions or suggestions about the management.
- In their conduct of business affairs, 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.
- 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 employees to develop their knowledge and skills and to make progress in their careers. The Company puts in place procedures for 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 2022, the Good Corporate Governance Committee considered and reviewed the good corporate governance policy and good corporate governance practices which were 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 expanded their investments in various areas of businesses, it applied the principles of Good Corporate Governance to the business operations of subsidiaries. The Company's Board of Directors was 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 would not only enhance the confidence of all concerned, including its shareholders and stakeholders, but also would add value to the Company in the long term. In 2022, the company assessed the good corporate governance of Thai listed companies, the Company was ranked as 'Excellent or 5 stars' for 7 consecutive years since 2016. In 2022, the Company was one of 296 companies which were assessed as 'Excellent or 5 stars' from a survey of all 750 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 2022, 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 could be explained as follows:

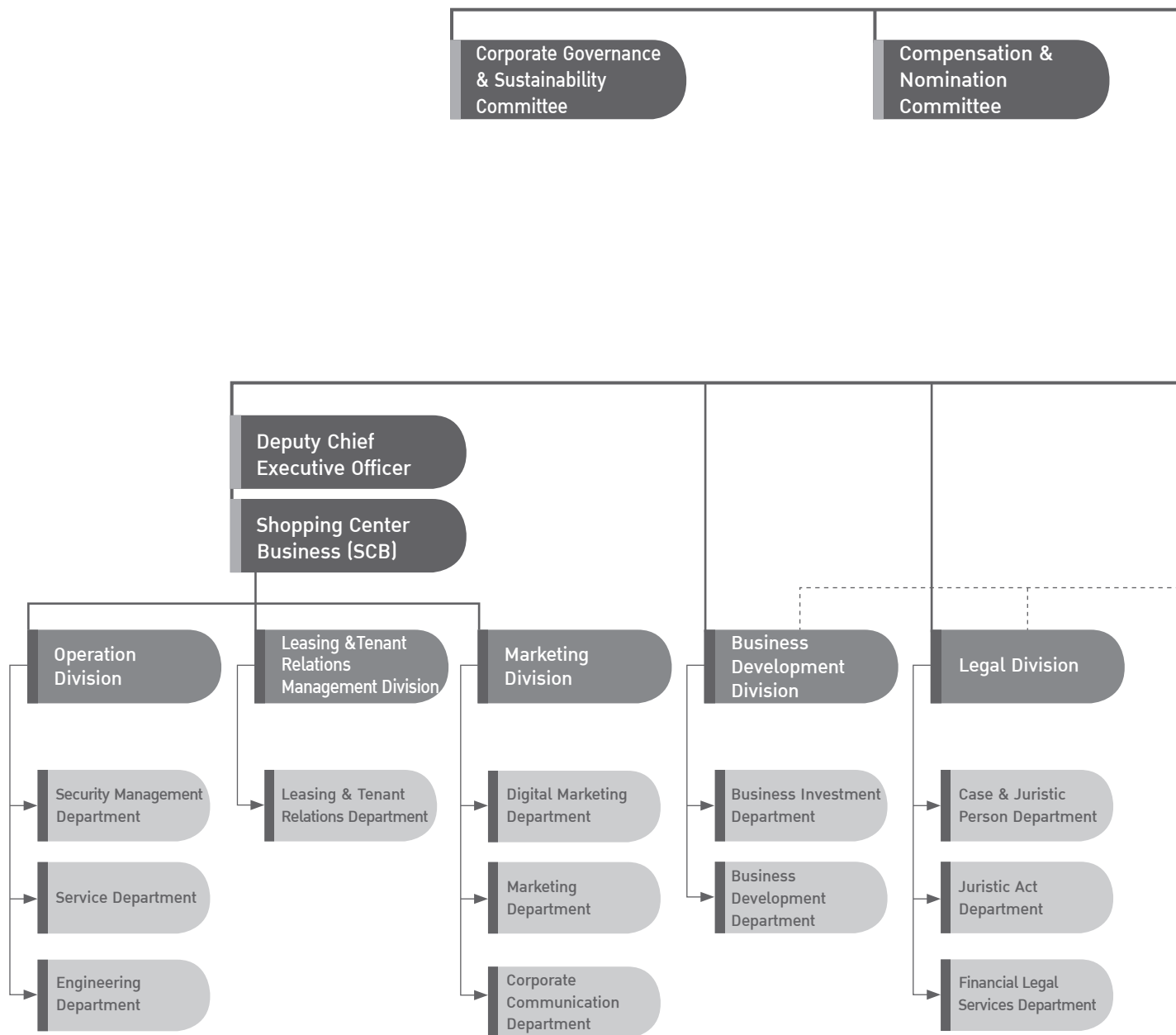
- The Chairman was not an Independent Director because the Chairman was competent with knowledge, abilities, and diverse experiences which highly brought benefits to the organization.
- Specified a method of voting for directors by the cumulative voting in the General Meeting of Shareholders because mentioned practice did not suit the vote counting of the Company.
- Specified 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.
- Specified that the Board of Directors should consist of more than 50% of independent directors. The Company set 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

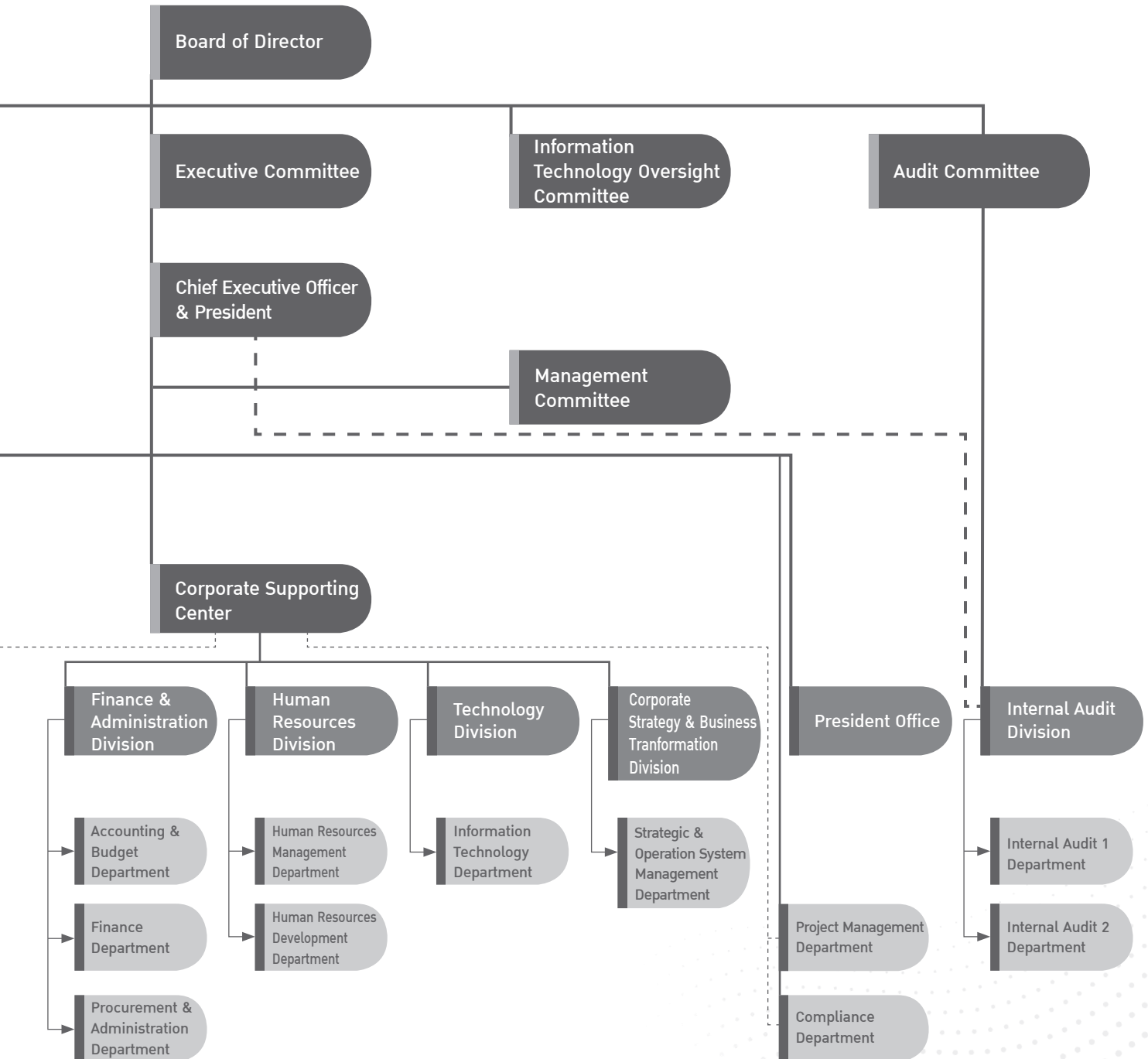
By virtue of the Company's determination, emphasis on business operations, continuously holding to principles of the Good Corporate Governance, and regularly developing the Good Corporate Governance to be efficient and appropriate to the Company, therefore, the Company has been evaluated the quality 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 11th consecutive year since 2012.

7. CORPORATE GOVERNANCE STRUCTURE AND SIGNIFICANT INFORMATION RELATED TO THE BOARD OF DIRECTORS, SUB-COMMITTEES, EXECUTIVES, EMPLOYEES AND OTHERS

7.1 CORPORATE GOVERNANCE STRUCTURE



Organization Chart MBK Public Company Limited



7.2 INFORMATION OF 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 Corporate Governance and Sustainability Committee. There are still Business committees such as the Board of Shopping Center Business, Executive Committee of Shopping Center 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 also 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 31st, 2022 The Company's Board of Directors is comprised of 10 members including:

- 8 Non-Executive Directors (which are 80% 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)
- 2 Executive Directors (which is 20% of the total of the Company's Board of Directors)

7.2.2 Information of the Board of Directors and Controlling Persons of the Company

A List of the Board of Directors is as follows:

| Names | | Positions | Appointment dates |
|-----------------|-------------|---|--------------------------------|
| 1. Mr. Banterng | Tantivit* | Chairman and Chairman of the Corporate Governance and Sustainability Committee | 8 th April 1994 |
| 2. Mr. Suphadej | Poonpipat* | Vice Chairman, Chairman of the Executive Committee, Chairman of the Compensation and Nomination Committee and Member of the Corporate Governance and Sustainability Committee | 8 th April 1994 |
| 3. Mr. Kasama | Punyagupta* | Independent Director, Chairman of the Audit Committee and Member of the Corporate Governance and Sustainability Committee | 30 th April 2018 |
| 4. Mr. Pracha | Jaidee | Independent Director, Member of the Audit Committee and Member of the Compensation and Nomination Committee and Member of the Corporate Governance and Sustainability Committee | 14 th November 2007 |

| Names | | Positions | Appointment dates |
|------------------|------------------|---|-------------------------------|
| 5. Mr. Suwit | Rojanavanich | Independent Director, Member of the Audit Committee and Member of the Corporate Governance and Sustainability Committee | 1 st July 2019 |
| 6. Ms. Panit | Pulsirivong* | Independent Director, Member of the Compensation and Nomination Committee and Member of the Corporate Governance and Sustainability Committee | 8 th April 1994 |
| 7. Mr. Piyaphong | Artmangkorn | Director, Member of the Executive Committee and Member of the Corporate Governance and Sustainability Committee | 19 th October 1998 |
| 8. Mr. Suvait | Theeravachirakul | Director, Vice Chairman of the Executive Committee and Member of the Corporate Governance and Sustainability Committee | 1 st November 2000 |
| 9. Mr. Atipon | Tantivit | Director, Member of the Executive Committee and Member of the Corporate Governance and Sustainability Committee | 15 th October 2003 |
| 10. Ms. Vijitra | Thumpothong* | Independent Director, Chairman of the Audit Committee and Member of the Corporate Governance and Sustainability Committee | 2 th February 2023 |
| 11. Mr. Wichak | Praditavanij | Director, Member of the Executive Committee, Member of the Corporate Governance and Sustainability Committee and President and CEO | 5 th January 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. Kasama Punyagupta resigned from the position of Independent Director, Chairman of the Audit Committee and Member of Corporate Governance and Sustainability Committee on 2th February 2023 and the Board of Directors Meeting No. 2/23 resolved to appoint Ms. Vijitra Thumpothong as a replaced Independent director, Chairman of the Audit Committee and Member of Corporate Governance and Sustainability Committee, effective from 2th February 2023 onwards.
3. The Board of Directors Meeting No. 12/22 resolved to appoint Mr. Wichak Praditavanij as a replaced President and CEO in place of Mr. Suvait Theeravachirakul, effective from 1st January 2023.
4. 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 2022, 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 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 Roles and Duties of the Board of Directors

Scope of Authority and Responsibilities of the Board of Directors

- 1) To formulate the Company's all policies in accordance with laws, objectives, and Articles of Association, as well as the resolutions approved by the meetings of shareholders.
- 2) 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) To appoint or change the directors serving as authorized signatories on behalf of the Company.
- 5) To consider and approve policies and strategies for administrating the company's and its subsidiaries' business operations.
- 6) To implement established policies effectively and efficiently.
- 7) To consider and approve the Company's liquidity management for debt instrument investment with the grade rated not lower than BBB+ for investment in bonds issued by the Company, the subsidiaries, and the affiliated companies with the grade rated not lower than BBB-.
- 8) To consider and approve the Company's investment expenses, and administrative and selling expenses.
- 9) To formulate and regulate the risk management as well as following up and the evaluation of the risk management of financial activities or investment in projects of the Company and subsidiaries.
- 10) To consider the appropriateness of the Company's and its subsidiaries' business plan and annual budget.
- 11) 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.
- 12) To consider and approve the use of accounting principles and changes in the Company's accounting principles.
- 13) To consider and approve opening an account with financial institutes.
- 14) To consider and approve to make domestic and international loans.
- 15) 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 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 laws;
 - (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 laws. 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 SUB-COMMITTEES

The Executive Committees

A List of the Company's Executive Committees and the Secretary of the Executive Committees is as follows:

| Names | | Positions |
|------------------|------------------|--|
| 1. Mr. Suphadej | Poonpipat | Chairman of the Executive Committee |
| 2. Mr. Suvait | Theeravachirakul | Vice Chairman of the Executive Committee |
| 3. Mr. Piyaphong | Artmangkorn | 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. 12/22 resolved to appoint Mr. Suvait Theeravachirakul as an Vice Chairman of the Executive Committee, effective from 1st January 2023 onwards.

The Executive Committees' meeting is held at least once per month and for the year 2022, the number of meetings held by the Board of Directors amounted to 13 meetings.

Scope of Performance of the Executive Committees

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 Committees

- 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 with the grade rated not lower than BBB+ with a budget of not over than 500 million Baht per transaction. In case of investment in bonds issued by the subsidiaries and the affiliated companies with the grade rated not lower than BBB- with a budget of not over 500 million Baht per transaction. It has to be reported to the Company's Board of Directors for acknowledgement.
- 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.
 - 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.
- 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.
- 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 .
- 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.
- 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 Committees

Shall have the same tenure as the Board of Directors' tenure.

The Audit Committees

The Board of Directors approved to establish the Audit Committees on 4th February 1999. The Committees comprise 3 Independent Directors whose qualifications meet all the regulations of the Stock Exchange of Thailand. The present Audit Committees consist of:

A List of Names and Positions of the Audit Committees and the Secretary of the Audit Committees is as follows:

| Names | | Positions | Notes |
|----------------|--------------|----------------------------------|--|
| 1. Mr. Kasama | Punyagupta | Chairman of the Audit Committee | Independent Director has knowledge and experience in finance and investment |
| 2. Ms. Vijitra | Thumpothong | Chairman of the Audit Committee | Independent Director has knowledge and experience in accounting, Risk Management and Human Resource Management |
| 3. Mr. Pracha | Jaidee | Member of the Audit Committee | Independent Director has knowledge and experience in law |
| 3. Mr. Suwit | Rojanavanich | Member of the Audit Committee | Independent Director has knowledge and experience in accounting and finance |
| 4. Ms. Yupapun | Paritranun | Secretary of the Audit Committee | Head of the Internal Audit Department |

Note: Mr. Kasama Punyagupta resigned from the position of Chairman of the Audit Committee on 2th February 2023 and the Board of Directors Meeting No. 2/23 resolved to appoint Ms. Vijitra Thumpothong as a replaced Chairman of the Audit Committee, effective from 2th February 2023 onwards.

The meeting of the Audit Committees is held at least once a month. In addition, the Committees have to meet annually with the external auditors and the Management Team to review the financial statements. For the year 2022, the number of meetings held by the Audit Committees amounted to 16 meetings. The performance's results were reported to the Board of Director every time.

The Audit Committees have annually reviewed the Charter of the Audit Committees in order to conform to practice guidelines of the Stock Exchange of Thailand. The details are as follows:

Scope of Performance of the Audit Committees

Internal Control and Internal Audit

- 1) Review to ensure that Company has the appropriate and effective internal control system and internal audit system.
- 2) Consider the independence of the Internal Audit Unit.
- 3) Consider approving the Charter of the Internal Audit Unit.
- 4) Consider approving the Company's annual audit plan in collaboration with the Internal Audit Unit, and the budget used in the audit process by taking into account the related risks.
- 5) Supervise to ensure that the Management corrects the faults detected from auditing, and monitors the related work units to correct the said faults for the efficient operations.
- 6) Review the evidence or internally inquire when it is in doubt of the execution that may significant affect or have fault or conflict of interest that may affect the operation or internal control system, and propose the Board of Directors for further consideration.

- 7) Consider approving the appointment, transfer, and termination of the employment of the Head of Internal Audit Unit.
- 8) Assess the performance and consider approving wage, bonus, or any other remuneration of the personnel of the Internal Audit Unit.

Financial Statements Report and Disclosure of Information

- 1) Review to ensure that the Company has the accurate, adequate, and reliable financial report according to the Generally Accepted Accounting Principles.
- 2) Consider the related party transactions or the transactions with potential conflict of interest to be in line with the laws and requirements of the Stock Exchange in order to ensure the reasonableness and maximum benefit of the Company.
- 3) Review the evidence in case of doubt on the execution that may significantly affect the Company's operating results or have conflict of interest that may affect the Company's operations.

Auditor

- 1) Consider selecting or terminating the employment, offering the remuneration, and nominating and appointing the person who is independent to perform the duty as the Company's auditor.
- 2) Attend the meeting with the auditor without the meeting attendance of the Management at least once a year.
- 3) Suggest the auditor to review or audit the transactions that are deemed to be necessary and are the important matter during the Company's audit.

Compliance with the Requirements and Laws

- 1) Audit that the Company has complied with laws, requirements of the Stock Exchange, or set of regulations of the official agencies.
- 2) Review the evidence in case of doubt that there is any transaction or act that may violate the laws or requirements of the Stock Exchange or set of regulations of the official agencies, and affect or may significantly affect the Company's financial position and operating results.

Risk Management

Review the risk management system.

Corporate Governance

Govern and review the internal control relating to good corporate governance and anti-corruption measures.

Acquisition of the Specialists

In the event of necessity, the Audit Committees may suggest the Board of Directors to employ or bring the specialist to mutually consider consulting on solving the Company's problems.

Other Responsibilities

Perform other duties as prescribed by laws or entrusted by the Board of Directors, under consent of the Audit Committees.

Tenure of the Audit Committees

Shall have the same tenure as the Board of Directors' tenure.

The Compensation and Nomination Committee

A List of the Compensation and Nomination Committees is as follows:

| Names | | Positions | Notes |
|-----------------|-------------|---|------------------------|
| 1. Mr. Suphadej | Poonpipat | Chairman of the Compensation and Nomination Committee | Non-Executive Director |
| 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 2022, the number of meetings held by the Company's Compensation and Nomination Committees amounted to 4 meetings.

Purpose

The Board of Directors of MBK Public Company Limited appoints the Compensation and Nomination Committees in order to advise on policies, patterns, and rules of Compensation and Nomination for directors, members of sub-committees, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies, 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, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies, 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, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies, 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, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies, has to provide clear and transparent procedures and processes, follow the principles of the corporate governance, and have accountability.

The Composition and Qualifications

- It consists of at least 3 directors whom are appointed by the Company's Board of Directors.
- Directors are not from executives and independent directors. The qualifications of the position of an independent director are stipulated by the Company which conform to regulations stipulated by the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET).
- The secretary of the Board of Directors is appointed by the Company's Board of Directors or by the Compensation and Nomination Committees.

Duties and Responsibilities of the Compensation and Nomination Committees

- To advise the Board of Directors on the policy on the Compensation and Nomination of directors, members on sub-committees, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies.
- To advise the Board of Directors on forms and rules of the Compensation and Nomination of directors, members on sub-committees, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies.
- To consider rules of the performance evaluation and evaluate of Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies, 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, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies, 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, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies, 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, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, executives from the line organizational structure or equivalents, and people whose positions are consultants for the Company and the Group's companies, so that they are suitable for duties and responsibilities, and in harmony with market conditions.
- To consider assigning executives of the Company or the Group's companies to be Directors in subsidiaries or affiliated companies, as well as in unrelated companies.
- To follow up and supervise the Company and companies in the group 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.
- To continuously follow up and support the development with the aim of enhancing potential of members of the committee, Chief Executive Officer and President, Deputy Chief Executive Officer, Chief Business Officer, and executives from the line organizational structure or equivalents of the Company and the Group's companies.

- To consider, scrutinize, and suggest the appointment and determine compensation (if any) of the Business Committee, the Business Administration Committee, and Chief Executive Officer of each business group. In case that the business group is a company, it has to be proposed to the related committee for approval according to the authority stipulated by each company. In case that the business group is under the Group's companies, then the Compensation and Nomination Committee will be responsible for the approval.

Meetings of the Compensation and Nomination Committees

- At least 2 meetings per year has to be held or as set by the Compensation and Nomination Committees.
- 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 committees 7 days in advance.
- A draft of minutes has to submitted to the committee in order to be checked within 14 days after the meeting.

Report

- 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 form 56-1 One Report.

Disclosure

- The committees have to report and propose the remuneration paid each year of members to shareholders for their acknowledgement.
- To disclose duties and responsibilities of the committees.
- 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 Committees

Shall have the same tenure as the Board of Directors' tenure.

The Corporate Governance and Sustainability Committees

A List of the Corporate Governance and Sustainability Committees, its Secretary and their positions are as follows:

| Names | | Positions |
|-----------------|------------------|--|
| 1.Mr. Banterng | Tantivit | Chairman of the Corporate Governance and Sustainability Committee |
| 2.Mr. Suphadej | Poonpipat | Member of the Corporate Governance and Sustainability Committee |
| 3.Mr. Kasama | Punyagupta | Member of the Corporate Governance and Sustainability Committee |
| 4.Mr. Pracha | Jaidee | Member of the Corporate Governance and Sustainability Committee |
| 5.Mr. Suwit | Rojanavanich | Member of the Corporate Governance and Sustainability Committee |
| 6.Ms. Panit | Pulsirivong | Member of the Corporate Governance and Sustainability Committee |
| 7.Mr. Piyaphong | Artmangkorn | Member of the Corporate Governance and Sustainability Committee |
| 8.Mr. Suvait | Theeravachirakul | Member of the Corporate Governance and Sustainability Committee |
| 9.Mr. Atipon | Tantivit | Member of the Corporate Governance and Sustainability Committee |
| 10.Ms.Vijitra | Thumpothong | Member of the Corporate Governance and Sustainability Committee |
| 11.Mr. Wichak | Praditavanij | Member of the Corporate Governance and Sustainability Committee |
| 12.Ms. Chonlada | Ngamnikulchalin | Secretary of the Corporate Governance and Sustainability Committee |

Note: Mr. Kasama Punyagupta resigned from the position of Member of the Corporate Governance and Sustainability Committee on 2th February 2023 and the Board of Directors Meeting No. 2/23 resolved to appoint Ms. Vijitra Thumpothong as a replaced Member of the Corporate Governance and Sustainability Committee, effective from 2th February 2023 onwards.

For the year 2022, the number of meetings held by the Company's Good Corporate Governance and Sustainability Committee amounted to 1 meeting.

Scope of Performance of the Corporate Governance and Sustainability Committees

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 Corporate Governance and Sustainability Committees

- 1) To consider and review the policy on Good Corporate Governance and related policies and a code of conduct for corporate governance appropriate for the Company and conform to international standards of Good Corporate Governance which comply with relevant law, rules, and regulations.
- 2) To supervise, follow up, and give advice to the Company according to the policy on Good Governance and other related policies such as the sustainable development and anti-corruption.
- 3) To support and promote the knowledge and understanding of Good Governance, the organization's business ethics, the sustainable development, and the anti-corruption, to Directors, executives, and employees so that they stick to and follow it properly in order to increase the efficiency of regulating the organization sustainably.
- 4) To do other duties as assigned by the Company's Board of Directors.

Tenure of the Corporate Governance and Sustainability Committees

Shall have the same tenure as the Board of Directors' tenure.

7.4 INFORMATION ON EXECUTIVES

7.4.1 A List of Names and Positions of the Executive Management

| Names* | | Positions |
|------------------|-------------------------------|--|
| 1. Mr. Suvaith | Theeravachirakul ¹ | Vice Chairman of the Executive Committee |
| 2. Mr. Wichak | Praditavanij ² | CEO and President and Managing Director, Financial Business |
| 2. Mr. Kraivin | Srikraivin ³ | Deputy Chief Executive Officer |
| 4. Mr. Kasemsuk | Chongmankhong | Chief Golf Business Officer Chief Auction Business Officer Chief Corporate Supporting Center Officer and Chief Financial & Administrative Officer |
| 5. Mr. Somphol | Tripopnart | Chief Shopping Center Business Officer and Acting Chief Marketing Officer |
| 6. Mr. Kiangkrai | Phurivitvattana ⁴ | Deputy Chief Corporate Supporting Center |

Note: 1. Mr. Suvaith Theeravachiraku was appointed to the position of Vice Chairman of the Executive Committee on 1st January 2023.

2. Mr. Wichak Praditavanij was appointed to the position of CEO and President and Managing Director on 1st January 2023.

3. Mr. Kraivin Srikraivin was appointed to the position of Deputy Chief Executive Officer on 1st January 2023.

4. Mr. Kiangkrai Phurivitvattana was appointed to the position of Deputy Chief Corporate Supporting Center on 5th January 2023.

* Mr. Kitja Sinrapavongsa takes the position Vice President of Accounting & Budget Department

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 2022, 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 such as:

1. The Board of the Shopping Center Business
2. The Board of the Hotel and Tourism Business
3. The Board of the Golf Business
4. The Board of the Real Estate Business
5. The Board of the Auction Business
6. The Board of the Corporate Supporting Center
7. The Executive Committee of the Shopping Center Business
8. The Executive Committee of the Hotel and Tourism Business
9. The Executive Committee of the Golf Business
10. The Executive Committee of the Real Estate Business
11. The Executive Committee of the Auction Business
12. The Executive Committee of the Corporate Supporting Center
13. The Liquidity Management Committee of the MBK Group
14. The Quality Management System Committee
 - 1) The Strategic Planning and Balance Scorecard Management Committee
 - 2) The Risk Management Committee
15. The Committee on Prevention against Tenants Causing Damage to the Shopping Center
16. Thai Private Sector Collective Action Against Corruption
17. The Space Design and Corporate Image Committee
18. The Business Continuity Planning Committee
19. The ISO 9000 Quality Management System Committee
20. The Safety, Occupational Health, and Work Environment Committee
21. The Committee on the Personal Data Protection
22. The Committee on the MBK Center Individual KPIs
23. The Committee on the Space Design of the Shopping Center Business Group
24. The Committee on the Personal Data Management
25. The Construction Project Supervision Committee
26. The Committee of Taking Care of Impacts on the Society and Communities
27. The Committee on the Energy Management System— ISO 50001 of the MBK Center
28. The Committee on the Knowledge Management and the Organizational Culture of the MBK Group
29. The Committee on the Investigation of Offences and Allegations of Corruption
30. The Committee and the Working Group of the Management and Quality Control over Services
31. The Committee and the Working Group of the Innovation
32. The Committee and the Working Group of Digital Transformation
33. The Committee and the Working Group of the System to Manage the Security by ISO/IEC 27001 Standards
34. The Committee and the Working Group of Human Resources etc.

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 Committees
2. The Assets Sales Committees

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, Annual Registration Statements / 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:

| Courses | Institutes | Training Dates |
|--|---|---|
| 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 |
| Effective Minutes Taking (EMT) Class 52/2022 | Thai Institute of Directors Association (IOD) | 17 th – 18 th November 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 2022, held on 28th April 2022, 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 Committees

| | Meeting Allowances (Baht) per person/per attendance |
|------------|--|
| - Chairman | 52,500 |
| - Director | 17,500 |

3. Remuneration for the Audit Committees

| | 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 Committees

| | Meeting Allowances (Baht) per person/per attendance |
|------------|---|
| - Chairman | 35,000 |
| - Director | 17,500 |

5. Remuneration and privileges 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 | 13 | 64.77 |

The Comparison of the Remunerations of the Executives Management from 2020 to 2022

| Details | 1 st January 2020 – 31 st December 2020 | | 1 st January 2021 – 31 st December 2021 | | 1 st January 2022 – 31 st December 2022 | |
|---|--|------------------------------|--|------------------------------|--|------------------------------|
| | Number (persons) | Amount (Million Baht) | Number (persons) | Amount (Million Baht) | Number (persons) | Amount (Million Baht) |
| Remunerations of Top Executives (Level C1-C5) | 10 | 57.58 | 11 | 53.43 | 13 | 64.77 |

7.5 INFORMATION ON EMPLOYEES

A Number of Employees

As of 31st December 2022, MBK Public Company Limited employed a total of 301 employees, consisting of the Chief Executive Officer and President, Chief Business Officer, and executives from the line organizational structure or equivalents for a total of 13 people and 288 employees. Also, it included 3,287 employees all subsidiaries. A number of employees in each department is as follows:

| Divisions | Number of Employees (person)* | | |
|---|--|--|--|
| | 1 st January 2020 - 31 st December 2020 | 1 st January 2021 - 31 st December 2021 | 1 st January 2022 - 31 st December 2022 |
| 1. President Office | 64 | 60 | 56 |
| 2. Legal Division | 22 | 21 | 21 |
| 3. Business Development Division | 23 | 17 | 17 |
| 4. Finance & Administration Division | 113 | 95 | 85 |
| 5. Internal Audit Division | 27 | 24 | 24 |
| 6. Marketing Division | 86 | 76 | 5 |
| 7. Operation Division | 163 | 20 | 17 |
| 8. Leasing and Tenant Relations Management Division | 34 | 31 | 27 |
| 9. Human Resources Division | 38 | 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 2020-2022 are 3,500, 3,085 and 3,234 respectively.

Remunerations of Employees (Excluding the President and the Executive Management)

| Details | 1 st January 2020 to 31 st December 2020 (Baht) | 1 st January 2021 to 31 st December 2021 (Baht) | 1 st January 2022 to 31 st December 2022 (Baht) |
|----------------------------------|---|---|---|
| Remunerations of Employees (MBK) | 399,931,954.92 | 301,500,681.98 | 259,184,683.99 |

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. | Years of Membership | | Years of Membership | Subsidy and Benefits (%) |
| | 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 : According to the Notification of the Ministry of Finance, dated 21st January 2022 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 25th January 2022 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 2022.

Human Resources and the Organizational Development

The Company is well aware that each personnel 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, and training, for both online and offline platforms. The online learning is adapted to learning behavior of each generation, focusing on learning that can be had all the time, any time and anywhere, in order that learning behavior can be promoted and knowledge can be furthered more efficiently. Moreover, the Company still focuses on improving necessary working skills in the form of offline platform in order that the personnel can have practice and learning from experts. Undergraduate and graduate scholarships and field trips are offered as well, 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 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. 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 2022, the Company reviewed and prepared the additional Career Paths in order to cover business units— which had modifications and internal restructuring— and create more career paths for across business lines or business groups in order to increase channels and various development paths for the personnel in the organization, as well as communicating the career paths to the personnel. A Career Clinic project was provided 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 The Company has aimed to take care of and encourage the personnel's competence 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 2022, the Company developed 3 main forms of the personnel's development as follows:

- Provided 102 In-House Learning courses for a total of 3,990 personnel, calculated as the equivalent of 918 hours.
- Provided Online Learning courses. The Company has selected the famous online platform recognized by leading organizations called "SkillLane" and they both have cooperated on designing and setting the personnel's essential courses specified by set competence in order that the personnel can suitably choose courses for the sake of their own individual development. In 2022, the personnel were developed with 1,109 courses, calculated as the equivalent of 4,409 hours.
- Provided E-Learning courses. In 2022, the Company developed the courses and selected external courses for a total of 127 courses. These courses were based on micro-learning content which could be learned quickly, shortly, concisely, and could be used practically.

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 2022, 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.

Moreover, the Company emphasized the importance of knowledge and managerial skill development as well as providing the executives with viewpoints and understanding of the business management. Then, the Company collaborated with Chulalongkorn University to design a business management curriculum for the Company under the project named "MINI MBA". The Company's 49 executives in total already graduated and received a certification.

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.

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 2022, 127 Micro Learning-based courses could be selected and uploaded for the online platform.

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 Career Development Plans for employees, which are considered from functional, core and managerial competencies that suits with the present and future responsibilities.

In 2022, an individual development plan was made. 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 110 people which was divided into 96 high potential personnel (HIPO) and 14 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 and 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.

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). The employee engagement is based on 8 happy factors (Happy 8) which make each employee keep a balance between his/her work life and personal life, with the organization's aim of transforming the workplace into the happy workplace. In 2022, the Company arranged activities to encourage "Happy 8" through several clubs, as well as activities to promote the employees to the well-being and saving money and paying off all debts. Training in the knowledge of saving and investment and free advice was also provided for the employees by experts from financial institutes. Memorandums of Understanding (MOUs) were signed with leading and renowned companies with the aim of helping solve problems seriously in order that the employees were debt-free and quickly paid off all debts. Also, activities to forge a relationship to relieve stress and narrow the gap between the employees and the executives were held. The executives shared their experience and knowledge with the employees in order that the shared experience and knowledge could be applied to work.

Moreover, the organization encourages the employees to participate in expressing their opinions through channels. The employees can also give their opinions on welfare benefits to the Committee on the Welfare in the Workplace. The Company has set the project that the employees can choose benefits according to their own needs through the project called “Flexi Benefits” which perfectly satisfies the needs of the employees and is popular among modern leading organizations as well.

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 adaptive. 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.

2. 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 2022, 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 33 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 2022 presented that there were 123,271 times, which was increased more than 40% compared to 2021.
- 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 2022, there were over 355 stories 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:

| Details | Names | Positions |
|---|------------------------------|--|
| The person responsible for most of the accounting and finance departments | Mr. Kasemsuk Chongmankhong | Chief Financial & Administrative Officer |
| Accounting Supervisor | Ms. Wanpen Rungrojchanathip | Assistant Chief Finance & Administration Officer 1 |
| Head of the Internal Audit Department | Ms. Yupapun Paritrnun | Chief Internal Audit Officer |
| 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 2022, 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 2022, 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. 1/2022 | 1 time |
| 3. The disclosure of every quarterly turnover on the Company's website | 4 times |
| 4. Provided a quarterly magazine for investors called MBK Today | 4 times |
| 5. Met and talked with investors and analysts | 2 times |
| 6. Answered questions sent through telephone call and email 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, 8th Floor, MBK Center Building, Phayathai Road, Wang Mai, Pathumwan, Bangkok 10330 |
| Telephone number: | 0-2853-7151 |
| 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. Gingkarn Atsawarangsalit or Mr. Chayapol Suppasertanon or Ms. Orawan Techawatanasirikul or Ms. Sumana Punpongsanon or Ms. Kirdsiri Kanjanaprakasit)
 - 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 13,018,956 Baht as follows:
 - MBK Company Limited 2,218,896 Baht
 - Subsidiaries 10,800,060 Baht

Non-Audit Fee

The Company and the subsidiaries hired the audit office where an auditor worked for (EY Office Limited), any individuals or business relating to an auditor and an audit office where an auditor worked for, for other services which the total compensation was 145,000 Baht consisting of:

- The audit office where the audit worked for in the previous year charged a service fee for the examination following the mutually agreed procedure, of an income from an activity area under the Company's Sky Walk. The service fee was 50,000 Baht.
- The audit office where an auditor worked for in the previous year charged a service fee for the examination of working relationships among companies in the same Company's Group and one subsidiary. The service fee was 95,000 Baht in total.

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 the above-mentioned 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 the above-mentioned 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 the above-mentioned 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 2022, the Board of Directors reviewed the tenure of independent directors. A solution was approved that the Company's independent directors held their positions not more than 9 consecutive years, starting from the date they were appointed as independent directors or starting from 2015 which the Board of Directors reached a conclusion to set an agenda for the tenure of independent directors, in order to be consistent with guidelines on Good Governance, except when the Board of Directors had a justifiable reason to appoint the independent directors to further hold such positions.

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. The structural diversity of the Board of Directors is taken into consideration by arranging the Board's Skills Matrix in order to specify the qualifications of the directors who have to be nominated and should be in accordance with the Company's strategy in operating business.

The Board's Skills Matrix

| Directors | Knowledge, skills, and experience | | | | | | | | | | | |
|-----------------------------|--|--------------------------|----------------------|------------------------|------------|--|----------|-----------------|----------------------------|-------------------|-------------|-----|
| | The Company's direct business (The Real Estate Business) | Other related businesses | Finance / Investment | Information technology | Accounting | Business administration and management | Auditing | Risk management | Human resources management | Sales / Marketing | Engineering | Law |
| Mr. Banterng Tantivit | / | / | / | / | x | / | | x | x | | / | |
| Mr. Suphadej Poonpipat | / | / | / | x | x | / | | x | x | | | |
| Mr. Kasama Punyagupta* | / | / | / | x | / | / | / | / | / | x | | |
| Mr. Pracha Jaidee | / | / | | | | / | / | | | | | / |
| Mr. Suwit Rojanavanich | / | / | / | | / | / | / | x | | | | |
| Ms. Panit Pulsirivong | / | / | | / | | / | | | x | | | |
| Mr. Piyaphong Artmangkorn | / | / | / | | | / | | x | | | | |
| Mr. Suvait Theeravachirakul | / | / | / | | / | / | / | / | x | | | |
| Mr. Atipon Tantivit | / | / | / | / | | / | | x | | | | |
| Mr. Wichak Praditavanij | / | / | / | | / | / | / | x | | x | | |
| Mrs. Vijitra Thumpothong* | / | / | / | | / | / | / | / | / | | | |

* Notes / Means knowledge and experience directly gained from work and education. x Means indirect knowledge and experience.

* Mr. Kasama Punyagupta resigned from the position of Independent Director on 2nd February 2023 and the Board of Directors Meeting No. 2/66 resolved to appoint Mrs. Vijitra Thumpothong as a replaced Independent Director, effective from 2nd February 2023 onwards.

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 (disclosed on the Company's website)
 - (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 do all the duties as assigned.

The Nomination of Top Executives

The nomination of President and CEO, Deputy Chief Executive Officer, Chief Business Officer, Deputy Chief Business Officer, Chief Executive Officer, 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 and CEO, Deputy Chief Executive Officer, Chief Business Officer, Deputy Chief Business Officer, Chief Executive Officer, 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 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 are 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, a policy on the prevention of conflicts of interest, a policy on the prevention of insider trading, a code of business ethics, a 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 Courses 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) |
| 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. Atipon Tantivit | - Directors Certification Program (DCP) Course |
| 10. Mrs. Vijitra Thumpothong | - Directors Certification Program (DCP) Course - Financial Institutions Governance Program (FGP) Course |
| 11. Mr. Wichak Praditavanij | - Directors Certification Program (DCP) Course |

Remark : Mr. Kasama Punyagupta resigned from the position of Independent Director on 2nd February 2023 and the Board of Directors Meeting No. 2/66 resolved to appoint Mrs. Vijitra Thumpothong as a replaced Independent Director, effective from 2nd February 2023 onwards.

In 2022, 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 | Courses | Institutes | Dates |
|--------------------------------|---|---|---|
| 1. Mr. Suvait Theeravachirakul | Digital Transformation Innovation for Executives | MBK Training Center Co., Ltd | 30 th May 2022 |
| | Macro Economic Situation in 2022 #1 | MBK Training Center Co., Ltd | 18 th August 2022 |
| | Fin Tech and Block Chain for the business's transformation into the digital era | MBK Training Center Co., Ltd | 30 th August 2022 |
| | Macro-Economic Situation in 2022 #2 | MBK Training Center Co., Ltd | 12 th September 2022 |
| | Agile Coaching | MBK Training Center Co., Ltd | 29 th November 2022 |
| 2. Mr. Wichak Praditavanij | Directors Certification Program (DCP) | The Thai Institute of Directors Association | 21 st February – 18 th April 2022 |
| | Digital Transformation Innovation for Executives | MBK Training Center Co., Ltd | 30 th May 2022 |
| | Macro-Economic Situation in 2022 #1 | MBK Training Center Co., Ltd | 18 th August 2022 |
| | Fin Tech and Block Chain for the business's transformation into the digital era | MBK Training Center Co., Ltd | 30 th August 2022 |
| | Internal Quality Auditor (IQA) for Executives | MBK Training Center Co., Ltd | 1 st September 2022 and 4 th October 2022 |
| | Macro-Economic Situation in 2022 #2 | MBK Training Center Co., Ltd | 12 th September 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 Thai Institute of Directors Association, 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 Executive Management.

- 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 to 'excellent'
 - More than 80 equals to 'very good'
 - More than 70 equals to 'good'
 - More than 60 equals to 'fair'
 - Less than 60 equals to 'should be improved'

The result of the Board Self-Assessment for the year 2022 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 | 18.83 |
| 2) Roles, duties, and responsibilities of the Board of Directors | 30.00 | 29.01 |
| 3) Meeting of the Board of Directors | 15.00 | 14.42 |
| 4) The Board of Directors' execution of duties | 15.00 | 14.48 |
| 5) Relationship with the Executive Management | 10.00 | 10.00 |
| 6) Self-development of the Board of Directors and development of executives | 10.00 | 9.42 |
| Total | 100.00 | 96.15 |

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) Personal qualifications | 20.00 | 19.00 |
| 2) Readiness to do duties | 20.00 | 19.17 |
| 3) Participation in meetings | 20.00 | 19.14 |
| 4) Roles, duties and responsibilities | 30.00 | 28.91 |

| Topic to be assessed (The individual assessment) | Result of the assessment | |
|---|--------------------------|---------------|
| | Full marks | Average marks |
| 5) Relationships with the Board of Directors and the Executive Management | 10.00 | 10.00 |
| Total | 100.00 | 96.22 |

2. The Performance Assessment of the Committees

For the year 2022, 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 Thai Institute of Directors Association, which was improved in order to be able to reflect the efficiency of performance and complies to principles of Good Corporate Governance, was used. The Company's secretary or each committee's secretary made a start on preparing the performance assessment for every committee. The Board Self-Assessment required 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 were then summarized and the result of the assessment would 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 to 'excellent'
 - More than 80 equals to 'very good'
 - More than 70 equals to 'good'
 - More than 60 equals to 'fair'
 - Less than 60 equals to 'should be improved'

The result of the Board Self-Assessment executed by the committees for the year 2022 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) | Results 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 | 19.00 | 19.33 | 19.58 | 19.00 |
| 2) Meeting of the Committee | 20.00 | 19.43 | 19.44 | 19.05 | 19.14 |
| 3) Roles, duties, and responsibilities | 50.00 | 49.09 | 49.31 | 49.24 | 48.18 |
| 4) Reports / Readiness to do duties | 10.00 | 9.67 | 10.00 | 10.00 | 9.58 |
| Total | 100.00 | 97.19 | 98.08 | 97.87 | 95.91 |

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 at least twice a year when the Company has to nominate Directorships or Executive Management when the performance of the President and CEO and Executive Management has to be evaluated. For the Corporate Governance and Sustainability Committee's part, the meeting will be held at least once a year 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 2022, the various committees regularly held their meetings within the scope of their prescribed duties.

Meeting Attendance of the Company's Directors for the Year 2022

| Name List | Meeting Attendances of the Members (Attendances/ Total Meetings) | | |
|--------------------------------|---|--|---|
| | The Board of Directors (12 meetings) | The Annual General Meeting of Shareholders 2022 (1 meeting) | The Extraordinary General Meeting of Shareholders No. 1/2022 (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. Atipon Tantivit | 12/12 | 1/1 | 1/1 |
| 10. Mr. Wichak Praditavanij | 12/12 | 1/1 | 1/1 |

Moreover, in 2022, Non-Executive Directors (NEDs) had meetings among themselves in order to discuss issues relevant to the management in focus without the attendance of the Executive Management. 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 keep up with the pace of rapidly changing situations and technology. One of important issues was to make the Succession Plan for the Company's top executives.

One meeting was held in August, 2022.

REMUNERATIONS OF DIRECTORS

Directors' Remunerations (1st January – 31st December, 2022)

| Name List | Director Allowance (Baht) | Meeting Allowance (THB) | | | | Total Remuneration (Baht) |
|--------------------------------|---------------------------|-------------------------|-------------------|---------------------|---------------------------------------|---------------------------|
| | | Board of Directors | Audit Committee | Executive Committee | Compensation and Nomination Committee | |
| 1. Mr. Banterng Tantivit | 345,000.00 | 345,000.00 | | | | 690,000.00 |
| 2. Mr. Suphadej Poonpipat | 210,000.00 | 210,000.00 | | 682,500.00 | 70,000.00 | 1,172,500.00 |
| 3. Mr. Kasama Punyagupta | 384,000.00 | 174,000.00 | 280,000.00 | | | 838,000.00 |
| 4. Mr. Pracha Jaidee | 279,000.00 | 174,000.00 | 140,000.00 | | 35,000.00 | 628,000.00 |
| 5. Mr. Suwit Rojanavanich | 279,000.00 | 174,000.00 | 140,000.00 | | | 593,000.00 |
| 6. Ms. Panit Pulsirivong | 174,000.00 | 174,000.00 | | | 35,000.00 | 383,000.00 |
| 7. Mr. Piyaphong Artmangkorn | 174,000.00 | 174,000.00 | | 227,500.00 | | 575,500.00 |
| 8. Mr. Suvait Theeravachirakul | 174,000.00 | 174,000.00 | | | | 348,000.00 |
| 9. Mr. Atipon Tantivit | 174,000.00 | 174,000.00 | | 227,500.00 | | 575,500.00 |
| 10. Mr. Wichak Praditavanij | 174,000.00 | 174,000.00 | | | | 348,000.00 |
| Total | 2,367,000.00 | 1,947,000.00 | 560,000.00 | 1,137,500.00 | 140,000.00 | 6,151,500.00 |

Remark: In 2022, commission was not paid to the Company's Board of Directors.

The Comparison of Directors' Remunerations from 2018 – 2022

| Remunerations | 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 | | 1 st January 2022 – 31 st December 2022 | |
|------------------------|---|----------------------|---|----------------------|---|---------------------|---|---------------------|---|---------------------|
| | Number (persons) | Amount (Baht) | Number (persons) | Amount (Baht) | Number (persons) | Amount (Baht) | Number (persons) | Amount (Baht) | Number (persons) | Amount (Baht) |
| Meeting Allowances | 11 | 12,116,000.00 | 11 | 12,309,000.00 | 10 | 6,451,000.00 | 10 | 4,850,250.00 | 10 | 6,151,500.00 |
| Directors' Commissions | 11 | 11,900,000.00 | 11 | 12,700,000.00 | 11 | 3,380,000.00 | 10 | - | 10 | - |
| Total | | 24,016,000.00 | | 25,009,000.00 | | 9,831,000.00 | | 4,850,250.00 | | 6,151,500.00 |

Other Remunerations

At an Annual General Meeting of Shareholders 2022 held on 28th April 2022 a resolution on other remunerations (To receive services from the Group's businesses, provided for Directors only. These services could not be redeemed for cash such as Hotel and Tourism Business and Golf Business.), for the Board of Directors, the Executive Committee, the Audit Committee, and the Compensation and Nomination Committee were approved, as the equivalent of 1,600,000 Baht.

The Directors' Remunerations as the Directors of the Subsidiary (MBK Resort Public Co., Ltd.)

| Name List | 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 | 66,000.00 | 138,000.00 |
| 3. Mr. Suwait Theeravachirakul | 72,000.00 | 72,000.00 | 144,000.00 |
| 4. Mr. Pracha Jaidee | 72,000.00 | 72,000.00 | 144,000.00 |
| 5. Mr. Atipon Tantivit | 72,000.00 | 72,000.00 | 144,000.00 |
| Total | 432,000.00 | 426,000.00 | 858,000.00 |

8.1.3 Supervision of Subsidiaries and Associated Companies

The Investment Policy in Subsidiaries and Associated Companies

The Company has a policy to invest in subsidiaries and associated companies that conduct business consistent with goals, vision, missions, and strategic plans for the growth of the Company in order to strengthen the stability or promote and support the Company's business; as well as not having an impact on the Company's reputation and image. The Company then considers to further invest in other business if it is viewed that such business has potential for growth, or is able to conduct cumulative business, or is beneficial to the Company Group's business, or enhance potential for generating more profits, or be capable of gaining good returns from the sustainable investment. The Company will analyze and consider the feasibility of investment, the proportion of investment, expected returns, possible risks, as well as the Company's financial status before making a decision to invest in business. Significant approval to investment has to be taken into consideration from meetings of the Committees, and/or the Board of Directors, and/or from meetings of shareholders within the scope of authorized approval and following relevant rules and regulations of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission (SEC), and the Securities Exchange of Thailand (SET).

The Policy to Supervise the Operations of Subsidiaries and Affiliated Companies

The Policy to Supervise the Operations of Subsidiaries

The Company has a policy to supervise the operations of subsidiaries by appointing company representatives—who have suitable qualifications, knowledge, and capabilities to run business of subsidiaries—to be directors or executives or authorities in the subsidiaries in order to supervise these subsidiaries to run business which conforms to laws, policies, and business plans of the Company, as well as preventing stakeholders in any issue or individuals who have conflicts of interest from directly and indirectly involving the subsidiaries.

To do any duty or do business in the subsidiaries has to follow the Company's policy and appropriate market price. If there are related party transactions and/or transactions of the acquisition or the distribution of assets, according to criteria of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and the Securities Exchange of Thailand, the Company has to disclose transactions in the financial statement by auditing standards of companies registered on the Securities Exchange of Thailand.

To approve significant transactions has to be taken into consideration by meetings of the Executive Committee and/or the Company's Board of Directors and/or meetings of the Company's shareholders.

The Company will consider formulating the policy or encourage business of the subsidiaries to continuously develop, as well as analyzing the business results and operations of the subsidiaries for the Board of Directors of the subsidiaries and/or the Executive Committee and/or the Company's Board of Directors.

The Policy to Supervise the Operations of Affiliated Companies

The Company has the policy to supervise the operations of affiliated companies by appointing the Company's representatives—who have suitable qualifications, knowledge, and capabilities to run business of the affiliated companies—to be directors or executives of affiliated companies according to joint venture agreements.

The Company will consider proposing the policy or promote business of affiliated companies to continuously develop, as well as analyzing the business results and operations of affiliated companies.

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 2022, the Company's Board of Directors approved the policy to prevent conflicts of interest and publicized such a policy to executives and employees in order that they were aware of this policy through the Company's email and intranet platforms. Human Resources Management Department did its duty by following up every executive and employee of the Company Group with annually preparing a report on the disclosure of transactions having possible conflicts of interest.

In 2022, there was no event shown inappropriate behavior or practice involving conflicts 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 for the duration of 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 2022, 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.

In 2022, the Company reviewed and prepared regulations on a policy to prevent insider trading within the Company, a policy to prevent conflicts of interest, a policy on intercompany and related transactions in order to be presented to the Company's Board of Directors for approval, communication for the awareness of executives and employees through e-mail platform and signing their names on a confirmation form, and conformity to practices and no conflicts of interest with the Company Group in the form of an electronic platform. Moreover, the Company's secretary regularly gave notices to the directors, executives, and involved parties for the recognition of the quiet period— the period of time that assets could not be traded and information could not be publicized through the Company's Line groups— every quarter.

Anti-Corruption

The Board of Directors is well aware and places importance on operating the business, 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 sectors of 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 was changed to "Thai Private Sector Collective Action Against Corruption" (CAC). The campaign included 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 stood against corruption with the consideration of the utmost benefits of all sectors of stakeholders.

From 2016 to present (2022), the Company has been strong-minded to follow intention-based anti-corruption obviously and regularly and it has been certified as a member of Thai Private Sector Collective Action Coalition Against Corruption (CAC).

Moreover, the Company has the 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), MBK Enterprise Company Limited (MBK-EP) and Apple Auto Auction (Thailand) Company Limited (AAA).

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.

Guidelines on Regulations and Internal Control of Anti-Corruption

The Company lays down 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, laws, 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 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 laws, 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: ceo-mbkgroup@mbkgroup.co.th
 - Chief Internal Audit Officer
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 Offenses and Corruption Examination Committee 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 Offenses and Corruption Examination Committee consider the facts and directs action to further follow the Company's procedure.

Remark: In case that the Chief Executive Officer or the Chief Executive Officer of the Internal Audit Department is accused of a complaint, the Chairman of the Board or the Audit Committee has the authority to take command and examine further facts.

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.

In 2022, the Company did not received a clue nor a complaint of offenses against business ethics, the Good Corporate Governance policy, and the Company's policy and measures against corruption.

8.2 THE REPORT OF DUTY PERFORMANCE'S RESULTS 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 2022

| 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 2022

| Name List | The Sub-Committees' Meetings (Attendances/ Total Meetings) | | |
|----------------------------|--|---|--|
| | The Executive Committee (13 meetings) | The Compensation and Nomination Committee (4 meetings) | The Corporate Governance and Sustainability Committee (1 meeting) |
| 1. Mr. Banterng Tantivit | - | - | 1/1 |
| 2. Mr. Suphadej Poonplipat | 13/13 | 4/4 | 1/1 |
| 3. Mr. Kasama Punyagupta | - | - | 1/1 |
| 4. Mr. Pracha Jaidee | - | 4/4 | 1/1 |
| 5. Mr. Suwit Rojanavanich | - | - | 1/1 |
| 6. Ms. Panit Pulsirivong | - | 4/4 | 1/1 |

| Name List | The Sub-Committees' Meetings (Attendances/ Total Meetings) | | |
|-------------------------------|--|--|---|
| | The Executive Committee (13 meetings) | The Compensation and Nomination Committee (4 meetings) | The Corporate Governance and Sustainability Committee (1 meeting) |
| 7. Mr. Piyaphong Artmangkorn | 13/13 | - | 1/1 |
| 8. Mr.Suvait Theeravachirakul | 13/13 | - | 1/1 |
| 9. Mr. Atipon Tantivit | 13/13 | - | 1/1 |
| 10. Mr. Wichak Praditavanij | 13/13 | - | 1/1 |

Notes: The Sub-committees:

- The Executive Committee is comprised of 4 persons. They are the name list no. 2, 7, 8, 9 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 and Sustainability 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 company places importance on having in place an internal control system, a risk management system, and good corporate governance system in order for the Company's operations to achieve the goals. The internal control system covers all aspects including financial and accounting, information technology, and compliance with the laws and regulations. Also, the Company has formulated explicit corporate governance policy and anti-corruption policy and measures.

Furthermore, the Company also prioritizes personal data protection with an integrated data management process from obtaining consent, collecting, accessing, using and disclosing data to ensure that it is properly handled in compliance with directions according to the law.

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. The division also audits compliance with the anti-corruption policy and measures, the laws and regulations so that the Company's efficiency and effectiveness are maximized. The internal control assessment framework can be categorized according to the COSO international standards as follows:

The Environment of 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 to 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 in order that a system of the internal control is appropriate.

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.

Moreover, the Company underscores the importance of continuous people development by arranging training and development of the skills and capabilities to match the assigned tasks, and succession planning for key positions so that the Company's business can continue.

The Risk Assessment

The Company puts great emphasis on risk management under changes that affect the business from both internal and external factors. The Board of Directors has assigned the Risk Management Committee (RMC) to be responsible for defining the organization-wide risk management policy and supervising the implementation of corporate risk management in line with business strategies and goals. The RMC assesses and manages risks covering various aspects such as strategic, operational, financial, regulatory compliance, etc., Its duty is to set policies and risk management guidelines of the MBK GROUP so that the group companies achieve their objectives and targets, and risks that may affect business operations are reduced. It is considered that risk management and control are the responsibility of every department.

The Operational Control

The Company has established a policy framework, regulations, and operational procedures to lead to practice guidelines. The authorities, duties and responsibilities and the scope of approval authority of each level of employees are clearly defined in writing, and they are reviewed and communicated regularly to employees. The internal audit team regularly reviews the control system adequacy by requiring the audit plan to cover important operational processes. Audit results are regularly reported to the Audit Committee so that the Committee can consider important audit findings and monitor the results of the suggested corrective actions in the audit reports and measures to prevent possible errors.

The Information Technology System and the Communication

The Company realizes the importance of IT system and 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. 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. The 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 that are in line with the Cybersecurity Act B.E. 2562 and the Personal Data Protection Act B.E. 2562. Various channels of communication are opened from both inside and outside the organization in order to have access easily and rapidly. Due to 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 with 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. There are guidelines for properly conducting meetings via electronic means (online meetings) of MBK Group to prevent data leakage. 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, including providing protection for whistle blowers or informants.

The System of Monitoring Activities

The Company prepares performance reports compared against the targets and reports them to the Executive Committee and the Board of Directors on a monthly basis. 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 the 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). 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.

Internal Audit provides assurance and consulting services by assessing the efficiency and effectiveness of the internal control system, risk management system and corporate governance to enable the Company to achieve its business objectives and goals. The division reports to the Audit Committee and monitors the implementation of the suggestions found from the audit, especially in important or high-risk issues. Internal Audit acknowledges reports of abnormal events to ensure that the Company's operations have an adequate internal control system that is appropriate and efficient in conjunction with managing the risks at an acceptable level and corporate governance. The Charter of the Audit Committee, the Internal Audit Charter, and the code of conduct for internal auditors serve as a clear operational guideline are reviewed annually.

Internal Audit encourages internal auditors to improve themselves continuously so that they are equipped with knowledge and skillsets necessary and relevant to the operations. Individual self-development plans are formulated according to the Company's people development framework so that the auditors can perform audits 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 instance.

Head of the Internal Audit

The Audit Committee has approved Ms.Yupapun Paritranun to take the position of Chief Internal Audit Officer to control the operation of the internal audit function. The Audit Committee views that she understands MBK GROUP's business with knowledge, skills, and experiences in internal auditing. 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 TRASAXCTIONS

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 (SET) and the Securities and Exchange Commission (SEC).

9.2.1 For the year ended 31 December 2022, 2021 and 2020 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 |
| Supsinanthanee 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 | 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 Shopping Center Company Limited | Thailand | Direct subsidiary of the Company |
| MBK Training Center Company Limited | Thailand | Direct subsidiary of the Company |
| MBK Innovation Company Limited | Thailand | Direct subsidiary of the Company |

| Name of Entities | Country of incorporation / nationality | Nature of relationships |
|---|--|------------------------------------|
| MBK CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") | Thailand | Direct subsidiary of the Company |
| MBK Wealth Management Company Limited (Formerly known as "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 | 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 | Thailand | Direct subsidiary of the Company |
| MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") | Thailand | Direct subsidiary of the Company |
| Apple Auto Auction (Thailand) Company Limited | Thailand | Direct subsidiary of the Company |
| MBK Guarantee Company Limited | Thailand | Direct subsidiary of the Company |
| MBK Tonsai Resort Company Limited (Formerly known as "M G 1 Company Limited") | Thailand | Direct subsidiary of the Company |
| MBK Properties Company Limited | 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 |
| MBK Bangkok Golf Hotel Company Limited (Formerly known as "Absolute Travel Company Limited") | Thailand | Indirect subsidiary of the Company |
| MBK East One Company Limited (Formerly known as "MBK Leisure Company Limited") | Thailand | Indirect subsidiary of the Company |

| Name of Entities | Country of incorporation / nationality | Nature of relationships |
|--|--|------------------------------------|
| MBK Asset Solution Company Limited (Formerly known as "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 |
| 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 | Thailand | Indirect subsidiary of the Company |
| Ratchsima Rice Company Limited | Thailand | Indirect subsidiary of the Company |
| PRG Logistics Company Limited | Thailand | Indirect subsidiary of the Company |
| PRG Food Service Company Limited (Formerly known as "MBK Food Service Company Limited") | Thailand | Indirect subsidiary of the Company |
| PRG Food Product Company Limited (Formerly known as "MBK Restaurant Group Company Limited") | Thailand | Indirect subsidiary of the Company |
| Riverdale Marina Company Limited | Thailand | Indirect subsidiary of the Company |
| Khao Mahboonkrong Company Limited (Formerly known as "MBK Food and Entertainment Company Limited") | Thailand | Indirect subsidiary of the Company |
| PRG Global Company Limited (Formerly known as "Innofood (Thailand) Company Limited") | Thailand | Indirect subsidiary of the Company |
| PRG Food Island Company Limited (Formerly known as "MBK Food Island Company Limited") | Thailand | Indirect subsidiary of the Company |
| Sima Asset 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 |

| Name of Entities | Country of incorporation / nationality | Nature of relationships |
|---|--|--|
| 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 | Thailand | Indirect subsidiary of the Company |
| Q Broker Company Limited (Formerly known as "Q Mall Company Limited") | Thailand | Indirect subsidiary of the Company |
| MBK Charan Company Limited ^B | Thailand | Indirect subsidiary of the Company |
| MBK Krabi Resort Company Limited ^C (Formerly known as "MBK Asset Company Limited") | Thailand | Indirect subsidiary of the Company |
| Green Element Company Limited | Thailand | Indirect subsidiary of the Company |
| MBK Development Company Limited | Thailand | Indirect subsidiary of the Company |
| MBK Unity Company Limited | Thailand | Indirect subsidiary of the Company |
| Siam Piwat Company Limited ^A | 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 |
| 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 |

| Name of Entities | Country of incorporation / nationality | Nature of relationships |
|--|--|--|
| 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 |
| T Life Assurance Public Company Limited ^B (Formerly known as "MBK Life Assurance Public Company Limited") | Thailand | Direct subsidiary of controlling shareholder of the Company |
| MT Service 2016 Company Limited ^B | Thailand | Direct subsidiary of controlling shareholder of the Company |
| T Broker Company Limited ^B (Formerly known as "TM Broker Company Limited") | Thailand | Direct subsidiary of controlling shareholder of the Company |
| TS 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 |
| TMB Thanachart Bank Public Company Limited | Thailand | Indirect associate of controlling shareholder of the Company |
| TMB Thanachart Broker Company Limited | Thailand | Indirect associate of controlling shareholder of the Company |
| Phahonyothin Asset Management Company Limited | Thailand | Direct subsidiary of an associated of controlling shareholder of the Company |
| Siam Piwat Simon Company Limited | Thailand | Subsidiary of associate of the Company |
| MBK Group Savings Cooperative Limited | Thailand | Shareholder of the Company |

^A Proportion of investment in ordinary and preferred shares.

^B On 3 August 2021, the Company had entered into the Shares Purchase Agreement with Thanachart Capital Public Company Limited to dispose investments in T Life Assurance Public Company Limited (Formerly known as “MBK Life Assurance Public Company Limited”) in share proportion of 49%, MT Service 2016 Company Limited in share proportion of 49% and T Broker Company Limited (Formerly known as “TM Broker Company Limited”) in share proportion of 49% to Thanachart Capital Public Company Limited.

^C On 1 September 2022, the Company purchased additional shares from other shareholders. As a result, that company changed its status from an associate to a subsidiary.

^D On 29 November 2022, the Company purchased additional shares from other shareholders. As a result, that company changed its status from an associate to a subsidiary.

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 |
| Interest income | MOR and MOR rate less a fix rate and MLR and MLR rate less a fix rate |
| 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 expenses | MOR and MOR rate less a fix rate and fixed deposit rate of a local commercial bank per annum plus a fixed percentage |
| 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 |
| Management fee | Contract price |
| Training fee | Market Price |

9.2.3 Significant transactions for the year ended 31 December 2022, 2021 and 2020 with related parties were as follows:

Transactions with related parties

| | Consolidated financial statement | | | Separate financial statement | | | (Unit: Million Baht) |
|--|----------------------------------|------|------|------------------------------|-------|-------|----------------------|
| | 2021 | 2020 | 2019 | 2021 | 2020 | 2019 | |
| Transaction with subsidiaries | | | | | | | |
| (Eliminated from the consolidated financial statement) | | | | | | | |
| Rental income : | | | | | | | |
| PRG Food Island Company Limited | | | | | | | |
| (Formerly known as "MBK Food Island Company Limited") | - | - | - | 32.77 | 14.02 | 11.57 | |
| Khao Mahboonkrong Company Limited (Formerly known as "MBK Food and Entertainment Company Limited") | - | - | - | - | - | 1.92 | |
| MBK Guarantee Company Limited | - | - | - | 2.40 | 2.40 | 2.45 | |
| The Nine Center Company Limited | - | - | - | 2.19 | - | 1.18 | |
| MBK Hotels and Tourism Company Limited | - | - | - | 5.34 | 5.22 | 5.37 | |
| T Leasing Company Limited | | | | 1.35 | | | |
| The Olympic Fitness Club Company Limited | - | - | - | - | 0.11 | 3.66 | |
| Total | - | - | - | 44.05 | 21.75 | 26.14 | |
| Consulting fees : | | | | | | | |
| Plan Estate Company Limited | - | - | - | - | 0.84 | 0.84 | |
| Plan Appraisal Company Limited | - | - | - | - | 0.28 | 0.36 | |
| Lan Bangna Company Limited | - | - | - | - | - | 0.06 | |
| MBK Real Estate Company Limited | - | - | - | 0.07 | 1.24 | 1.31 | |

(Unit: Million Baht)

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|------|------|------------------------------|------|------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Transaction with subsidiaries | | | | | | |
| (Eliminated from the consolidated financial statement) | | | | | | |
| Consulting fees : (Cont'd) | | | | | | |
| MBK Resort Public Company Limited | - | - | - | - | 0.11 | 0.04 |
| MBK Hotels and Resorts Company Limited | - | - | - | - | 0.09 | - |
| PRG Corporation Public Company Limited | - | - | - | 1.14 | 0.48 | 0.44 |
| T Leasing Company Limited | - | - | - | 1.67 | 0.85 | 0.20 |
| MBK Guarantee Company Limited | - | - | - | 0.30 | 0.14 | 0.08 |
| MBK Hotels and Tourism Company Limited | - | - | - | - | 0.07 | - |
| Lanta Land Development Company Limited | - | - | - | 0.09 | - | - |
| Riverdale Golf and Country Club Company Limited | - | - | - | 0.13 | 0.12 | 0.06 |
| MBK Square Company Limited | - | - | - | - | 0.04 | 0.04 |
| MBK Realty Company Limited | - | - | - | - | 0.04 | 0.04 |
| The Nine Center Company Limited | - | - | - | 0.18 | 0.11 | 0.11 |
| Apple Auto Auction (Thailand) Company Limited* | - | - | - | 0.66 | 0.33 | 0.19 |
| MBK Enterprise Company Limited | - | - | - | 0.13 | 0.09 | 0.06 |
| MBK Bangkok Golf Hotel Company Limited | | | | | | |
| (Formerly known as "Absolute Travel Company Limited") | - | - | - | 0.09 | 0.07 | - |
| MBK Properties Company Limited | - | - | - | - | 0.86 | - |

| | (Unit: Million Baht) | | | |
|--|----------------------------------|------|------------------------------|--------------|
| | Consolidated financial statement | | Separate financial statement | |
| | 2022 | 2021 | 2022 | 2020 |
| Transaction with subsidiaries | | | | |
| (Eliminated from the consolidated financial statement) | | | | |
| Consulting fees : (Cont'd) | | | | |
| Paradise Park Company Limited | - | - | 0.28 | 0.16 |
| X-Gen Premium Company Limited | - | - | - | 0.16 |
| The Olympic Fitness Club Company Limited | - | - | - | 0.04 |
| Total | - | - | 4.74 | 3.94 |
| Management fees : | | | | |
| MBK Hotels and Resorts Company Limited | - | - | - | - |
| T Leasing Company Limited | - | - | 15.00 | 3.90 |
| MBK Guarantee Company Limited | - | - | 16.00 | 17.06 |
| Riverdale Golf and Country Club Company Limited | - | - | 1.67 | 1.67 |
| The Nine Center Company Limited | - | - | 2.30 | 2.30 |
| MBK Enterprise Company Limited | - | - | 2.35 | 1.95 |
| Apple Auto Auction (Thailand) Company Limited | - | - | 6.21 | 6.29 |
| 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 | 4.56 |
| Total | - | - | 48.09 | 38.12 |
| | | | | 48.02 |

(Unit: Million Baht)

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|------|------|------------------------------|--------|--------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Transaction with subsidiaries | | | | | | |
| (Eliminated from the consolidated financial statement) | | | | | | |
| Dividend income : | | | | | | |
| PRG Corporation Public Company Limited | - | - | - | - | 178.85 | 268.28 |
| Riverdale Golf and Country Club Company Limited | - | - | - | 79.80 | 183.00 | 337.50 |
| MBK Hotels and Resorts Company Limited | - | - | - | 72.82 | 33.00 | 374.00 |
| Glas Haus Ratchada Company Limited | - | - | - | 72.73 | - | 81.80 |
| MBK Business Company Limited | - | - | - | 28.82 | - | 55.83 |
| MBK Premium Company Limited | - | - | - | 59.00 | - | 32.50 |
| Supsinthanee Company Limited | - | - | - | 5.00 | - | - |
| MBK Krabi Resort Company Limited | - | - | - | - | - | - |
| (Formerly known as "MBK Asset Company Limited") | - | - | - | 31.50 | - | 18.00 |
| MBK Smart Force Security Guard Company Limited | - | - | - | 7.60 | 3.90 | 3.20 |
| MBK Center Company Limited | - | - | - | 10.32 | - | 3.30 |
| MBK Shopping Center Company Limited | - | - | - | 196.49 | - | 43.75 |
| MBK Square Company Limited | - | - | - | 34.90 | - | 6.20 |
| MBK Properties Company Limited | - | - | - | 14.20 | - | - |
| T Leasing Company Limited | - | - | - | - | 690.70 | - |
| MBK Training Center Company Limited | - | - | - | - | - | 1.95 |
| MBK Service Solution Company Limited | - | - | - | - | - | 10.88 |
| MBK CSC Holding Company Limited | - | - | - | - | - | - |
| (Formerly known as "MBK Innovation Company Limited") | - | - | - | - | 0.10 | - |

| | (Unit: Million Baht) | | | | |
|--|----------------------------------|------|------------------------------|---------------|-----------------|
| | Consolidated financial statement | | Separate financial statement | | |
| | 2022 | 2021 | 2020 | 2022 | 2021 |
| Transaction with subsidiaries | | | | | |
| (Eliminated from the consolidated financial statement) | | | | | |
| Dividend income : (Cont'd) | | | | | |
| MBK Guarantee Company Limited | - | - | - | 120.00 | 120.00 |
| MBK Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | - | - | - | 0.12 | - |
| Technology Gateway Company Limited | - | - | - | 4.13 | - |
| MBK Real Estate Company Limited | - | - | - | 47.95 | - |
| MBK Enterprise Company Limited | - | - | - | 94.48 | - |
| MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") | - | - | - | 15.52 | - |
| MBK Charan Company Limited | - | - | - | 1.26 | - |
| Apple Auto Auction (Thailand) Company Limited | - | - | - | 36.15 | 20.24 |
| Total | - | - | - | 932.79 | 1,154.58 |
| | | | | | 1,257.43 |

(Unit: Million Baht)

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|------|------|------------------------------|---------------|---------------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Transaction with subsidiaries | | | | | | |
| (Eliminated from the consolidated financial statement) | | | | | | |
| Interest income (Con'd): | | | | | | |
| Riverdale Golf and Country Club Company Limited | - | - | - | 12.46 | - | 248.11 |
| T Leasing Company Limited | - | - | - | 73.64 | 78.79 | 170.03 |
| MBK Smart Force Security Guard Company Limited | - | - | - | 3.32 | 1.26 | 0.02 |
| MBK Hotels and Tourism Company Limited | - | - | - | 2.16 | 1.32 | 0.26 |
| MBK Properties Company Limited | - | - | - | - | - | 0.01 |
| Intelligent Creative & Marketing Company Limited | - | - | - | 1.11 | 0.03 | 0.01 |
| MBK Business Company Limited | - | - | - | 3.19 | - | - |
| MBK Center Company Limited | - | - | - | 0.07 | - | - |
| MBK Training Center Company Limited | - | - | - | 0.58 | 0.13 | 0.06 |
| Technology Gateway Company Limited | - | - | - | 1.01 | - | - |
| MBK Real Estate Company Limited | - | - | - | 15.90 | 19.45 | 22.77 |
| MBK Contact Center Company Limited | - | - | - | 2.13 | 2.91 | 2.00 |
| MBK Online Company Limited | - | - | - | 0.01 | - | - |
| MBK Guarantee Company Limited | - | - | - | 277.45 | 284.91 | 19.48 |
| Total | - | - | - | 393.03 | 388.80 | 462.75 |

| | (Unit: Million Baht) | | | | |
|--|----------------------------------|------|------------------------------|-------|-------|
| | Consolidated financial statement | | Separate financial statement | | |
| | 2022 | 2021 | 2020 | 2022 | 2021 |
| Transaction with subsidiaries | | | | | |
| (Eliminated from the consolidated financial statement) | | | | | |
| Employee expense: | | | | | |
| MBK Business Company Limited | - | - | - | 97.46 | 64.49 |
| Hotel management fees: | | | | | |
| MBK Hotels and Tourism Company Limited | - | - | - | 25.31 | 15.83 |
| Security expense: | | | | | |
| MBK Smart Force Security Guard Company Limited | - | - | - | 71.47 | 61.42 |
| Management fee: | | | | | |
| MBK Square Company Limited | - | - | - | 47.14 | - |
| Intelligent Creative & Marketing Company Limited | - | - | - | 30.12 | 42.92 |
| Technology Gateway Company Limited | - | - | - | 14.76 | 12.62 |
| MBK Contact Center Company Limited | - | - | - | 3.54 | 1.94 |
| Total | - | - | - | 95.55 | 57.48 |
| Training fee: | | | | | |
| MBK Training Center Company Limited | - | - | - | 11.01 | 8.42 |
| | | | | | 11.08 |

(Unit: Million Baht)

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|------|------|------------------------------|-------|-------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Transaction with subsidiaries | | | | | | |
| (Eliminated from the consolidated financial statement) | | | | | | |
| Interest expense: (Cont'd) | | | | | | |
| Riverdale Golf and Country Club Company Limited | - | - | - | 57.52 | - | - |
| MBK Business Company Limited | - | - | - | 1.40 | 8.37 | 16.67 |
| MBK Smart Force Security Guard Company Limited | - | - | - | - | 37.63 | 2.25 |
| MBK Hotels and Resorts Company Limited | - | - | - | 61.07 | 59.00 | 45.34 |
| Supsinthanee Company Limited | - | - | - | 23.44 | 26.55 | 19.78 |
| MBK Krabi Resort Company Limited (Formerly known as "MBK Asset Company Limited") | - | - | - | 3.39 | 6.71 | 15.14 |
| MBK Premium Company Limited | - | - | - | 9.33 | 10.16 | 25.05 |
| Glas Haus Ratchada Company Limited | - | - | - | 9.73 | 11.16 | 44.61 |
| MBK Shopping Center Company Limited | - | - | - | 47.67 | 56.69 | 46.49 |
| MBK Square Company Limited | - | - | - | 3.17 | 4.76 | 4.94 |
| MBK Center Company Limited | - | - | - | 0.16 | 0.27 | 0.10 |
| Primacy Elegance Investments Limited | - | - | - | 20.27 | 18.77 | 13.20 |
| Lanta Land Development Company Limited | - | - | - | 3.10 | 4.05 | 4.22 |
| X-Gen Premium Company Limited | - | - | - | 3.31 | 3.13 | 3.03 |
| MBK Training Center Company Limited | - | - | - | - | 0.05 | 0.04 |
| MBK Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | - | - | - | 0.12 | 0.11 | 0.08 |

| | (Unit: Million Baht) | | | | | |
|---|----------------------------------|------|------|------------------------------|--------|--------|
| | Consolidated financial statement | | | Separate financial statement | | |
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Transaction with subsidiaries (Eliminated from the consolidated financial statement) | | | | | | |
| Interest expense: (Cont'd) | | | | | | |
| MBK CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") | - | - | - | 0.11 | 0.12 | 0.10 |
| MBK Charan Company Limited | - | - | - | 0.56 | 0.63 | 0.48 |
| MBK Hotels and Tourism Company Limited | - | - | - | - | - | 0.08 |
| Technology Gateway Company Limited | - | - | - | 0.30 | 4.25 | 6.70 |
| MBK Enterprise Company Limited | - | - | - | 91.41 | 111.55 | 79.76 |
| Intelligent Creative & Marketing Company Limited | - | - | - | - | - | 0.07 |
| MBK Properties Company Limited | - | - | - | 17.04 | 19.66 | 6.84 |
| MBK Online Company Limited | - | - | - | - | - | 0.02 |
| MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") | - | - | - | 79.47 | 41.76 | 29.81 |
| Apple Auto Auction (Thailand) Company Limited | - | - | - | 3.70 | 4.96 | 5.71 |
| MBK Contact Center Company Limited | - | - | - | 0.71 | - | - |
| MBK Tonsai Resort Company Limited (Formerly known as "M G 1 Company Limited") | - | - | - | 2.88 | 1.73 | 2.31 |
| MBK Real Estate Company Limited | - | - | - | 0.39 | - | - |
| Total | - | - | - | 440.25 | 432.15 | 372.82 |

(Unit: Million Baht)

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|-------------|-------------|------------------------------|-------------|-------------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Transaction with associate and joint venture | | | | | | |
| Rental Income: | | | | | | |
| Max Asset Management Company Limited | 0.43 | 0.29 | 0.43 | 0.43 | 0.29 | 0.43 |
| Siam Piwat Simon Company Limited | 0.39 | - | - | - | - | - |
| TM Communication and Brand Management Company Limited | 2.06 | 1.62 | 0.89 | 2.06 | 1.62 | 0.89 |
| Total | 2.88 | 1.91 | 1.32 | 2.49 | 1.91 | 1.32 |
| Management fees: | | | | | | |
| TM Communication and Brand Management Company Limited | 0.21 | 0.26 | - | 0.21 | 0.26 | - |
| Paemala Spa Company Limited | 1.61 | 0.63 | 0.94 | 1.61 | 0.63 | 0.94 |
| Total | 1.82 | 0.89 | 0.94 | 1.82 | 0.89 | 0.94 |
| Project management and sales commission income: | | | | | | |
| Max Asset Management Company Limited | 4.25 | 10.25 | 4.92 | - | - | - |
| Dividend income : | | | | | | |
| Siam Piwat Company Limited | 105.51 | - | - | 105.51 | - | - |
| Max Asset Management Company Limited | 17.71 | - | - | 17.71 | - | - |
| DMS Property Investment Private Limited | - | 9.03 | - | - | - | - |
| Total | 123.22 | 9.03 | - | 123.22 | - | - |

| | | (Unit: Million Baht) | | | |
|--|--------------|----------------------------------|-------------|------------------------------|-------------|
| | | Consolidated financial statement | | Separate financial statement | |
| | | 2022 | 2021 | 2022 | 2020 |
| Transaction with associate | | | | | |
| Interest income : | | | | | |
| Paemala Spa Company Limited | 0.13 | 0.18 | 0.18 | - | - |
| Max Asset Management Company Limited | 1.28 | 2.26 | 2.64 | 1.28 | 2.64 |
| TM Broker Company Limited | - | 0.11 | 0.11 | - | 0.11 |
| DMS Property Investment Private Limited | - | - | - | - | - |
| Lam Luk Ka Golf and Country Club Company Limited | 2.50 | 0.57 | - | 2.50 | 0.57 |
| Total | 3.91 | 3.12 | 2.93 | 3.78 | 2.75 |
| Advertising and public relations fee : | | | | | |
| TM Communication and Brand Management | | | | | |
| Company Limited | 10.54 | 10.54 | - | 10.54 | - |
| Siam Plwat Simon Company Limited | 0.53 | - | - | - | - |
| Total | 11.07 | 10.54 | - | 10.54 | - |

(Unit: Million Baht)

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|--------|--------|------------------------------|--------|--------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Transaction with related parties | | | | | | |
| Rental income : | | | | | | |
| Thanachart Capital Public Company Limited | 18.95 | 15.95 | 14.69 | 18.95 | 15.95 | 14.58 |
| TMB Thanachart Bank Public Company Limited | 14.06 | 43.03 | 84.26 | 0.05 | 7.80 | 31.74 |
| Thanachart Securities Public Company Limited | 23.15 | 24.02 | 25.32 | 23.15 | 24.02 | 25.02 |
| Thanachart Insurance Public Company Limited | 38.54 | 51.08 | 36.50 | - | - | - |
| TMB Thanachart Broker Company Limited | 11.49 | 11.25 | 11.03 | - | - | - |
| Total | 106.19 | 145.33 | 171.80 | 42.15 | 47.77 | 71.34 |
| Transaction with related parties | | | | | | |
| Dividend income : | | | | | | |
| Thanachart Capital Public Company Limited | 415.50 | 400.00 | 398.74 | 405.23 | 389.74 | 398.74 |
| Project management and sales commission income : | | | | | | |
| Thanachart Capital Public Company Limited | 13.53 | 13.77 | 15.96 | - | - | - |
| TMB Thanachart Bank Public Company Limited | 18.45 | 21.31 | 22.09 | - | - | - |
| NFS Asset Management Company Limited | 4.00 | 4.83 | 4.66 | - | - | - |
| Phahonyothin Asset Management Company Limited | 1.05 | - | - | - | - | - |
| TS Asset Management Company Limited | 2.90 | 2.89 | 4.14 | - | - | - |
| Total | 39.93 | 42.80 | 46.85 | - | - | - |

| | (Unit: Million Baht) | | | |
|---|----------------------------------|-------------|------------------------------|-------------|
| | Consolidated financial statement | | Separate financial statement | |
| | 2022 | 2021 | 2020 | 2020 |
| Transaction with related parties | | | | |
| Hotel franchise fee: | | | | |
| Dusit Thani Thai Property Public Company Limited | - | - | 0.30 | - |
| Insurance expense: | | | | |
| Thanachart Insurance Public Company Limited | 0.50 | 0.30 | 0.32 | 0.30 |
| T Life Assurance Public Company Limited (Formerly known as "MBK Life Assurance Public Company Limited") | 0.06 | 0.29 | 0.19 | 0.05 |
| Total | 0.56 | 0.59 | 0.51 | 0.33 |
| Bank fees: | | | | |
| TMB Thanachart Bank Public Company Limited | - | 0.02 | 0.30 | - |
| Operating fees: | | | | |
| TMB Thanachart Bank Public Company Limited | 34.80 | 34.00 | 27.00 | - |

Remaining balance of related parties as at 31 December 2022, 2021 and 2020 were as follows:

| | (Unit: Million Baht) | | | |
|--|----------------------------------|------|------------------------------|-------|
| | Consolidated financial statement | | Separate financial statement | |
| | 2022 | 2021 | 2022 | 2020 |
| Trade and other receivables: | | | | |
| Subsidiaries : | | | | |
| PRG Corporation Public Company Limited | - | - | - | 0.03 |
| Ratchsima Rice Company Limited | - | - | 0.01 | - |
| MBK Business Company Limited | - | - | 0.22 | 0.30 |
| MBK Smart Force Security Guard Company Limited | - | - | 0.86 | 0.03 |
| MBK Hotels and Resorts Company Limited | - | - | - | 0.22 |
| Supsinthanee Company Limited | - | - | 0.03 | 0.34 |
| MBK Resort Public Company Limited | - | - | 0.35 | 0.28 |
| Glas Haus Ratchada Company Limited | - | - | - | 0.03 |
| MBK Bangkok Golf Hotel Company Limited | - | - | 0.04 | 0.08 |
| (Formerly known as "Absolute Travel Company Limited") | - | - | - | 0.33 |
| PRG Food Island Company Limited | - | - | 1.60 | 0.71 |
| (Formerly known as "MBK Food Island Company Limited") | - | - | - | - |
| Khao Mahboonkrong Company Limited (Formerly known as "MBK Food and Entertainment Company Limited") | - | - | 0.01 | - |
| MBK Square Company Limited | - | - | 0.44 | 0.03 |
| MBK Guarantee Company Limited | - | - | 17.62 | 16.90 |
| Riverdale Golf and Country Club Company Limited | - | - | 1.94 | 0.03 |
| MBK Premium Company Limited | - | - | - | - |
| MBK Hotels and Tourism Company Limited | - | - | 0.11 | 0.09 |

| | (Unit: Million Baht) | | | | |
|--|----------------------------------|------|------------------------------|-------|-------|
| | Consolidated financial statement | | Separate financial statement | | |
| | 2022 | 2021 | 2020 | 2022 | 2021 |
| Trade and other receivables: (Cont'd) | | | | | |
| Subsidiaries: | | | | | |
| T Leasing Company Limited | - | - | - | 24.25 | 9.31 |
| Glas Haus Building Company Limited | - | - | - | - | 0.01 |
| MBK Golf Management Company Limited | - | - | - | 0.01 | 0.01 |
| Glas Haus Ratchada Company Limited | - | - | - | 0.90 | - |
| The Nine Center Company Limited | - | - | - | 2.70 | 3.29 |
| Lanta Land Development Company Limited | - | - | - | 0.03 | 0.12 |
| MBK Training Center Company Limited | - | - | - | - | 0.01 |
| Paradise Park Company Limited | - | - | - | 14.68 | 14.82 |
| MBK Real Estate Company Limited | - | - | - | - | 0.01 |
| MBK Tonsai Resort Company Limited | - | - | - | - | - |
| (Formerly known as "M G 1 Company Limited") | - | - | - | 0.07 | 0.01 |
| MBK Realty Company Limited | - | - | - | 0.21 | 0.42 |
| MBK Sukhumvit Company Limited | - | - | - | 0.04 | 10.84 |
| MBK Contact Center Company Limited | - | - | - | - | 0.16 |
| Intelligent Creative & Marketing Company Limited | - | - | - | 0.08 | 0.02 |
| The Olympic Fitness Club Company Limited | - | - | - | 1.00 | 0.72 |
| Technology Gateway Company Limited | - | - | - | 0.04 | 0.03 |
| Paradise Place Suanluang Company Limited | - | - | - | - | 0.02 |
| Paradise Retail Company Limited | - | - | - | - | 0.02 |

(Unit: Million Baht)

| | Consolidated financial statement | | Separate financial statement | | |
|--|----------------------------------|------|------------------------------|-------|-------|
| | 2022 | 2021 | 2020 | 2022 | 2021 |
| Trade and other receivables: (Cont'd) | | | | | |
| Subsidiaries : | | | | | |
| MBK Properties Company Limited | - | - | - | 0.02 | 12.30 |
| Apple Auto Auction (Thailand) Company Limited | - | - | - | - | 1.21 |
| MBK Enterprise Company Limited | - | - | - | 12.26 | - |
| MBK Asset Solution Company Limited | - | - | - | - | - |
| (Formerly known as "Tantara Gallery Company Limited") | - | - | - | 0.01 | - |
| C L P Management Company Limited | - | - | - | 0.11 | - |
| MBK Online Company Limited | - | - | - | 0.01 | 0.03 |
| The Nine Tiwanon Company Limited | - | - | - | 0.47 | 0.51 |
| X-Gen Premium Company Limited | - | - | - | 0.25 | 0.03 |
| MBK Trading Company Limited | - | - | - | - | 0.02 |
| MBK Broker Company Limited | - | - | - | 0.07 | - |
| MBK Business Company Limited | - | - | - | - | - |
| Technology Gateway Company Limited | - | - | - | - | 31.08 |
| Interest receivables - Riverdale Golf and Country | - | - | - | - | 4.88 |
| Club Company Limited | - | - | - | 5.46 | 0.37 |
| Interest receivables - T Leasing Company Limited | - | - | - | 1.80 | 9.08 |
| Interest receivables - MBK Training Center Company Limited | - | - | - | 0.06 | 0.01 |
| Interest receivables - MBK Real Estate Company Limited | - | - | - | 0.70 | 2.65 |
| Interest receivables - MBK Guarantee Company Limited | - | - | - | 6.13 | 17.71 |

| | (Unit: Million Baht) | | | | | |
|---|----------------------------------|------|------|------------------------------|------|------|
| | Consolidated financial statement | | | Separate financial statement | | |
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Interest receivables - Intelligent Creative & Marketing Company Limited | - | - | - | 0.17 | 0.01 | - |
| Interest receivables - MBK Smart Force Security Guard Company Limited | - | - | - | 0.19 | 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 |
| Interest receivables - MBK Asset Solution Company Limited (Formerly known as "Tantara Gallery Company Limited") | - | - | - | 0.15 | - | - |
| Trade and other receivables: (Cont'd) | | | | | | |
| Associates : | | | | | | |
| Paemala Spa Company Limited | 0.20 | 0.09 | 0.14 | 0.20 | 0.09 | 0.14 |
| Siam Piwat Simon Company Limited | 0.16 | - | - | - | - | - |
| Lam Luk Ka Golf and Country Club Company Limited | 0.04 | 0.02 | - | 0.04 | 0.02 | - |
| Dividend-Siam Piwat Company Limited | 2.41 | - | - | 2.41 | - | - |
| Interest Income-Lam Luk Ka Golf and Country Club Company Limited | 0.18 | 0.09 | - | 0.18 | 0.09 | - |
| Interest Income- Max Asset Management Company Limited | 0.01 | - | 0.05 | 0.01 | - | - |
| Joint venture : | | | | | | |
| TM Communication and Brand Management Company Limited | 0.09 | 0.29 | 0.02 | 0.04 | 0.29 | 0.02 |
| Rehappy Plus Company Limited | - | - | 1.28 | - | - | 0.50 |

(Unit: Million Baht)

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|-------|-------|------------------------------|-------|--------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Related parties : | | | | | | |
| TMB Thanachart Bank Public Company Limited | 0.28 | 1.37 | 0.24 | - | 0.75 | 0.01 |
| Thanachart Capital Public Company Limited | 0.13 | 0.01 | 4.40 | 0.13 | - | 4.39 |
| Thanachart Securities Public Company Limited | - | 0.01 | 0.03 | - | 0.01 | 0.02 |
| MBK Group Savings Cooperative Limited | 0.03 | - | - | 0.03 | - | - |
| TMB Thanachart Broker Company Limited | 5.22 | 5.86 | 6.35 | - | - | - |
| Thanachart Insurance Public Company Limited | 20.76 | 25.14 | 20.19 | 0.01 | 0.03 | - |
| TS Asset Management Company Limited | - | 0.01 | - | - | - | - |
| Insurance receivables-T Life Assurance Public Company Limited (Formerly known as "MBK Life Assurance Public Company Limited") | 8.15 | 11.45 | - | - | - | - |
| Prepaid Insurance expenses- Thanachart Insurance Public Company Limited | 0.45 | - | - | 0.02 | - | - |
| Prepaid Insurance expenses-T Life Assurance Public Company Limited (Formerly known as "MBK Life Assurance Public Company Limited") | 0.16 | - | - | - | - | - |
| Interest Income-T Broker Company Limited (Formerly known as "TM Broker Company Limited") | - | - | 2.06 | - | - | - |
| Interest Income- Thanachart Capital Public Company Limited | 0.83 | - | - | 0.83 | - | - |
| Total | 39.47 | 44.34 | 34.78 | 99.00 | 94.04 | 104.43 |

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|------|------|------------------------------|----------|----------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| | | | | | | |
| Short term loan to : | | | | | | |
| Subsidiaries : | | | | | | |
| Riverdale Golf and Country Club Company Limited | - | - | - | 959.10 | - | - |
| MBK Business Company Limited | - | - | - | 293.83 | - | - |
| MBK Center Company Limited | - | - | - | 3.14 | - | - |
| MBK Hotels and Resorts Company Limited | - | - | - | - | - | 13.53 |
| T Leasing Company Limited | - | - | - | 1,798.74 | 2,634.74 | 2,806.91 |
| Technology Gateway Company Limited | - | - | - | 29.75 | - | - |
| MBK Training Center Company Limited | - | - | - | 9.71 | 8.41 | 3.23 |
| MBK Real Estate Company Limited | - | - | - | 277.59 | 269.20 | 433.03 |
| MBK Hotels and Tourism Company Limited | - | - | - | - | 27.78 | - |
| MBK Contact Center Company Limited | - | - | - | - | 51.27 | 46.71 |
| MBK Guarantee Company Limited | - | - | - | 5,123.53 | 4,761.59 | 3,806.61 |
| MBK Smart Force Security Guard Company Limited | - | - | - | 32.76 | 50.53 | 0.17 |
| MBK Online Company Limited | - | - | - | 0.45 | 0.05 | - |
| Intelligent Creative & Marketing Company Limited | - | - | - | 35.58 | 2.49 | - |

(Unit: Million Baht)

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|----------|----------|------------------------------|----------|----------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Short term loan to: (Cont'd) | | | | | | |
| Associates: (Cont'd) | | | | | | |
| Paemala Spa Company Limited | 2.47 | 2.98 | 2.98 | - | - | - |
| Max Asset Management Company Limited | 20.70 | 31.80 | 48.36 | 20.70 | 31.80 | 48.36 |
| Lam Luk Ka Golf and Country Club Company Limited | 60.00 | 30.00 | - | 60.00 | 30.00 | - |
| Related party: | | | | | | |
| T Broker Company Limited (Formerly known as "TM Broker Company Limited") | - | - | 3.43 | - | - | 3.43 |
| Total | 83.17 | 64.78 | 54.77 | 8,644.88 | 7,867.86 | 7,161.98 |
| Other current financial assets: | | | | | | |
| Thanachart Capital Public Company Limited | 110.52 | - | - | 110.52 | - | - |
| Ratchthani Leasing Public Company Limited | 501.25 | - | - | 501.25 | - | - |
| Total | 611.77 | - | - | 611.77 | - | - |
| Other non-current financial assets: | | | | | | |
| Associates: | | | | | | |
| Siam Piwat Company Limited | 319.13 | 3.29 | 3.29 | 319.13 | 3.29 | 3.29 |
| Related party: | | | | | | |
| Thanachart Capital Public Company Limited | 6,296.86 | 5,000.14 | 4,599.35 | 6,152.36 | 4,871.79 | 4,482.05 |
| Total | 6,615.99 | 5,003.43 | 4,602.64 | 6,471.49 | 4,875.08 | 4,485.34 |

| | (Unit: Million Baht) | | | |
|--|----------------------------------|------|------------------------------|-------|
| | Consolidated financial statement | | Separate financial statement | |
| | 2022 | 2021 | 2022 | 2020 |
| Trade and other payables | | | | |
| Subsidiaries : | | | | |
| MBK Smart Force Security Guard Company Limited | - | - | 5.71 | 11.71 |
| MBK Hotels and Resorts Company Limited | - | - | 0.02 | 0.03 |
| MBK Resort Public Company Limited | - | - | 0.02 | 0.01 |
| PRG Food Island Company Limited (Formerly known as "MBK Food Island Company Limited") | - | - | 0.12 | 0.01 |
| Plan Estate Company Limited | - | - | 0.01 | 0.01 |
| MBK Square Company Limited | - | - | 47.58 | 12.70 |
| C L P Management Company Limited | - | - | - | - |
| MBK Training Center Company Limited | - | - | 5.19 | 7.11 |
| MBK Business Company Limited | - | - | 15.59 | 6.14 |
| PRG Food Product Company Limited (Formerly known as "MBK Restaurant Group Company Limited") | - | - | - | 0.14 |
| Khao Mahboonkrong Company Limited (Formerly known as "MBK Food and Entertainment Company Limited") | - | - | 0.09 | - |
| PRG Corporation Public Company Limited | - | - | 0.04 | 0.13 |
| Riverdale Golf and Country Club Company Limited | - | - | 0.05 | 0.05 |
| Paradise Park Company Limited | - | - | 1.67 | 0.24 |
| MBK Online Company Limited | - | - | 0.03 | 0.03 |
| Crystal Lake Properties Company Limited | - | - | - | 0.04 |

(Unit: Million Baht)

| | Consolidated financial statement | | | Separate financial statement | | |
|--|----------------------------------|------|------|------------------------------|------|-------|
| | 2022 | 2021 | 2020 | 2022 | 2020 | 2020 |
| Trade and other payables (cont'd) | | | | | | |
| Subsidiaries : | | | | | | |
| Intelligent Creative & Marketing Company Limited | - | - | - | 32.64 | 1.74 | 1.57 |
| MBK Hotels and Tourism Company Limited | - | - | - | 2.31 | 0.32 | 0.34 |
| The Olympic Fitness Club Company Limited | - | - | - | 0.02 | 0.02 | 0.04 |
| MBK Enterprise Company Limited | - | - | - | 0.02 | - | 0.03 |
| MBK Contact Center Company Limited | - | - | - | 0.32 | 0.17 | 0.10 |
| MBK Trading Company Limited | - | - | - | - | 4.24 | 11.16 |
| Lanta Land Development Company Limited | - | - | - | 0.01 | - | - |
| MBK Real Estate Company Limited | - | - | - | 0.12 | - | - |
| Technology Gateway Company Limited | - | - | - | 1.13 | - | - |
| MBK Premium Company Limited | - | - | - | 0.03 | 0.13 | - |
| Accrued interest expenses - MBK Business Company Limited | - | - | - | - | 0.06 | 1.86 |
| Accrued interest expenses-Riverdale Golf and Country Club Company Limited | - | - | - | - | 4.68 | 2.25 |
| Accrued interest expenses-MBK Hotels and Resorts Company Limited | - | - | - | 5.44 | 5.03 | 4.92 |
| Accrued interest expenses-Supsinthanee Company Limited | - | - | - | - | 2.30 | 2.25 |
| Accrued interest expenses-MBK Krabi Resort Company Limited (Formerly known as "MBK Asset Company Limited") | - | - | - | - | 0.58 | 1.16 |

| | Consolidated financial statement | | | | Separate financial statement | | | |
|--|----------------------------------|------|------|--|------------------------------|------|------|--|
| | | | | | | | | |
| | 2022 | 2021 | 2020 | | 2022 | 2021 | 2020 | |
| (Unit: Million Baht) | | | | | | | | |
| Trade and other payables (cont'd) | | | | | | | | |
| Subsidiaries : | | | | | | | | |
| Accrued interest expenses-MBK Premium Company Limited | - | - | - | | 0.67 | 0.89 | 2.68 | |
| Accrued interest expenses-Glas Haus Ratchada Company Limited | - | - | - | | 0.71 | 0.95 | 4.75 | |
| Accrued interest expenses-MBK Shopping Center Company Limited | - | - | - | | 3.20 | 4.86 | 5.35 | |
| Accrued interest expenses - MBK Square Company Limited | - | - | - | | 0.19 | 0.32 | 0.56 | |
| Accrued interest expenses - MBK Center Company Limited | - | - | - | | - | 0.03 | 0.02 | |
| Accrued interest expenses - Lanta Land Development Company Limited | - | - | - | | - | 0.30 | 0.41 | |
| Accrued interest expenses - MBK CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") | - | - | - | | - | 0.01 | 0.01 | |
| Accrued interest expenses - X-Gen Premium Company Limited | - | - | - | | 0.30 | 0.27 | 0.26 | |
| Accrued interest expenses - MBK Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | - | - | - | | 0.01 | 0.01 | 0.01 | |
| Accrued interest expenses - Technology Gateway Company Limited | - | - | - | | - | 0.15 | 0.74 | |
| Accrued interest expenses - MBK Charan Company Limited | - | - | - | | - | 0.05 | 0.05 | |

Trade and other payables (cont'd)

Subsidiaries :

| | Consolidated financial statement | | | Separate financial statement | | |
|---|----------------------------------|------|------|------------------------------|------|------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| | (Unit: Million Baht) | | | | | |
| Accrued interest expenses - MBK Broker Company Limited | - | - | - | 0.01 | - | - |
| Accrued interest expenses - MBK Properties Company Limited | - | - | - | - | 0.05 | 0.05 |
| Accrued interest expenses - MBK Contact Center Company Limited | - | - | - | 1.13 | - | - |
| Accrued interest expenses - MBK Tonsai Resort Company Limited (Formerly known as "M G 1 Company Limited") | - | - | - | - | 0.13 | 0.18 |
| Accrued interest expenses - MBK Enterprise Company Limited | - | - | - | 0.73 | 9.67 | 9.15 |
| Accrued interest expenses - Intelligent Creative & Marketing Company Limited | - | - | - | - | - | 0.01 |
| Accrued interest expenses - MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") | - | - | - | 22.35 | 3.64 | 3.44 |
| Accrued interest expenses - Apple Auto Auction (Thailand) Company Limited | - | - | - | 0.88 | 0.98 | 1.03 |

| | (Unit: Million Baht) | | | |
|---|----------------------------------|-------|------------------------------|----------|
| | Consolidated financial statement | | Separate financial statement | |
| | 2022 | 2021 | 2022 | 2020 |
| Joint venture : | | | | |
| TM Communication and Brand Management Company Limited | 0.59 | 3.56 | 0.10 | 3.56 |
| Related Parties : | | | | |
| TMB Thanachart Bank Company Limited | 64.76 | 45.45 | - | - |
| Thanachart Insurance Public Company Limited | 0.26 | 0.10 | - | - |
| Thanachart Capital Public Company Limited | - | - | - | 0.01 |
| T Life Assurance Public Company Limited (Formerly known as "MBK Life Assurance Public Company Limited") | 18.46 | - | - | - |
| Ratchthani Leasing Public Company Limited | - | 0.76 | - | - |
| Total | 83.77 | 49.87 | 148.39 | 83.50 |
| Short term loan from : | | | | |
| Subsidiaries : | | | | |
| MBK Business Company Limited | - | - | - | 11.99 |
| Riverdale Golf and Country Club Company Limited | - | - | - | 977.23 |
| MBK Hotels and Resorts Company Limited | - | - | 1,031.70 | 992.73 |
| Supsinthanee Company Limited | - | - | - | 455.65 |
| MBK Krabi Resort Company Limited (Formerly known as "MBK Asset Company Limited") | - | - | - | 114.57 |
| MBK Premium Company Limited | - | - | 135.86 | 174.87 |
| Glas Haus Ratchada Company Limited | - | - | 141.91 | 186.90 |
| MBK Shopping Center Company Limited | - | - | 615.32 | 990.72 |
| MBK Square Company Limited | - | - | 40.36 | 76.85 |
| MBK Center Company Limited | - | - | - | 5.69 |
| Primacy Elegance Investments Limited | - | - | 362.48 | 333.48 |
| Total | - | - | - | 370.51 |
| | - | - | - | 561.98 |
| | - | - | - | 978.99 |
| | - | - | - | 446.06 |
| | - | - | - | 109.29 |
| | - | - | - | 160.71 |
| | - | - | - | 179.91 |
| | - | - | - | 1,063.73 |
| | - | - | - | 110.87 |
| | - | - | - | 3.62 |
| | - | - | - | 311.98 |

| | (Unit: Million Baht) | | | | | |
|--|----------------------------------|------|------|------------------------------|-----------------|-----------------|
| | Consolidated financial statement | | | Separate financial statement | | |
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| Short term loan from (Cont'd) : | | | | | | |
| Subsidiaries : | | | | | | |
| Lanta Land Development Company Limited | - | - | - | - | 59.95 | 81.32 |
| X-Gen Premium Company Limited | - | - | - | 56.77 | 53.73 | 51.21 |
| MBK Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | - | - | - | 1.71 | 1.90 | 1.83 |
| MBK CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") | - | - | - | 1.62 | - | - |
| MBK Charan Company Limited | - | - | - | - | 10.74 | 10.84 |
| Technology Gateway Company Limited | - | - | - | - | 34.51 | 147.11 |
| MBK Enterprise Company Limited | - | - | - | 148.44 | 1,920.36 | 1,811.04 |
| Intelligent Creative & Marketing Company Limited | - | - | - | - | - | 1.00 |
| MBK Online Company Limited | - | - | - | - | - | 0.07 |
| MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") | - | - | - | 4,195.32 | 720.97 | 680.34 |
| MBK Properties Company Limited | - | - | - | 81.80 | 346.40 | 330.40 |
| MBK Tonsai Resort Company Limited (Formerly known as "M G 1 Company Limited") | - | - | - | - | 24.54 | 36.30 |
| Apple Auto Auction (Thailand) Company Limited | - | - | - | 449.00 | 572.00 | 482.00 |
| MBK Contact Center Company Limited | - | - | - | 46.50 | - | - |
| Total | - | - | - | 7,308.82 | 8,067.56 | 7,897.11 |

| | Consolidated financial statement | | Separate financial statement | | (Unit: Million Baht) |
|---|----------------------------------|-------|------------------------------|--------|----------------------|
| | 2022 | 2021 | 2020 | 2022 | 2020 |
| Other current liabilities – advance rental and deposit | | | | | |
| Advance rental and service deposits | | | | | |
| Subsidiary: | | | | | |
| PRG Food Island Company Limited (Formerly known as "MBK Food Island Company Limited") | - | - | - | 231.61 | 276.54 |
| Deposits | | | | | |
| Subsidiaries : | | | | | |
| PRG Food Island Company Limited (Formerly known as "MBK Food Island Company Limited") | - | - | - | 0.71 | 0.31 |
| MBK Guarantee Company Limited | - | - | - | 0.54 | 0.60 |
| MBK Hotels and Tourism Company Limited | - | - | - | 1.18 | 1.31 |
| Joint venture : | | | | | |
| Rehappy Plus Company Limited | - | - | 0.40 | - | 0.40 |
| TM Communication and Brand Management Company Limited | 0.40 | 0.36 | - | 0.40 | - |
| Other current liabilities – advance rental and deposit (Cont'd) : | | | | | |
| Deposits (Cont'd) : | | | | | |
| Related parties : | | | | | |
| Thanachart Capital Public Company Limited | 2.56 | 2.56 | 5.34 | 2.56 | 3.24 |
| TMB Thanachart Bank Company Limited | 3.00 | 24.45 | 37.43 | 11.29 | 13.09 |
| Thanachart Securities Public Company Limited | 7.28 | 7.28 | 6.00 | 7.28 | 6.37 |
| Thanachart Insurance Public Company Limited | 10.14 | 10.14 | 9.20 | - | - |
| TMB Thanachart Broker Company Limited | 15.36 | 3.00 | 2.88 | - | - |
| Total | 38.74 | 47.79 | 61.25 | 23.96 | 25.32 |
| Long-term liabilities under finance lease agreement – Subsidiary: | | | | | |
| MBK Premium Company Limited | - | - | - | 2.37 | 10.06 |



FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

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 2022, 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 2022, 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 including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional 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 10 to the consolidated financial statements, as at 31 December 2022, the Group had total loans to customers of Baht 15,401 million and allowance for expected credit losses of Baht 832 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 17 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: 27 February 2023

STATEMENT OF FINANCIAL POSITION

MBK Public Company Limited and its subsidiaries
As at 31 December 2022

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|-------|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 7 | 1,268,997,113 | 4,448,804,675 | 558,178,124 | 3,573,691,381 |
| Other current financial assets | 6, 8 | 1,809,491,856 | 3,478,250 | 1,806,008,282 | - |
| Trade and other receivables | 6, 9 | 821,787,394 | 1,026,342,469 | 352,808,166 | 520,277,333 |
| Short-term loans to related companies | 6 | 83,173,467 | 64,775,200 | 8,644,880,471 | 7,867,856,665 |
| Current portion of loans to customers | 10 | 4,676,880,153 | 5,053,524,119 | - | - |
| Inventories | 11 | 2,037,907,878 | 2,297,350,433 | 29,311,231 | 30,305,759 |
| Other current assets | 12 | 157,267,667 | 165,741,011 | 23,006,025 | 56,461,377 |
| Total current assets | | 10,855,505,528 | 13,060,016,157 | 11,414,192,299 | 12,048,592,515 |
| Non-current assets | | | | | |
| Restricted fixed deposits | | 3,039,144 | 3,033,669 | - | - |
| Investments in associates | 13 | 5,405,990,634 | 5,107,604,126 | 4,212,492,525 | 4,211,570,364 |
| Investments in joint ventures | 14 | 2,102,551 | 4,279,536 | 2,500,000 | 2,500,000 |
| Investments in subsidiaries | 15 | - | - | 18,945,603,320 | 20,570,500,926 |
| Other non-current financial assets | 6, 16 | 6,656,380,224 | 5,067,505,044 | 6,489,896,799 | 4,916,761,839 |
| Loans to customers - net of current portion | 10 | 9,891,151,218 | 9,744,965,185 | - | - |
| Investment properties | 17 | 12,398,019,235 | 13,065,117,327 | 8,710,636,103 | 9,480,755,373 |
| Land held for development | 18 | 1,899,755,084 | 1,797,088,529 | - | - |
| Property, plant and equipment | 19 | 5,444,440,209 | 5,622,845,068 | 1,333,216,778 | 1,446,957,641 |
| Goodwill | 20 | 71,793,178 | 71,793,178 | - | - |
| Intangible assets | 21 | 119,244,760 | 144,557,216 | 63,657,802 | 116,616,391 |
| Deferred tax assets | 41 | 805,826,139 | 776,683,157 | 570,291,496 | 574,533,496 |
| Property foreclosed | 22 | 391,078,057 | 389,551,885 | - | - |
| Other non-current assets | 23 | 405,774,851 | 402,379,887 | 55,239,415 | 52,750,327 |
| Total non-current assets | | 43,494,595,284 | 42,197,403,807 | 40,383,534,238 | 41,372,946,357 |
| Total assets | | 54,350,100,812 | 55,257,419,964 | 51,797,726,537 | 53,421,538,872 |

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 2022

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|-------|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Short-term loans from financial institutions | 24 | 937,584,529 | 990,000,000 | 100,000,000 | - |
| Other current financial liabilities | | 85,550 | 895,799 | - | - |
| Trade and other payables | 6, 25 | 1,037,921,629 | 1,006,553,796 | 445,851,707 | 388,144,335 |
| Short-term loans from related companies | 6 | - | - | 7,308,769,858 | 8,067,546,361 |
| Current portion of long-term loans from financial institutions | 26 | 1,018,001,334 | 734,667,334 | - | - |
| Current portion of long-term debentures | 28 | 1,499,486,656 | 1,043,390,757 | 1,299,620,874 | 1,043,390,757 |
| Current portion of rental and service income received in advance | | 161,938,496 | 198,746,827 | 149,148,721 | 182,966,111 |
| Current portion of lease liabilities | 29 | 898,681,685 | 634,650,382 | 867,048,730 | 609,698,464 |
| Corporate income tax payable | | 153,973,446 | 142,851,940 | - | - |
| Other current liabilities | 27 | 801,856,179 | 794,436,792 | 131,288,173 | 114,018,648 |
| Total current liabilities | | 6,509,529,504 | 5,546,193,627 | 10,301,728,063 | 10,405,764,676 |
| Non-current liabilities | | | | | |
| Long-term loans from financial institutions - net of current portion | 26 | 414,296,055 | 1,505,686,889 | - | - |
| Long-term debentures - net of current portion | 28 | 12,709,142,821 | 13,833,273,382 | 12,509,336,066 | 13,833,273,382 |
| Rental and service income received in advance - net of current portion | | 30,598,347 | 122,210,871 | 231,448,756 | 346,177,821 |
| Lease liabilities - net of current portion | 29 | 10,537,943,192 | 11,049,809,046 | 10,241,646,729 | 10,750,670,419 |
| Provision for long-term employee benefits | 30 | 342,095,404 | 324,688,627 | 84,455,428 | 99,955,558 |
| Deferred tax liabilities | 41 | 1,186,005,592 | 1,035,313,332 | 810,634,596 | 708,249,709 |
| Deposits | | 769,906,283 | 736,879,654 | 430,894,265 | 360,711,938 |
| Other non-current liabilities | 31 | 37,614,856 | 45,256,578 | 1,892,810 | 1,490,807 |
| Total non-current liabilities | | 26,027,602,550 | 28,653,118,379 | 24,310,308,650 | 26,100,529,634 |
| Total liabilities | | 32,537,132,054 | 34,199,312,006 | 34,612,036,713 | 36,506,294,310 |

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 2022

| | | (Unit: Baht) | | | |
|--|----|-----------------------------------|----------------|-------------------------------|----------------|
| | | Consolidated financial statements | | Separate financial statements | |
| Note | | 2022 | 2021 | 2022 | 2021 |
| Shareholders' equity | | | | | |
| Share capital | | | | | |
| | 32 | | | | |
| Registered | | | | | |
| 2,488,712,432 ordinary shares of Baht 1 each | | | | | |
| (2021: 2,405,583,548 ordinary shares of Baht 1 each) | | | | | |
| | | 2,488,712,432 | 2,405,583,548 | 2,488,712,432 | 2,405,583,548 |
| Issued and paid-up | | | | | |
| 1,895,598,424 ordinary shares of Baht 1 each | | | | | |
| (2021: 1,761,921,389 ordinary shares of Baht 1 each) | | | | | |
| | | 1,895,598,424 | 1,761,921,389 | 1,895,598,424 | 1,761,921,389 |
| Premium on ordinary shares | | | | | |
| | | 1,701,707,915 | 1,420,302,888 | 1,681,277,362 | 1,420,302,888 |
| 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 | | | | | |
| | | 386,829,131 | 402,385,063 | - | - |
| Retained earnings | | | | | |
| Appropriated - statutory reserve | | | | | |
| | 33 | 229,332,000 | 226,280,000 | 229,332,000 | 226,280,000 |
| Unappropriated | | | | | |
| | | 14,456,301,304 | 14,707,008,398 | 10,256,231,736 | 10,941,897,963 |
| Other components of shareholders' equity | | | | | |
| | | 3,124,299,890 | 2,549,046,305 | 3,123,250,302 | 2,564,842,322 |
| Equity attribute to owners of the Company before | | | | | |
| treasury stock and non-controlling interests | | | | | |
| of the subsidiaries | | | | | |
| | | 21,966,275,070 | 21,239,150,449 | 17,185,689,824 | 16,915,244,562 |
| Less: Treasury stock | | | | | |
| | 34 | (804,692,074) | (711,993,784) | - | - |
| Equity attributable to owners of the Company | | | | | |
| | 35 | 21,161,582,996 | 20,527,156,665 | 17,185,689,824 | 16,915,244,562 |
| Non-controlling interests of subsidiaries | | | | | |
| | | 651,385,762 | 530,951,293 | - | - |
| Total shareholders' equity | | | | | |
| | | 21,812,968,758 | 21,058,107,958 | 17,185,689,824 | 16,915,244,562 |
| Total liabilities and shareholders' equity | | | | | |
| | | 54,350,100,812 | 55,257,419,964 | 51,797,726,537 | 53,421,538,872 |

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 2022

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------------|-----------------------------------|----------------------|-------------------------------|----------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Profit or loss: | | | | | |
| Revenues | | | | | |
| Sales | | 2,532,995,587 | 2,617,701,923 | - | - |
| Rental income | | 1,714,814,652 | 1,490,725,781 | 1,055,895,278 | 834,709,796 |
| Service income | | 993,066,943 | 904,907,574 | - | - |
| Revenue from hotel operations | | 805,245,773 | 205,989,121 | 416,742,944 | 97,201,565 |
| Interest revenue from financial business | 37 | 2,358,788,408 | 2,411,233,867 | 3,899,213 | 2,829,799 |
| Other income | | | | | |
| Dividend income | 6 | 422,231,489 | 399,943,200 | 1,460,297,038 | 1,544,573,069 |
| Gain from disposal of investments in associates | 13 | - | 46,675,461 | - | - |
| Gain from disposal of investments in subsidiaries | 2 | - | - | 11,628,682 | - |
| Gain from disposal of assets | | 13,995,869 | 11,769,121 | - | - |
| Others | | 180,488,111 | 100,870,872 | 79,378,544 | 59,782,501 |
| Total revenues | | 9,021,626,832 | 8,189,816,920 | 3,027,841,699 | 2,539,096,730 |
| Expenses | | | | | |
| Cost of sales | | 1,758,725,099 | 1,874,355,517 | - | - |
| Cost of rental | | 1,865,495,420 | 1,672,613,170 | 1,010,876,152 | 950,052,397 |
| Cost of service | | 559,783,856 | 557,447,393 | - | - |
| Hotel operating expenses | | 627,355,669 | 417,526,863 | 251,131,029 | 117,955,488 |
| Selling and distribution expenses | | 754,520,279 | 654,992,767 | 135,591,721 | 139,725,618 |
| Administrative expenses | | 2,063,867,739 | 1,907,074,520 | 506,724,081 | 690,116,478 |
| Total expenses | | 7,629,748,062 | 7,084,010,230 | 1,904,322,983 | 1,897,849,981 |
| Profit from operating activities | | 1,391,878,770 | 1,105,806,690 | 1,123,518,716 | 641,246,749 |
| Share of profit (loss) from investments in associates and joint ventures | 13.2, 14.2 | 408,811,459 | (334,004,679) | - | - |
| Finance income | 6 | 23,695,792 | 17,558,666 | 414,553,827 | 402,673,078 |
| Finance costs | 38 | (1,185,026,973) | (1,264,341,814) | (1,510,278,087) | (1,584,076,888) |
| Profit (loss) before income tax expenses | | 637,159,048 | (474,981,137) | 27,794,456 | (540,157,061) |
| Income tax revenue (expenses) | 41 | (257,623,391) | (269,125,639) | 33,230,727 | (20,161,587) |
| Profit (loss) for the year | | 379,535,657 | (744,106,776) | 61,025,183 | (560,318,648) |

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 2022

(Unit: Baht)

| Note | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|---------------|-------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| Other comprehensive income: | | | | |
| <i>Other comprehensive income to be reclassified</i> | | | | |
| to profit or loss in subsequent periods - net of income tax | 41 | | | |
| Unrealised gains (losses) on investments in loans | - | 3,656,735 | - | 3,656,735 |
| Translation adjustment of an associate | 892,757 | 1,116,679 | - | - |
| Other comprehensive income to be reclassified | | | | |
| to profit or loss in subsequent periods - net of income tax | 892,757 | 4,773,414 | - | 3,656,735 |
| <i>Other comprehensive income not to be reclassified</i> | | | | |
| to profit or loss in subsequent periods - net of income tax | 41 | | | |
| Actuarial gains of associates | 2,544,803 | - | - | - |
| Gains on investments in equity designated | | | | |
| at fair value through other comprehensive income | 587,066,599 | 325,001,502 | 571,441,574 | 311,794,560 |
| Losses on investments in equity designated | | | | |
| at fair value through other comprehensive income | | | | |
| of an associate | - | (27,173,499) | - | - |
| Other comprehensive income not to be reclassified | | | | |
| to profit or loss in subsequent periods - net of income tax | 589,611,402 | 297,828,003 | 571,441,574 | 311,794,560 |
| Other comprehensive income for the year | 590,504,159 | 302,601,417 | 571,441,574 | 315,451,295 |
| Total comprehensive income for the year | 970,039,816 | (441,505,359) | 632,466,757 | (244,867,353) |
| Profit (loss) attributable to: | | | | |
| Equity holders of the Company | 331,852,284 | (804,475,422) | 61,025,183 | (560,318,648) |
| Non-controlling interest of the subsidiaries | 47,683,373 | 60,368,646 | | |
| | 379,535,657 | (744,106,776) | | |
| Total comprehensive income attributable to: | | | | |
| Equity holders of the Company | 922,684,266 | (502,415,309) | 632,466,757 | (244,867,353) |
| Non-controlling interest of the subsidiaries | 47,355,550 | 60,909,950 | | |
| | 970,039,816 | (441,505,359) | | |
| Earnings (loss) per share | 42 | | | |
| Basic earnings (loss) per share | | | | |
| Profit (loss) attributable to equity holders of the Company | 0.23 | (0.60) | 0.03 | (0.33) |
| Dilute earning per share | | | | |
| Profit attributable to equity holders of the Company | 0.21 | (0.60) | 0.03 | (0.33) |

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

MBK Public Company Limited and its subsidiaries
For the year ended 31 December 2022

(Unit: Baht)

| | Consolidated financial statements | | | | | | | | | | | | |
|--|--|----------------------------|--|--|----------------------|---|--------------------|---|--|--|--------------------------------|--|----------------------------|
| | Equity attributable to owners of the Company | | | | | | | | | | | | |
| | Other components of shareholders' equity | | | | | | | | | | | | |
| | Other comprehensive income | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | Issued and paid-up share capital | Premium on ordinary shares | Difference between the lower acquisition cost of business and fair value | Surplus (deficit) from the change in the ownership interests in subsidiaries | Retained earnings | Unrealised gains (losses) on investments in loans | Fair value reserve | Unrealised gains (losses) on investments in loans of an associate | Translation adjustment of an associate | Total other components of shareholders' equity | Treasury stocks of the Company | Equity attributable to non-controlling interests of the subsidiaries | Total shareholders' equity |
| | | | | | Appropriated reserve | | | | | | | | |
| | | | | | Statutory reserve | | | | | | | | |
| Balance as at 1 January 2021 | 1,694,923,000 | 1,289,074,500 | 172,206,406 | 402,385,063 | 226,280,000 | 15,555,663,718 | 2,221,042,239 | (1,386,037) | 167,391 | 2,202,806,294 | (711,993,764) | 553,761,237 | 21,385,106,434 |
| Loss for the year | - | - | - | - | - | (804,475,422) | 324,460,198 | - | - | 302,060,113 | - | 60,388,646 | (744,106,776) |
| Other comprehensive income for the year | - | - | - | - | - | (804,475,422) | 324,460,198 | 3,658,735 | 1,116,679 | 302,060,113 | - | 54,304 | 302,001,417 |
| Total comprehensive income for the year | - | - | - | - | - | (804,475,422) | 324,460,198 | 3,658,735 | 1,116,679 | 302,060,113 | - | 60,989,850 | (441,905,359) |
| Dividend paid (Note 48) | - | - | - | - | - | - | - | - | - | - | - | - | (83,719,894) |
| Loss on de-recognition of financial assets measured at fair value through other comprehensive income (Note 13) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Warrant to subscribe for ordinary shares | 66,698,369 | 131,226,388 | - | - | - | (44,179,898) | - | - | - | 44,179,898 | - | - | 198,226,777 |
| Balance as at 31 December 2021 | 1,761,621,369 | 1,420,302,888 | 172,206,406 | 402,385,063 | 226,280,000 | 14,707,008,398 | 2,545,502,437 | 2,259,798 | 1,284,070 | 2,549,046,305 | (711,993,764) | 530,951,293 | 21,058,107,958 |
| Balance as at 1 January 2022 | 1,761,621,369 | 1,420,302,888 | 172,206,406 | 402,385,063 | 226,280,000 | 14,707,008,398 | 2,545,502,437 | 2,259,798 | 1,284,070 | 2,549,046,305 | (711,993,764) | 530,951,293 | 21,058,107,958 |
| Profit for the year | - | - | - | - | - | 331,852,264 | 587,384,422 | - | 882,757 | 588,287,179 | - | 47,683,373 | 379,535,957 |
| Other comprehensive income for the year | - | - | - | - | - | 2,544,803 | 587,384,422 | - | 882,757 | 588,287,179 | - | 47,355,550 | 970,039,816 |
| Total comprehensive income for the year | - | - | - | - | - | 334,397,067 | 587,384,422 | - | 882,757 | 588,287,179 | - | 54,707,530 | 1,369,575,773 |
| Increasing in share capital | - | - | - | - | - | (595,085,775) | - | - | - | - | - | - | (595,085,775) |
| Dividend paid (Note 48) | - | - | - | - | - | (3,052,000) | - | - | - | - | - | - | (3,052,000) |
| Appropriate to statutory reserve (Note 33) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease in surplus from the change in ownership interest in subsidiaries | - | - | - | (15,555,932) | - | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | 13,033,584 | (13,033,584) | - | - | (13,033,584) | - | - | - |
| Warrant to subscribe for ordinary shares (Note 36) | 133,677,036 | 281,405,027 | - | - | - | - | - | - | - | - | 27,118,805 | 11,563,873 | 398,194,711 |
| Balance as at 31 December 2022 | 1,895,298,404 | 1,701,707,915 | 172,206,406 | 386,829,131 | 229,332,000 | 14,456,301,304 | 3,119,863,365 | 2,259,798 | 2,176,827 | 3,124,289,890 | (119,918,095) | 686,887,777 | 21,812,968,798 |

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 2022

(Unit: Baht)

| | Separate financial statements | | | | | | |
|--|--|----------------------------|--------------------------------|--------------------|---|--|----------------------------|
| | Other components of shareholders' equity | | | | | | Total shareholders' equity |
| | Issued and paid-up share capital | Premium on ordinary shares | Retained earnings | Fair value reserve | Unrealised gains (losses) on investments in loans | Total other components of shareholders' equity | |
| | | | Appropriated Statutory reserve | | | | |
| Balance as at 1 January 2021 | 1,694,923,000 | 1,289,074,500 | 226,280,000 | 2,250,787,964 | (1,396,937) | 2,249,391,027 | 16,961,885,138 |
| Loss for the year | - | - | - | - | - | - | (560,318,648) |
| Other comprehensive income for the year | - | - | - | 311,794,560 | 3,656,735 | 315,451,295 | 315,451,295 |
| Total comprehensive income for the year | - | - | - | 311,794,560 | 3,656,735 | 315,451,295 | (244,867,353) |
| Warrant to subscribe for ordinary shares | 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 | 2,562,582,524 | 2,259,798 | 2,564,842,322 | 16,915,244,562 |
| Balance as at 1 January 2022 | 1,761,921,389 | 1,420,302,888 | 226,280,000 | 2,562,582,524 | 2,259,798 | 2,564,842,322 | 16,915,244,562 |
| Profit for the year | - | - | - | - | - | - | 61,025,183 |
| Other comprehensive income for the year | - | - | - | 571,441,574 | - | 571,441,574 | 571,441,574 |
| Total comprehensive income for the year | - | - | - | 571,441,574 | - | 571,441,574 | 632,466,757 |
| Dividend paid (Note 48) | - | - | - | - | - | - | (756,673,004) |
| Appropriate to statutory reserve (Note 33) | - | - | 3,052,000 | - | - | - | - |
| Transfer to retained earnings | - | - | - | (13,033,594) | - | (13,033,594) | - |
| Warrant to subscribe for ordinary shares (Note 36) | 133,677,035 | 260,974,474 | - | - | - | - | 394,651,509 |
| Balance as at 31 December 2022 | 1,895,598,424 | 1,681,277,362 | 229,332,000 | 3,120,990,504 | 2,259,798 | 3,123,250,302 | 17,185,689,824 |

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 2022

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------------------|-------------------------------|----------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Cash flows from operating activities | | | | |
| Profit (loss) before tax | 637,159,048 | (474,981,137) | 27,794,456 | (540,157,061) |
| Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities: | | | | |
| Depreciation and amortisation | 1,777,037,532 | 1,800,097,712 | 1,073,054,959 | 1,077,047,712 |
| (Gains) losses on sales of investments in associates | - | (46,675,461) | - | 136,453,493 |
| Losses on sales of investments in subsidiaries | - | - | (11,628,682) | - |
| Losses on allowance for impairment of investments in subsidiaries (reversal) | (1,233,475) | 1,394,845 | (2,360,259) | (1,803,322) |
| (Gains) losses on fair value adjustments of financial instrument | (8,155,304) | 1,046,336 | (7,345,055) | - |
| Gains on sales of financial assets | (4,566,819) | - | (4,566,819) | - |
| Interest income and gain on investments in loans | (177,528) | - | (177,528) | - |
| Losses on written-off of investments in loans | - | 2,044,458 | - | 2,044,458 |
| (Gains) losses on disposal/write-off of investment properties, equipment and intangible assets | 8,557,376 | 9,013,845 | 14,020,985 | 13,442,962 |
| Gains on disposal of property foreclosed | (1,928,175) | (4,621,268) | - | - |
| Allowance for expected credit losses (reversal/written-off) | 198,109,454 | (84,856,675) | (2,463,278) | 49,205,423 |
| Allowance for diminution in value of inventories (reversal) | (19,065) | (2,826,866) | - | - |
| Provision for long-term employee benefits | 34,374,057 | 15,962,884 | 7,582,725 | 7,301,885 |
| Finance income | (23,695,792) | (17,558,666) | (414,553,827) | (402,673,078) |
| Finance cost | 1,183,816,044 | 1,261,869,014 | 1,510,180,757 | 1,582,385,269 |
| Rental cost discount | (230,670,000) | (292,880,000) | (230,670,000) | (292,880,000) |
| Dividend income | (422,231,489) | (399,943,200) | (1,460,297,038) | (1,544,573,069) |
| Shares of (profit) loss from investments in associates and joint ventures | (406,811,459) | 334,004,679 | - | - |
| Profit from operating activities before changes in operating assets and liabilities | 2,739,764,405 | 2,100,990,500 | 498,571,396 | 95,794,672 |
| Net movements in operating assets and liabilities (Note 43) | 451,897,351 | 851,405,255 | 250,966,608 | (452,853,962) |
| Cash flows from (used in) operating activities | 3,191,661,756 | 2,752,395,755 | 749,538,004 | (367,059,290) |
| Cash paid for employee benefits | (16,967,280) | (15,550,931) | (23,082,855) | (26,831,330) |
| Cash paid for corporate income tax | (294,305,655) | (306,347,553) | (2,619,153) | (21,986,367) |
| Net cash flows from (used in) operating activities | 2,880,388,821 | 2,430,497,271 | 723,835,996 | (415,876,987) |

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 2022

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|--------------------|-------------------------------|----------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Cash flows from investing activities | | | | |
| Increase in other current financial assets | (5,324) | (340,928) | - | - |
| Cash payments for purchases of other current financial assets | (1,983,323,216) | - | (1,983,323,216) | - |
| Cash receipts from sales of other current financial assets | 198,063,825 | - | 198,063,825 | - |
| Cash payments for short-term loans to related companies | (60,000,000) | (30,000,000) | (7,503,277,247) | (9,641,672,959) |
| Cash receipts from short-term loans to related companies | 41,601,733 | 19,990,000 | 6,726,253,441 | 8,935,791,635 |
| Interest income | 20,544,552 | 17,474,697 | 410,694,156 | 416,356,856 |
| Cash receipts from investments in loans | 3,055,074 | - | 3,055,074 | - |
| Cash payments for investments in loans | (3,849,649) | (40,477,606) | (3,849,649) | (40,477,606) |
| Cash receipts from sales of investments in associates | - | 486,515,342 | - | 486,515,342 |
| Cash payments for purchases of investments in associates | (922,161) | (5,716,233) | (922,161) | (5,716,233) |
| Net cash receipts from purchase of investment in subsidiary | - | 131,517,400 | - | - |
| Cash receipts from sales of investments in subsidiary | - | - | 636,628,882 | - |
| Net cash payment from purchase of investments in the subsidiaries | - | - | (3,857,154,635) | - |
| Cash receipts from share capital reduction of subsidiaries | - | - | 4,859,412,500 | 1,542,500,000 |
| Dividend receipts from investments | 535,447,003 | 409,224,395 | 1,457,891,504 | 1,580,523,069 |
| Cash receipts from sales of property, plant and equipments | | | | |
| investment properties and intangible assets | 11,297,087 | 41,015,779 | 28,764,676 | 10,818,625 |
| Cash payments for purchases of property, plant and equipment | | | | |
| and investment properties | (835,820,772) | (733,741,552) | (179,201,341) | (204,669,283) |
| Cash payments for purchases of intangible assets | (19,727,306) | (41,811,605) | (11,479,479) | (33,203,147) |
| Cash receipts from sales of land held for development | - | 1,498,014 | - | - |
| Cash payments for investments in land held for development | (101,865,731) | (196,402) | - | - |
| Cash receipts from sales of property foreclosed | 16,035,197 | 92,934,370 | - | - |
| Cash payments for purchases of other non-current financial assets | (1,343,405,376) | (28,689,953) | (1,343,405,376) | (28,719,693) |
| Cash receipts from sales of other non-current financial assets | 449,196,577 | - | 449,196,577 | - |
| Net cash flows from (used in) investing activities | (3,073,678,487) | 319,195,718 | (112,652,669) | 3,018,046,606 |

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 2022

| | (Unit: Baht) | | | |
|---|-----------------------------------|------------------------|-------------------------------|------------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Cash flows from financing activities | | | | |
| Decrease in bank overdrafts | - | (3,111) | - | - |
| Cash receipts from short-term loans from related companies | - | - | 6,537,754,498 | 1,921,317,196 |
| Cash payments for short-term loans from related companies | - | - | (7,296,531,001) | (1,787,151,805) |
| Cash receipts from short-term loans from financial institutions | 4,007,584,529 | 3,868,000,000 | 100,000,000 | 500,000,000 |
| Cash payments for short-term loans from financial institutions | (4,060,000,000) | (3,646,000,000) | - | (500,000,000) |
| Cash receipts from long-term loans from financial institutions | 800,000,000 | 1,350,000,000 | - | - |
| Cash payment for long-term loans from financial institutions | (1,608,056,834) | (1,495,756,889) | - | - |
| Cash payments for long-term liabilities under financial lease agreements | (693,645,000) | (842,978,842) | (636,813,200) | (766,548,376) |
| Interest payments | (576,554,980) | (634,240,982) | (928,804,591) | (977,150,747) |
| Dividend payments | (536,975,760) | (76,832) | (752,953,799) | (12,631) |
| Dividend payments to non-controlling interests of the subsidiaries | (31,350,225) | (83,719,894) | - | - |
| Cash receipts from long-term debentures | 399,550,000 | 1,000,000,000 | - | 1,000,000,000 |
| Repayment of long-term debentures | (1,044,000,000) | (1,856,000,000) | (1,044,000,000) | (1,856,000,000) |
| Cash receipts from exercise warrants | 302,132,844 | 198,226,777 | 394,651,509 | 198,226,777 |
| Capital increase from non-controlling interest | 54,797,530 | - | - | - |
| Net cash flows used in financing activities | (2,986,517,896) | (2,142,549,773) | (3,626,696,584) | (2,267,319,586) |
| Net increase (decrease) in cash and cash equivalents | (3,179,807,562) | 607,143,216 | (3,015,513,257) | 334,850,033 |
| Cash and cash equivalents at beginning of year | 4,448,804,675 | 3,841,661,459 | 3,573,691,381 | 3,238,841,348 |
| Cash and cash equivalents at the end of year | 1,268,997,113 | 4,448,804,675 | 558,178,124 | 3,573,691,381 |
| Supplemental cash flows information: | | | | |
| Operational cash flows from interest | 2,358,788,409 | 2,411,233,867 | 3,899,213 | 2,829,799 |
| Interest paid capitalised as property development for sale and land held for development | 7,423,095 | 3,451,728 | - | - |
| Non-cash transactions: | | | | |
| Increase in share capital reduction receivable of investment in subsidiary | - | - | - | 9,912,225 |
| Transfer from rental and service income received in advance to investments in loans | 36,881,435 | 36,736,125 | 36,881,435 | 36,736,125 |
| Dividend receivable | 2,405,534 | - | 2,405,534 | - |
| Transfer from inventories to land held for development | (800,824) | (12,824,888) | - | - |
| Transfer from property, plant and equipment to inventories | - | (4,819,523) | - | - |
| Increase (decrease) in purchase of property, plant and equipment and investment properties that have yet to be paid | 5,733,102 | 36,860,702 | (31,507,182) | 35,460,803 |
| Increase in right-of-use of assets | 63,163,882 | - | 19,848,259 | - |
| Property foreclosed transferred from loans to customers | 16,031,245 | 191,126,526 | - | - |
| Dividend payments to non-controlling interests of the subsidiaries | 54,326,610 | - | - | - |

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 2022

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 in the past 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 in terms of service provision with respect mainly to shopping centers and hotels. The Group has considered to offer the rental discount to affected shopping center tenants, and for the hotel business was affected by the decrease in the number of foreign and local tourists. However, the government has relaxed control measures, promoted domestic tourism and implemented policy to open the country to accommodate international tourists. As a result, the situation of shopping centers and hotels in the country improved. The Group’s management has continuously monitored ongoing developments and take ongoing actions to mitigate the impact of the situation on the Group’s operations.

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 | |
|---|--|--------------------------|----------------------------|--------|
| | | | 2022 | 2021 |
| | | | % | % |
| 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 |
| Supsinnthanee Company Limited | Hotel (cease hotel operation from March 2021) | Thailand | 100.00 | 100.00 |
| 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 | Investment in companies engaged in processing and packaging rice and related companies (2021: Processing and packaging rice) | Thailand | 74.85 | 74.52 |

| Company's name | Nature of business | Country of incorporation | Percentage of shareholding | |
|---|--|--------------------------|----------------------------|--------|
| | | | 2022 | 2021 |
| | | | % | % |
| Directly owned (continued) | | | | |
| 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 (2021: Dormant) | Thailand | 100.00 | 100.00 |
| MBK Center Company Limited | Car park rental | Thailand | 99.99 | 99.99 |
| MBK Krabi Resort Company Limited (Formerly known as "MBK Asset Company Limited") | Dormant | Thailand | - | 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 CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") | Dormant | Thailand | 99.99 | 99.99 |
| MBK Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | Dormant | Thailand | 99.99 | 99.99 |
| MBK Charan Company Limited | Real estate | Thailand | - | 100.00 |
| Technology Gateway Company Limited | IT service to affiliates (2021: 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 | The provision of services of CRM loyalty program | Thailand | 99.99 | 99.99 |
| MBK HTB Company Limited (Formerly known as "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 |
| MBK Tonsai Resort Company Limited (Formerly known as "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 | |
|--|--|--------------------------|----------------------------|--------|
| | | | 2022 | 2021 |
| | | | % | % |
| 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 |
| MBK Bangkok Golf Hotel Company Limited (Formerly known as "Absolute Travel Company Limited") | Hotel | Thailand | 99.99 | 99.99 |
| MBK East One Company Limited (Formerly known as "MBK Leisure Company Limited") | Dormant | Thailand | 100.00 | 100.00 |
| MBK Asset Solution Company Limited (Formerly known as "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, marina and space rental | Thailand | 74.85 | 74.52 |
| Ratchsima Rice Company Limited | Distributor and improving the quality of rice (2021: Distribution and improving the quality of rice, plant and factory building rental) | Thailand | 74.85 | 74.52 |

| Company's name | Nature of business | Country of incorporation | Percentage of shareholding | |
|---|---|--------------------------|----------------------------|--------|
| | | | 2022 | 2021 |
| | | | % | % |
| Indirectly owned (continued) | | | | |
| PRG Food Service Company Limited (Formerly known as "MBK Food Service Company Limited") | Dormant (2022: holding investment in a group of subsidiary) | Thailand | 74.85 | 74.52 |
| PRG Food Product Company Limited (Formerly known as "MBK Restaurant Group Company Limited") | Dormant (2022: holding investment in a group of subsidiary) | Thailand | 74.85 | 74.52 |
| Riverdale Marina Company Limited | Marina service | Thailand | 74.85 | - |
| Khao Mahboonkrong Company Limited (Formerly known as "MBK Food and Entertainment Company Limited") | Sales of goods in domestic (2021: Dormant) | Thailand | 74.85 | 74.52 |
| PRG Global Company Limited (Formerly known as "Innofood (Thailand) Company Limited") | Sales of goods in oversea (2021: Dormant) | Thailand | 74.85 | 74.52 |
| PRG Food Island Company Limited (Formerly known as "MBK Food Island Company Limited") | Food center | Thailand | 74.85 | 74.52 |
| Sima Asset Company Limited | Real estate trading | Thailand | 74.85 | - |
| 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 | 99.99 | 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 | 82.00 | 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 |
| M G 7 Company Limited | Dormant | Thailand | 99.99 | 99.97 |
| M G 8 Company Limited | Dormant | Thailand | 99.99 | 99.97 |
| MBK Broker Company Limited | Insurance broker | Thailand | 99.99 | 99.99 |
| Q Broker Company Limited (Formerly known as "Q Mall Company Limited") | Dormant | Thailand | 99.99 | 99.99 |
| MBK Charan Company Limited | Real estate | Thailand | 100.00 | - |
| MBK Krabi Resort Company Limited (Formerly known as "MBK Asset | Dormant | Thailand | 100.00 | - |

| Company's name | Nature of business | Country of incorporation | Percentage of shareholding | |
|---------------------------------|--|--------------------------|----------------------------|------|
| | | | 2022 | 2021 |
| | | | % | % |
| Indirectly owned (continued) | | | | |
| Green Element Company Limited | Design, decorate architectural services for property development projects, and manage businesses related to trees and economic crops | Thailand | 99.99 | - |
| MBK Development Company Limited | Property management service | Thailand | 99.99 | - |
| MBK Unity Company Limited | Investment | Thailand | 82.00 | - |

During the year 2022, there were the following significant changes:

MBK Public Company Limited

On 5 January 2022, the Board of Directors Meeting No.1/2022 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, totaling Baht 111.78 million. The Company exercised such warrants on 10 January 2022 and 14 March 2022, respectively. During the year, the subsidiary had registered the increase in its share capital with the Ministry of Commerce. The exercise of such warrant has affected to increasing in the Company's shareholding percentage in that subsidiary from 74.52% to 74.69%.

On 17 June 2022, the Board of Directors Meeting No.6/2022 of the Company passed a resolution to approve the exercise of the 23,474,377 units of warrant (PRG-W2) to purchase the ordinary shares of PRG Corporation Public Company Limited (subsidiary). The Company exercised such warrants on 14 July 2022 for 6,779,377 units of warrant at an exercise price of Baht 5 per share, totaling Baht 33.90 million. Later, the Company exercised remaining warrants on 10 August 2022 for 16,695,000 units of warrant at an exercise price of Baht 5 per share, totaling Baht 83.47 million. During the year, the subsidiary registered the increase in its share capital with the Ministry of Commerce. The exercise of such warrant has affected to the increase in the Company's shareholding percentage in that subsidiary from 74.69% to 74.85%.

On 1 September 2022, the Company entered into a share purchase agreement for ordinary shares of MBK Krabi Resort Company Limited (formerly known as "MBK Asset Company Limited"), a subsidiary, to sell 7.5 million ordinary shares, representing a 100 percent of its registered capital, totaling Baht 86.25 million (7.5 million ordinary shares at Baht 11.50 per share) to MBK HTB Company Limited (formerly known as "MBK Food System Company Limited"), a subsidiary. The Company received all amount of such shares and registered shares transfer with the Ministry of Commerce on 1 September 2022. The Company recognised gain on sale of the investments in profit or loss in the separate statement of comprehensive income totaling Baht 11.25 million.

On 29 November 2022, the Company entered into a share purchase agreement for ordinary shares of MBK Charan Company Limited, a subsidiary, to sell 5.5 million ordinary shares, representing a 100 percent of its registered capital, totaling Baht 550.39 million (5.5 million ordinary shares at Baht 100.07 per share) to MBK Real Estate Company Limited, a subsidiary. The Company received all amount of such shares and registered shares transfer with the Ministry of Commerce on 9 December 2022. The Company recognised gain on sale of the investments in profit or loss in the separate statement of comprehensive income totaling Baht 0.39 million.

MBK Tonsai Resort Company Limited (formerly known as "M G 1 Company Limited") (Directly owned)

On 6 September 2022, the Extraordinary General Meeting of shareholders No.2/2022 of MBK Tonsai Resort Company Limited (subsidiary) passed a resolution granting approval to increase the registered share capital from Baht 550 million to Baht 730 million (1.8 million preferred shares with par value of Baht 100 per share, totaling Baht 180 million). The Company already paid all amount of such shares during the year and the subsidiary registered capital increase with the Ministry of Commerce on 20 September 2022. The increase of capital has not affected to the Group's shareholding percentage in that company.

MBK Contact Center Company Limited (Directly owned)

On 18 September 2022, the Extraordinary General Meeting of shareholders No.1/2022 of MBK Contact Center Company Limited (subsidiary) passed a resolution granting approval to increase the registered share capital from Baht 5 million to Baht 100 million (0.95 million ordinary shares with par value of Baht 100 per share, totaling Baht 95 million). The Company already paid all amount of such shares during the year and the subsidiary registered capital increase with the Ministry of Commerce on 20 September 2022. The increase of capital has not affected to the Group's shareholding percentage in that company.

MBK Enterprise Company Limited (Directly owned)

On 5 September 2022, the Extraordinary General Meeting of shareholders No.1/2022 of MBK Enterprise Company Limited (subsidiary) passed a resolution granting approval to decrease the registered share capital from Baht 2,454 million to Baht 613.50 million (18,405 million preferred shares with par value of Baht 100 per share, totaling Baht 1,840.50 million). The subsidiary registered capital decrease with the Ministry of Commerce on 10 October 2022 and the Company already received all amount of capital reduction on 25 October 2022. The decrease of capital has not affected to the Group's shareholding percentage in that company.

MBK Properties Company Limited (Directly owned)

On 5 September 2022, the Extraordinary General Meeting of shareholders No.1/2022 of MBK Properties Company Limited (subsidiary) passed a resolution granting approval to decrease the registered share capital from Baht 355 million to Baht 88.75 million (26.63 million ordinary shares with par value of Baht 10 per share, totaling Baht 266.25 million). The subsidiary registered capital decrease with the Ministry of Commerce on 10 October 2022 and the Company had already received all amount of capital reduction on 12 October 2022. The decrease of capital has not affected to the Group's shareholding percentage in that company.

Riverdale Golf and Country Club Company Limited (Directly owned)

On 7 September 2022, the Extraordinary General Meeting of shareholders No.1/2022 of Riverdale Golf and Country Club Company Limited (subsidiary) passed a resolution granting approval to decrease the registered share capital from Baht 4,000 million to Baht 1,500 million (25 million preferred shares with par value of Baht 100 per share, totaling Baht 2,500 million). The subsidiary registered capital decrease with the Ministry of Commerce on 20 October 2022 and the Company already received all amount of capital reduction on 25 October 2022. The decrease of capital has not affected to the Group's shareholding percentage in that company.

Supsinthanee Company Limited (Directly owned)

On 7 September 2022, the Extraordinary General Meeting of shareholders No.1/2022 of Supsinthanee Company Limited (subsidiary) passed a resolution granting approval to decrease the registered share capital from Baht 505 million to Baht 252 million (25.3 million preferred shares with par value of Baht 10 per share, totaling Baht 253 million). The subsidiary registered capital decrease with the Ministry of Commerce on 20 October 2022 and the Company already received all amount of capital reduction on 12 October 2022. The decrease of capital has not affected to the Group's shareholding percentage in that company.

MBK Real Estate Company Limited (Directly owned)

On 5 October 2022, the Board of Directors Meeting No.10/2022 of MBK Real Estate Company Limited (subsidiary) passed a resolution to approve MBK Real Estate Company Limited (subsidiary) which operates for property management service to invest in establishing two new companies in the proportion of 99.99% of registered capital, which are MBK Development Company Limited and Green Elements Company Limited and establishing MBK Unity Company Limited in the proportion of 82.00% of registered capital.

On 22 November 2022, the Extraordinary Meeting of shareholders No.1/2022 of MBK Real Estate Company Limited (subsidiary) passed a resolution granting approval to increase the registered share capital from Baht 1,000 million to Baht 1,573 million (5.73 million preferred shares with par value of Baht 100 per share, totaling Baht 573 million). The Company already paid all amount of such shares during the year and the subsidiary registered capital increase with the Ministry of Commerce on 24 November 2022. The increase of capital has not affected to the Group's shareholding percentage in that company.

MBK Business Company Limited (Directly owned)

On 25 October 2022, the Extraordinary Meeting of shareholders No.1/2022 of MBK Business Company Limited (subsidiary) passed a resolution granting approval to increase the registered share capital from Baht 240 million to Baht 520 million (2.8 million preferred shares with par value of Baht 100 per share, totaling Baht 280 million). The Company already paid all amount of such shares during the year and the subsidiary registered capital increase with the Ministry of Commerce on 27 October 2022. The increase of capital has not affected to the Group's shareholding percentage in that company.

MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") (Directly owned)

On 25 October 2022, the Extraordinary Meeting of shareholders No.2/2022 of MBK HTB Company Limited (subsidiary) passed a resolution granting approval to increase the registered share capital from Baht 720 million to Baht 3,220 million (25 million preferred shares with par value of Baht 100 per share, totaling Baht 2,500 million). The Company already paid all amount of such shares during the year and the subsidiary registered capital increase with the Ministry of Commerce on 27 October 2022. The increase of capital has not affected to the Group's shareholding percentage in that company.

PRG Corporation Public Company Limited (Directly owned)

On 4 February 2022, the Board of Directors' Meeting No.2/2022 of the subsidiary passed a resolution granting approval for PRG Food Product Company Limited to acquire 49,998 ordinary shares of PRG Global Company Limited (formerly known as "Innofood (Thailand) Company Limited"), representing 99.99 percent of its registered capital, from Ratchsima Rice Company Limited at Baht 37.59 per share, totaling Baht 1.88 million. PRG Food Product Company Limited already paid such shares purchase on 4 February 2022.

On 17 May 2022, the Board of Directors' Meeting No.5/2022 of the subsidiary passed a resolution granting approval company establishment of Riverdale Marina Company Limited with the registered capital of Baht 5 million, by issuing 50,000 ordinary shares with par value of Baht 100 per share, totaling Baht 5 million, and allocated 99.99% of the issued ordinary shares to PRG Properties Company Limited. The subsidiary received the payment for the share capital on 29 June 2022 and registered the capital increase with the Ministry of Commerce on 23 May 2022.

On 17 May 2022, the Board of Directors' Meeting No.5/2022 of the subsidiary passed a resolution granting approval for the group of subsidiary's restructuring as details below:

- The subsidiary acquired 2.5 million ordinary shares and 0.5 million preferred shares, totaling 3 million shares, of Ratchsima Rice Company Limited, representing 99.99 percent of its registered capital, from PRG Properties Company Limited at Baht 26.57 per share, totaling Baht 79.72 million. The subsidiary already paid such shares purchase on 29 June 2022.
- PRG Food Product Company Limited acquired 218,748 ordinary shares of Khao Mahboonkrong Company Limited, representing 99.99 percent of its registered capital, from the subsidiary at Baht 12.29 per share, totaling Baht 2.69 million. PRG Food Product Company Limited already paid such shares purchase on 29 June 2022.
- PRG Food Service Company Limited (formerly known as "MBK Food Service Company Limited") acquired 5 million ordinary shares of PRG Food Island Company Limited (formerly known as "MBK Food Island Company Limited"), representing 99.99 percent of its registered capital, from the subsidiary at Baht 53.63 per share, totaling Baht 268.15 million. PRG Food Service Company Limited already paid such shares purchase on 29 June 2022.

On 11 October 2022, the subsidiaries' group exercised 40,535,067 shares of warrants (MBK-W3 and MBK-W4) to purchase the ordinary shares of the Company by exercised warrants at an exercise price of Baht 2.9130 per share of 20,565,086 shares of PRG-W3 and Baht 3 per share of 19,969,981 shares of PRG-W4, totaling Baht 119.82 million.

On 4 November 2022, the Board of Directors' Meeting No.11/2022 of the subsidiary passed a resolution granting approval company establishment of Sima Asset Company Limited with the registered capital of Baht 18 million by issuing 180,000 ordinary shares with par value of Baht 100 per share totaling Baht 18 million to the subsidiary with 99.99 shareholding percent.

On 11 November 2022, the Extraordinary Meeting of the subsidiary's shareholders No.1/2022 passed a resolution to approve on the significant matters as follows:

1. Approval for the reduction of the subsidiary's registered capital from Baht 841,847,555 to Baht 661,847,555 by canceling the registered 180,000,000 ordinary shares, to accomodate the capital increase under the General Mandate at the par value of Baht 1 per share, which have not been allocated for offering in accordance with the resolution of the 2022 Annual General Meeting of Shareholders.
 2. Approval the increase in the registered share capital of the subsidiary from Baht 661,847,555 to Baht 694,970,249 by issuing not exceeding 33,122,694 new ordinary shares at a par of Baht 1 each for the exercise of the subsidiary's warrants to purchase ordinary shares PRG-W3 and the right adjustment of PRG-W1 and PRG-W2.
 3. Approval for the increase in the subsidiary's registered capital under the general mandate scheme from Baht 694,970,249 to Baht 874,970,249 by issuing additional 180,000,000 ordinary shares with a par value of Baht 1 per share.
- 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 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 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.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

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 2023. 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 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 the Guidelines Regarding the Provision of Financial Assistance to Debtors Affected by COVID-19

The Federation of Accounting Professions has announced Accounting Guidance on 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 ("BOT"). The accounting guidance is applicable for provisions of assistance to such debtors made 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.

Under this accounting guidance, the Group may elect to adopt accounting treatments consistent with the circular of the BOT No. BOT.RPD2.C.802/2564 "Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)". The assistance to debtors can be classified into 2 groups by debt restructuring method as follows:

1. For debt restructuring for the purpose of reducing the debt burden of debtors that involves more than just a payment timeline extension, the Group may elect to apply the temporary relief measures relating to staging assessment and setting aside of provisions (Assistance type 1) 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), 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 with significant increase in credit risk (Under-performing or Stage 2) only 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.
2. For debt restructuring involving only a payment timeline extension, e.g. an extension of payment period, a provision of grace period on principal and/or interest payments, a conversion of short-term debts into long-term debts, the Group is required to perform staging assessment and set aside provisions in accordance with the related financial reporting standards (Assistance type 2). However, the Group may elect to adopt treatments regarding significant increase in credit risk according to the appendix to the circular of the BOT No. BOT.RPD2.C.802/2564 to assess whether a debtor is to move to under-performing stage or Stage 2.

During the year, the subsidiary provided type 2 of assistance to debtors, then the subsidiary has adopted the staging assessment and the setting aside of provisions in accordance with the related financial reporting standards and did not apply the relief measures in accordance with the guidance.

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 | 5 - 20 | years |
| Motor vehicles | 3 - 6 | 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, debt investments 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 13, joint ventures as stated in Note 14 and its subsidiaries as stated in Note 15 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 23.49% (2021: 21.63%) 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 | | Separate | | |
| | financial statements | | financial statements | | Transfer pricing policy |
| | 2022 | 2021 | 2022 | 2021 | |
| Transactions with subsidiary companies | | | | | |
| (eliminated from the consolidated financial statements) | | | | | |
| Rental income | - | - | 44 | 22 | Market price |
| Management income | - | - | 53 | 44 | Contract price |
| Dividend income | - | - | 933 | 1,155 | As declared |
| Interest income | - | - | 393 | 389 | MOR and MOR plus a fixed rate |
| Personnel expenses | - | - | 97 | 64 | 115% of salary of hotel staff paid by a subsidiary for parent company |
| Hotel management fee | - | - | 25 | 16 | Contract price |

(Unit: Million Baht)

| | Consolidated | | Separate | | Transfer pricing policy |
|---|----------------------|------|----------------------|------|---|
| | financial statements | | financial statements | | |
| | 2022 | 2021 | 2022 | 2021 | |
| Transactions with subsidiary companies (continued) | | | | | |
| (eliminated from the consolidated financial statements) | | | | | |
| Security expense | - | - | 71 | 61 | 115% of the cost of security services paid by a subsidiary for parent company |
| Management expense | - | - | 96 | 57 | As declared |
| Training expense | - | - | 11 | 8 | Market price |
| Interest expenses | - | - | 440 | 432 | MOR and fixed deposit of a local commercial bank plus a fixed percentage |
| Transactions with associated companies | | | | | |
| Rental income | 3 | 2 | 3 | 2 | Market price |
| Management fee | 2 | 1 | 2 | 1 | Market price |
| Project management and sales commission income | 4 | 10 | - | - | The same rates as the third parties |
| Dividend income | 121 | 9 | 121 | - | As declared |
| Interest income | 4 | 3 | 4 | 3 | MLR and MLR less a fixed rate |
| Advertising and public relations expense | 11 | 11 | 11 | 11 | Contract price |
| Transactions with joint ventures companies | | | | | |
| Dividend income | 2 | - | 2 | - | As declared |
| Transactions with related companies | | | | | |
| Rental income | 106 | 145 | 42 | 48 | Market price |
| Dividend income | 416 | 400 | 405 | 390 | As declared |
| Project management and sales commission income | 40 | 43 | - | - | The same rates as the third parties |
| Insurance expenses | 1 | 1 | - | - | The same rates as the third parties |
| Operating expense | 35 | 34 | - | - | Contract price |

As at 31 December 2022 and 2021, the balances of the accounts between the Company and those related companies are as follows:

| (Unit: Million Baht) | | | | | |
|--|------|--------------------------------------|------|----------------------------------|-------|
| | | Consolidated financial statements | | Separate financial statements | |
| | Note | 2022 | 2021 | 2022 | 2021 |
| Trade and other receivables | 9 | | | | |
| Subsidiaries | | - | - | 92 | 92 |
| Associated companies | | 3 | 1 | 3 | 1 |
| Related companies | | 37 | 44 | 4 | 1 |
| Total trade and other receivables | | 40 | 45 | 99 | 94 |
| Short-term loans to related companies | | | | | |
| Subsidiaries | | - | - | 8,564 | 7,806 |
| Associated companies | | 83 | 65 | 81 | 62 |
| Total short-term loans to related companies | | 83 | 65 | 8,645 | 7,868 |

| | | (Unit: Million Baht) | | | |
|------|---|--------------------------------------|-------|----------------------------------|-------|
| | | Consolidated financial statements | | Separate financial statements | |
| Note | | 2022 | 2021 | 2022 | 2021 |
| | Other current financial assets | | | | |
| 8 | Related companies | 612 | - | 612 | - |
| | Other non-current financial assets | | | | |
| 16 | Associated companies | 319 | 3 | 319 | 3 |
| | Related companies | 6,297 | 5,000 | 6,152 | 4,872 |
| | Total other non-current financial assets | 6,616 | 5,003 | 6,471 | 4,875 |
| | Trade and other payables | | | | |
| 25 | Subsidiaries | - | - | 148 | 80 |
| | Associated company | 1 | - | 1 | - |
| | Related companies | 83 | 50 | - | 4 |
| | Total trade and other payables | 84 | 50 | 149 | 84 |
| | Short-term loans from related companies | | | | |
| | Subsidiaries | - | - | 7,309 | 8,067 |
| | Rental and service income received in advance deposits | | | | |
| | Subsidiaries | - | - | 232 | 254 |
| | Deposits | | | | |
| | Subsidiaries | - | - | 3 | 3 |
| | Related companies | 39 | 48 | 21 | 21 |
| | Total deposits | 39 | 48 | 24 | 24 |
| | Lease liabilities | | | | |
| | Subsidiary | - | - | 2 | 4 |

Short-term loans to related companies are unsecured loans that are due at call, consisting of Baht loans, bearing interest at the MOR, MOR plus a fixed percentage per annum and MLR less a fixed percentage per annum of a local commercial bank.

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 48 - 72 monthly installments. Interest rates are 3.95 - 5.25% per annum (2021: 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 | | | Balance as at |
| | 31 December | During the year | | 31 December |
| | 2021 | Addition | Settlement | 2022 |
| Short-term loans to related companies | | | | |
| Paemala Spa Company Limited | 3 | - | (1) | 2 |
| Max Asset Management Company Limited | 32 | - | (11) | 21 |
| Lam Luk Ka Golf and Country Club Company Limited | 30 | 60 | (30) | 60 |
| Total | 65 | 60 | (42) | 83 |

(Unit: Million Baht)

| | Separate financial statements | | | |
|--|-------------------------------|-----------------|----------------|---------------|
| | Balance as at | During the year | | Balance as at |
| | 31 December | | | 31 December |
| | 2021 | Addition | Settlement | 2022 |
| Short-term loans to related companies | | | | |
| Riverdale Golf and Country Club Company Limited | - | 1,183 | (224) | 959 |
| T Leasing Company Limited | 2,634 | 2,038 | (2,873) | 1,799 |
| MBK Training Center Company Limited | 8 | 24 | (23) | 9 |
| MBK Business Company Limited | - | 1,050 | (756) | 294 |
| MBK Real Estate Company Limited | 269 | 440 | (432) | 277 |
| MBK Center Company Limited | - | 8 | (5) | 3 |
| MBK Hotels & Tourism Company Limited | 28 | 22 | (50) | - |
| MBK Contact Center Company Limited | 52 | 54 | (105) | 1 |
| MBK Smart Force Security Guard Company Limited | 51 | 31 | (49) | 33 |
| Technology Gateway Company Limited | - | 54 | (24) | 30 |
| Intelligent Creative & Marketing Company Limited | 2 | 34 | (1) | 35 |
| Max Asset Management Company Limited | 32 | - | (11) | 21 |
| Lam Luk Ka Golf and Country Club Company Limited | 30 | 60 | (30) | 60 |
| MBK Guarantee Company Limited | 4,762 | 2,505 | (2,143) | 5,124 |
| Total | 7,868 | 7,503 | (6,726) | 8,645 |

| (Unit: Million Baht) | | | | |
|--|---------------------|-----------------|----------------|---------------------|
| Separate financial statements | | | | |
| | Balance as at | During the year | | Balance as at |
| | 31 December 2021 | Addition | Settlement | 31 December 2022 |
| Short-term loans from related companies | | | | |
| Supsinthanee Company Limited | 455 | 25 | (480) | - |
| MBK Hotels and Resorts Company Limited | 993 | 192 | (153) | 1,032 |
| MBK Premium Company Limited | 175 | 24 | (63) | 136 |
| MBK Krabi Resort Company Limited (Formerly known as "MBK Asset Company Limited") | 115 | 4 | (119) | - |
| MBK Business Company Limited | 12 | 240 | (252) | - |
| Glas Haus Ratchada Company Limited | 187 | 53 | (98) | 142 |
| Primacy Elegance Investments Limited | 333 | 29 | - | 362 |
| Lanta Land Development Company Limited | 60 | 3 | (63) | - |
| MBK Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | 2 | - | - | 2 |
| MBK CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") | 1 | - | - | 1 |
| Technology Gateway Company Limited | 35 | - | (35) | - |
| MBK Square Company Limited | 77 | 44 | (81) | 40 |
| MBK Charan Company Limited | 11 | 1 | (11) | 1 |
| X-Gen Premium Company Limited | 53 | 4 | (1) | 56 |
| MBK Shopping Center Company Limited | 991 | 398 | (773) | 616 |
| MBK Enterprise Company Limited | 1,920 | 219 | (1,991) | 148 |
| MBK Center Company Limited | 6 | - | (6) | - |
| MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") | 721 | 3,497 | (23) | 4,195 |
| MBK Tonsai Resort Company Limited (Formerly known as "M G 1 Company Limited") | 24 | 182 | (206) | - |
| MBK Properties Company Limited | 346 | 4 | (269) | 81 |
| MBK Contact Center Company Limited | - | 495 | (448) | 47 |
| Short-term loans from related companies (continued) | | | | |
| Apple Auto Auction (Thailand) Company Limited | 572 | 76 | (199) | 449 |
| Riverdale Golf and Country Club Company Limited | 978 | 770 | (1,747) | 1 |
| MBK Real Estate Company Limited | - | 278 | (278) | - |
| Total | 8,067 | 6,538 | (7,296) | 7,309 |
| Lease liabilities | | | | |
| MBK Premium Company Limited | 4 | - | (2) | 2 |

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses of its directors and management as below:

| | (Unit: Baht) | | | |
|------------------------------|-----------------------------------|------------|-------------------------------|------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Short-term employee benefits | 99,215,298 | 82,533,876 | 71,176,455 | 58,385,670 |
| Post-employment benefits | 5,245,112 | 5,333,484 | 4,620,753 | 4,682,969 |
| Total | 104,460,410 | 87,867,360 | 75,797,208 | 63,068,639 |

7. Cash and cash equivalents

| | (Unit: Baht) | | | |
|---------------------------|----------------------|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Cash on hand | 12,899,169 | 8,016,559 | 1,703,000 | 1,654,647 |
| Cash at banks | 1,256,097,944 | 4,440,788,116 | 556,475,124 | 3,572,036,734 |
| Cash and cash equivalents | 1,268,997,113 | 4,448,804,675 | 558,178,124 | 3,573,691,381 |

As at 31 December 2022, bank deposits in savings accounts and fixed deposits carried interests between 0.10 to 1.00 percent per annum (2021: between 0.05 to 1.00 percent per annum).

8. Other current financial assets

Other current financial assets as at 31 December 2022 and 2021 comprise the following:

| | (Unit: Baht) | | | |
|--|----------------------|------------------|----------------------|----------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Investments in debt securities at amortised cost | | | | |
| Fixed deposit with a maturity more than 3 months | 3,483,574 | 3,478,250 | - | - |
| Investments in debt securities at fair value through profit or loss | | | | |
| Investments in debt securities in related companies | 611,766,461 | - | 611,766,461 | - |
| Investments in other debt securities | 1,194,241,821 | - | 1,194,241,821 | - |
| Total other current financial assets | 1,809,491,856 | 3,478,250 | 1,806,008,282 | - |

9. Trade and other receivables

| | (Unit: Baht) | | | |
|--|----------------------|--------------|----------------------|-------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Trade receivables - related parties | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due | | | | |
| Unbilled | 23,065,149 | 26,580,999 | - | - |
| Billed | 3,880,410 | 5,736,740 | 1,222,867 | 14,082,260 |
| Past due | | | | |
| Overdue 1 - 30 days | 23,112 | 393,683 | 3,394,609 | 2,314,143 |
| Overdue more than 30 - 60 days | - | - | 18,280 | - |
| Overdue more than 60 - 90 days | - | 8,000 | 12,387 | - |
| Overdue more than 90 days | 79,533 | 53,712 | 3,573,836 | 440,515 |
| Total trade receivables - related parties | 27,048,204 | 32,773,134 | 8,221,979 | 16,836,918 |
| Trade receivables - unrelated parties | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due | | | | |
| Unbilled | 180,925,209 | 486,096,425 | 145,432,309 | 344,162,558 |
| Billed | 238,387,117 | 186,004,349 | 45,881,346 | 14,725,500 |
| Past due | | | | |
| Overdue 1 - 30 days | 168,491,236 | 106,456,122 | 34,550,654 | 24,793,939 |
| Overdue more than 30 - 60 days | 26,016,499 | 15,422,491 | 7,319,084 | 8,568,876 |
| Overdue more than 60 - 90 days | 7,545,377 | 5,836,912 | 1,827,409 | 3,554,665 |
| Overdue more than 90 days | 29,849,509 | 28,264,020 | 4,761,029 | 18,521,603 |
| Total | 651,214,947 | 828,080,319 | 239,771,831 | 414,327,141 |
| Less: Allowance for expected credit losses | (24,730,987) | (12,011,419) | (2,379,547) | (3,071,574) |
| Total trade receivables - unrelated parties, net | 626,483,960 | 816,068,900 | 237,392,284 | 411,255,567 |
| Total trade receivables - net | 653,532,164 | 848,842,034 | 245,614,263 | 428,092,485 |
| Other receivables - related parties | | | | |
| Interest receivables | 1,011,336 | 85,582 | 18,073,208 | 16,440,340 |
| Dividend receivables | 2,405,534 | - | 2,405,534 | - |
| Insurance receivables | 8,145,935 | 11,450,686 | - | - |
| Prepaid expenses | 607,877 | 41,639 | 24,193 | - |
| Other receivables | 364,955 | - | 70,387,766 | 60,522,213 |
| Total other receivables - related parties | 12,535,637 | 11,577,907 | 90,890,701 | 76,962,553 |

| | (Unit: Baht) | | | |
|--|----------------------|---------------|----------------------|-------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Other receivables - unrelated parties | | | | |
| Advances | 1,703,053 | 4,938,527 | - | - |
| Interest receivables | 2,231,840 | 6,354 | 2,226,803 | - |
| Insurance receivables | 8,917,368 | 11,518,184 | - | - |
| Prepaid expenses | 44,607,245 | 32,383,881 | 10,908,015 | 14,716,250 |
| Other receivables | 98,260,087 | 117,075,582 | 3,168,384 | 506,045 |
| Total other receivables - unrelated parties | 155,719,593 | 165,922,528 | 16,303,203 | 15,222,295 |
| Total other receivables | 168,255,230 | 177,500,435 | 107,193,903 | 92,184,848 |
| Total trade and other receivables - net | 821,787,394 | 1,026,342,469 | 352,808,166 | 520,277,333 |

10. 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:

10.1 Classified by loans to customers type

| | (Unit: Baht) | |
|---|-----------------------------------|-----------------|
| | Consolidated financial statements | |
| | 2022 | 2021 |
| Loans | 8,486,145,646 | 8,404,255,214 |
| Interest receivable form loans | 271,012,894 | 139,587,952 |
| Installment receivables | 6,066,666 | 6,066,666 |
| Hire purchase receivables | 8,225,249,209 | 8,513,529,072 |
| Less: Deferred revenue | (1,587,963,676) | (1,619,631,369) |
| Total loans to customers | 15,400,510,739 | 15,443,807,535 |
| Less: Allowance for expected credit losses | (832,479,368) | (645,318,231) |
| Total | 14,568,031,371 | 14,798,489,304 |
| Less: Current portion of loans to customers | (4,676,880,153) | (5,053,524,119) |
| Loans to customers - net of current portion | 9,891,151,218 | 9,744,965,185 |

Two subsidiaries of the Company have participated in an assistance program for affected debtors and adopted the Accounting Guidance on the Guidelines Regarding the Provision of Financial Assistance to Debtors Affected by COVID-19 issued by the Federation of Accounting Professions.

As at 31 December 2022, the hire purchase receivables of one subsidiary who entered into the program accounts for 4.25 percent of the total hire purchase receivables. This subsidiary has adopted the Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19 by staging assessment and the setting aside of provisions in accordance with the related financial reporting standards.

10.2 Classified by loan to customers classes

As at 31 December 2022 and 2021, 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 | |
| | 2022 | 2021 | 2022 | 2021 |
| Loans to customers with no significant increase in credit risk (Performing) | 12,138,533,428 | 12,139,101,698 | (211,348,491) | (204,642,843) |
| Loans to customers with significant increase in credit risk (Under - performing) | 704,828,438 | 1,627,306,126 | (156,336,674) | (161,007,412) |
| Loans to customers with credit - impaired (Non - performing) | 2,557,148,873 | 1,677,399,711 | (464,794,203) | (279,667,976) |
| Total | 15,400,510,739 | 15,443,807,535 | (832,479,368) | (645,318,231) |

Movements of allowance expected credit losses for loans to customers are as follows:

(Unit: Baht)

| | Consolidated financial statements | | | |
|--|-----------------------------------|------------------------|------------------------|--------------------|
| | 2022 | | | |
| | 12-month ECL (Group 1) | Lifetime ECL (Group 2) | Lifetime ECL (Group 3) | Total |
| Beginning balance | 204,642,843 | 161,007,412 | 279,667,976 | 645,318,231 |
| Add: Increase in allowance for expected credit losses (reversal) | 6,705,648 | (4,670,738) | 680,554,652 | 682,589,562 |
| Less: Bad debt written-off | - | - | (495,428,425) | (495,428,425) |
| Ending balance | 211,348,491 | 156,336,674 | 464,794,203 | 832,479,368 |

(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) | (10,864,723) | (9,969,921) | 580,556,983 | 559,722,339 |
| Less: Bad debt written-off | - | - | (692,934,380) | (692,934,380) |
| Ending balance | 204,642,843 | 161,007,412 | 279,667,976 | 645,318,231 |

10.3 Loans and installment receivables

(Unit: Baht)

| | Consolidated financial statements | |
|--|-----------------------------------|-----------------|
| | 2022 | 2021 |
| Loans | 8,486,145,646 | 8,404,255,214 |
| Interest receivables from loans | 271,012,894 | 139,587,952 |
| Installment receivables | 6,066,666 | 6,066,666 |
| Total loans and installment receivables | 8,763,225,206 | 8,549,909,832 |
| Less: Allowance for expected credit losses | (341,311,767) | (155,628,066) |
| Total | 8,421,913,439 | 8,394,281,766 |
| Less: Current portion | (1,708,453,467) | (1,973,940,407) |
| Net of current portion | 6,712,959,972 | 6,420,341,359 |

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 2022 and 2021, 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 | | Allowance for expected credit | |
| | receivables | | losses | |
| | 2022 | 2021 | 2022 | 2021 |
| Loans and installment receivables | | | | |
| with no significant increase in | | | | |
| credit risk (Performing) | 6,373,234,122 | 6,066,971,777 | (19,902,870) | (16,361,925) |
| Loans and installment receivables | | | | |
| with significant increase in credit | | | | |
| risk (Under - performing) | 45,509,067 | 999,025,215 | (1,319,064) | (1,828,807) |
| Loans and installment receivables | | | | |
| with credit - impaired | | | | |
| (Non - performing) | 2,344,482,017 | 1,483,912,840 | (320,089,833) | (137,437,334) |
| Total | 8,763,225,206 | 8,549,909,832 | (341,311,767) | (155,628,066) |

Movements of allowance for expected credit losses for loans and installment receivables are as follows:

(Unit: Baht)

| | Consolidated financial statements | | | |
|---|-----------------------------------|---------------------------|---------------------------|-------------|
| | 2022 | | | |
| | 12-month ECL (Group 1) | Lifetime ECL (Group 2) | Lifetime ECL (Group 3) | Total |
| Beginning balance | 16,361,925 | 1,828,807 | 137,437,334 | 155,628,066 |
| Add: Increase in allowance for expected credit losses (reversal) | 3,540,945 | (509,743) | 182,652,499 | 185,683,701 |
| Ending balance | 19,902,870 | 1,319,064 | 320,089,833 | 341,311,767 |

(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 |

10.4 Hire purchase receivables

The average contract period of hire purchase receivables are 2 - 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 | | | | |
|--|---------------------|---------------|--|-----------------|
| 2022 | | | | |
| Amounts due under the agreements | | | | |
| | Less than 1 year | 1 - 5 years | Non-performing loans ⁽²⁾ | Total |
| Gross investment in the agreements | 3,926,998,674 | 4,036,269,443 | 261,981,092 | 8,225,249,209 |
| Unearned financial income ⁽¹⁾ | (846,465,981) | (692,178,649) | (49,319,046) | (1,587,963,676) |
| Present value of the minimum lease payments | 3,080,532,693 | 3,344,090,794 | 212,662,046 | 6,637,285,533 |
| Less: Allowance for expected credit losses | | | | (491,167,601) |
| Hire purchase receivables - net | | | | 6,146,117,932 |
| Less: Current portion of hire purchase receivables | | | | (2,967,926,686) |
| Hire purchase receivables - portion due more than 1 year | | | | 3,178,191,246 |

(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 | | | | |
|--|---------------------|---------------|--|-----------------|
| 2021 | | | | |
| Amounts due under the agreements | | | | |
| | Less than 1 year | 1 - 5 years | Non-performing loans ⁽²⁾ | Total |
| Gross investment in the agreements | 4,168,623,440 | 4,099,555,317 | 245,350,315 | 8,513,529,072 |
| Unearned financial income ⁽¹⁾ | (960,467,441) | (615,521,746) | (43,642,182) | (1,619,631,369) |
| Present value of the minimum lease payments | 3,208,155,999 | 3,484,033,571 | 201,708,133 | 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

As at 31 December 2022 and 2021, 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 | |
| | 2022 | 2021 | 2022 | 2021 |
| Hire purchase receivables with no significant increase in credit risk (Performing) | 5,765,299,307 | 6,052,643,102 | (191,445,621) | (188,280,917) |
| Hire purchase receivables with significant increase in credit risk (Under - performing) | 659,319,371 | 639,546,468 | (155,017,610) | (159,178,606) |
| Hire purchase receivables with credit - impaired (Non - performing) | 212,666,855 | 201,708,133 | (144,704,370) | (142,230,642) |
| Total | 6,637,285,533 | 6,893,897,703 | (491,167,601) | (489,690,165) |

Movements of allowance for expected credit losses for hire purchase receivables are as follows:

(Unit: Baht)

| | Consolidated financial statements | | | |
|--|-----------------------------------|------------------------|------------------------|---------------|
| | 2022 | | | |
| | 12-month ECL (Group 1) | Lifetime ECL (Group 2) | Lifetime ECL (Group 3) | Total |
| Beginning balance | 188,280,917 | 159,178,606 | 142,230,642 | 489,690,165 |
| Add: Increase in allowance for expected credit losses (reversal) | 3,164,704 | (4,160,996) | 497,902,153 | 496,905,861 |
| Less: Bad debt written-off | - | - | (495,428,425) | (495,428,425) |
| Ending balance | 191,445,621 | 155,017,610 | 144,704,370 | 491,167,601 |

(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) | (124,057) | (10,503,854) | 514,309,830 | 503,681,919 |
| Less: Bad debt written-off | - | - | (692,934,380) | (692,934,380) |
| Ending balance | 188,280,917 | 159,178,606 | 142,230,642 | 489,690,165 |

11. Inventories

(Unit: Baht)

| Consolidated financial statements | | | | | | |
|---------------------------------------|---------------|---------------|----------------------------------|-------------|-------------------|---------------|
| | Cost | | Decrease to net realisable value | | Inventories - net | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Property development for sale* | 1,736,678,361 | 2,052,089,997 | (6,950,193) | (6,950,193) | 1,729,728,168 | 2,045,139,804 |
| Finished goods | 71,306,819 | 67,970,723 | (636,079) | (611,803) | 70,670,740 | 67,358,920 |
| Raw materials | 126,496,297 | 75,603,750 | - | - | 126,496,297 | 75,603,750 |
| Supplies and equipment for operations | 84,074,626 | 94,151,233 | - | (43,341) | 84,074,626 | 94,107,892 |
| Food and beverage | 26,689,128 | 14,856,316 | - | - | 26,689,128 | 14,856,316 |
| Goods in transit | 248,919 | 283,751 | - | - | 248,919 | 283,751 |
| Total inventories | 2,045,494,150 | 2,304,955,770 | (7,586,272) | (7,605,337) | 2,037,907,878 | 2,297,350,433 |

* 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 | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Supplies and equipment for operations | 26,485,008 | 28,257,031 | - | - | 26,485,008 | 28,257,031 |
| Food and beverage | 2,826,223 | 2,048,728 | - | - | 2,826,223 | 2,048,728 |
| Total inventories | 29,311,231 | 30,305,759 | - | - | 29,311,231 | 30,305,759 |

During the current year, the Group reversed the write-down of cost of inventories by Baht 0.02 million (2021: recorded the write-down of cost of inventories by Baht 2.9 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 7.42 million (2021: Baht 3.45 million) as a part of cost of real estate development projects for sales. The capitalisation rate is 3.38 – 3.47 percent per annum (2021: 3.48 - 3.68 percent per annum).

As at 31 December 2022, four subsidiaries have pledged inventories of approximately Baht 193 million (2021: two subsidiaries Baht 140 million) to secure a loan facility from a financial institution, as discussed in Note 24.

12. Other current assets

| | | | (Unit: Baht) | |
|---|-----------------------------------|-------------|-------------------------------|------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Deposit | 5,801,706 | 5,891,156 | 3,553,656 | 2,994,779 |
| Value added tax refundable | 72,122,838 | 83,560,740 | 7,665,186 | 43,867,649 |
| Value added tax undue | 34,357,953 | 25,002,707 | 7,487,239 | 5,497,556 |
| Advance paid for construction contracts | 2,492,907 | 13,642,605 | - | - |
| Property foreclosed | 27,591,634 | 26,577,682 | - | - |
| Others | 14,900,629 | 11,066,121 | 4,299,944 | 4,101,393 |
| Other current assets | 157,267,667 | 165,741,011 | 23,006,025 | 56,461,377 |

13. Investments in associates

13.1 Details of associates

| | Nature of business | Country of incorporation | Shareholding percentage both directly and indirectly owned | |
|--|--|--------------------------|--|-------|
| | | | 2022 | 2021 |
| | | | % | % |
| Directly owned | | | | |
| Siam Piwat Company Limited | Shopping center and property for lease | Thailand | 48.71 | 48.71 |
| 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 | 47.13 | 46.96 |
| MBK Life Assurance Public Company Limited* | Life insurance | Thailand | — | — |
| MT Service 2016 Company Limited* | Back-office and business support | Thailand | — | — |
| TM Broker Company Limited* | Agents and consultants for non-life and life insurance | Thailand | — | — |
| 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 |

* The investments were sold on 3 August 2021.

13.2 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 | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| | | | | | | |
| Siam Piwat Company Limited | 3,890,864,157 | 3,890,864,157 | 5,055,015,721 | 4,737,696,043 | 410,590,534 | (341,801,693) |
| Max Asset Management Company Limited | 8,624,010 | 8,624,010 | 54,364,061 | 61,842,957 | 10,240,330 | 5,582,167 |
| Paemala Spa Company Limited | 1,250,000 | 1,250,000 | - | - | - | - |
| Puen Pob Patt Company Limited | 470,530 | 479,530 | - | - | - | - |
| DMS Property Investment Private Limited | 2,293,900 | 2,293,800 | 9,703,903 | 8,590,467 | (2,511) | (182,560) |
| Lam Luk Ka Golf and Country Club Company Limited | 315,004,358 | 314,082,197 | 286,806,949 | 299,474,659 | (13,489,871) | (20,769,808) |
| MBK Life Assurance Public Company Limited* | - | - | - | - | - | 17,935,461 |
| MT Service 2016 Company Limited* | - | - | - | - | - | 317,928 |
| TM Broker Company Limited* | - | - | - | - | - | 3,728,708 |
| Investments in associates | 4,218,515,955 | 4,215,593,794 | 5,405,990,634 | 5,107,604,126 | 407,338,482 | (335,189,797) |

* The investments were sold on 3 August 2021.

During the year, the subsidiary received dividend from the associated company by Baht 9.03 million (2022: Nil).

(Unit: Baht)

| | Separate financial statements | | | |
|--|-------------------------------|----------------------|---------------------------------|----------|
| | Cost | | Dividend received for the years | |
| | 2022 | 2021 | 2022 | 2021 |
| | | | | |
| Siam Piwat Company Limited | 3,890,864,157 | 3,890,864,157 | 96,451,860 | - |
| Max Asset Management Company Limited | 6,624,010 | 6,624,010 | 17,719,227 | - |
| Puen Pob Patt Company Limited | 479,530 | 479,530 | - | - |
| Lam Luk Ka Golf and Country Club Company Limited | 315,004,358 | 314,082,197 | - | - |
| Investments in associates | 4,212,972,055 | 4,212,049,894 | 114,171,087 | - |
| Less: Allowance for impairment of investments | (479,530) | (479,530) | | |
| Investments in associates - net | 4,212,492,525 | 4,211,570,364 | | |

The movements on investments in associates during the years are as follows:

| | | | (Unit: Baht) | |
|--|----------------------|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | Equity method | | Cost method | |
| | 2022 | 2021 | 2022 | 2021 |
| Book value at beginning of year | 5,107,604,126 | 5,918,519,814 | 4,211,570,364 | 4,828,822,967 |
| Increase in investments in associates | 922,161 | 5,716,233 | 922,161 | 5,716,233 |
| Share of gain (loss) from investments | | | | |
| in associate | 407,338,482 | (335,189,797) | - | - |
| Dividend received from associate | (114,171,087) | (9,031,195) | - | - |
| Disposal of investment in associate | - | (439,839,883) | - | (622,968,836) |
| Other changes in investments in associates | 4,296,952 | (32,571,046) | - | - |
| Book value at the ending of year | 5,405,990,634 | 5,107,604,126 | 4,212,492,525 | 4,211,570,364 |

Lam Luk Ka Golf and Country Club Company Limited (associate)

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.

On 3 May 2022, 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 shareholder at Baht 3.80 per share, totaling Baht 0.92 million. The Company already paid such shares purchase on 31 May 2022 and registered with the Ministry of Commerce.

Siam Piwat Company Limited (associate)

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.

On 1 August 2022, Siam Piwat Company Limited ("SPW") was granted an approval by the Securities and Exchange Commission for the offering of subordinated perpetual debentures redeemable upon dissolution with the issuer's right to early redemption and unconditional interest deferral. SPW issued name-registered, unsecured, non-convertible debentures with a debenture holders' representative and the issuer's right to early redemption No.1/2022 ("debenture") amounting to not more than Baht 3,000 million and a greenshoe option of not exceeding Baht 1,000 million, a total of not exceeding Baht 4,000 million. Interest is payable quarterly and the debentures are offered in private placement to institutional and/or high net worth investors on 4 - 5 and 8 - 9 August 2022. The interest rates are as follows:

- Years 1 - 5: 5.50% per annum
- Years 6 - 25: 5-Year Government bond yield + Initial credit spread + 0.25% per annum
- Years 26 - 50: 5-Year Government bond yield + Initial credit spread + 1.00% per annum
- Years 51 onwards: 5-Year Government bond yield + Initial credit spread + 2.00% per annum

Interest rates are adjusted every 5 years based on the 5-year government bond yield at the end of two business days prior to the start of the relevant interest rate adjustment period, with an initial credit spread of 3.10%.

MBK Life Assurance Public Company Limited, MT Service 2016 Company Limited and TM Broker Company Limited (associate)

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 2021.

13.3 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 | |
| | 2022 | 2021 | 2022 | 2021 |
| Current assets | 10,108 | 6,450 | 37 | 39 |
| Non-current assets | 47,130 | 48,300 | 1,322 | 1,315 |
| Current liabilities | (6,359) | (6,094) | (71) | (38) |
| Non-current liabilities | (31,670) | (34,317) | (31) | (30) |
| Net assets | 19,209 | 14,339 | 1,257 | 1,286 |
| Shareholding percentage (%) | 48.71 | 48.71 | 47.13 | 46.96 |
| Share of net assets | 9,357 | 6,985 | 592 | 604 |
| Cost of business acquisition lower than net book value | (4,302) | (2,247) | (305) | (305) |
| Carrying amounts of associates based on equity method | 5,055 | 4,738 | 287 | 299 |

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 | |
| | 2022 | 2021 | 2022 | 2021 |
| Revenue | 10,779 | 6,767 | 72.84 | 48.27 |
| Profit (loss) for the year | 1,596 | (1,088) | (28.66) | (44.26) |
| Other comprehensive income | 1 | 22 | - | - |
| Total comprehensive income | 1,597 | (1,066) | (28.66) | (44.26) |

14. Investment in joint ventures

14.1 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 | |
|---|---|--------------------------|-------------------------|-------|
| | | | 2022 | 2021 |
| | | | % | % |
| 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 | Dormant | Thailand | 50.00 | 50.00 |

14.2 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 | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| TM Communication and Brand Management Company Limited | 2,500,000 | 2,500,000 | 2,102,551 | 3,849,566 | (297,053) | 1,225,508 |
| Rehappy Plus Company Limited | 2,500,000 | 2,500,000 | - | 429,970 | (429,970) | (40,390) |
| Investment in joint ventures | 5,000,000 | 5,000,000 | 2,102,551 | 4,279,536 | (727,023) | 1,185,118 |
| Less: Allowance for impairment of investment | - | - | - | - | - | - |
| Investment in joint ventures - net | 5,000,000 | 5,000,000 | - | - | - | - |

(Unit: Baht)

| Joint ventures | Separate financial statements | | | |
|---|-------------------------------|-----------|-------------------|---------|
| | Cost | | Dividend received | |
| | 2022 | 2021 | 2022 | 2021 |
| TM Communication and Brand Management Company Limited | 2,500,000 | 2,500,000 | 1,449,962 | 250,000 |
| Investment in joint ventures | 2,500,000 | 2,500,000 | 1,449,962 | 250,000 |
| Less: Allowance for impairment of investment | - | - | | |
| Investment in joint ventures - net | 2,500,000 | 2,500,000 | | |

As at 31 December 2022 and 2021, financial information of the joint ventures is not significant to the Group.

15. Investments in subsidiaries

15.1 Detail of investments in subsidiaries

Investments in subsidiaries as at 31 December 2022 and 2021 comprise the following:

| | Paid-up capital | | Shareholding percentage directly owned | |
|--|-----------------|---------------|--|--------|
| | 2022 | 2021 | 2022 | 2021 |
| | Thousand Baht | Thousand Baht | % | % |
| Listed company | | | | |
| PRG Corporation Public Company Limited | 658,699 | 600,000 | 74.85 | 74.52 |
| Non-listed companies | | | | |
| Riverdale Golf and Country Club Company Limited | 1,500,000 | 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 | 520,000 | 240,000 | 100.00 | 100.00 |
| MBK Premium Company Limited | 132,080 | 132,080 | 100.00 | 100.00 |
| Supsinthanee Company Limited | 252,663 | 505,325 | 100.00 | 100.00 |
| MBK Krabi Resort Company Limited (Formerly known as "MBK Asset Company Limited") | 250,000 | 75,000 | - | 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 directly owned | |
|---|-----------------|---------------|--|--------|
| | 2022 | 2021 | 2022 | 2021 |
| | 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 | 2,400,000 | 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 Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | 2,000 | 2,000 | 99.99 | 99.99 |
| MBK CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") | 4,000 | 4,000 | 99.99 | 99.99 |
| MBK Charan Company Limited | 550,000 | 550,000 | - | 100.00 |
| Technology Gateway Company Limited | 37,500 | 37,500 | 100.00 | 100.00 |
| MBK Real Estate Company Limited | 1,573,000 | 1,000,000 | 100.00 | 100.00 |
| MBK Enterprise Company Limited | 613,500 | 2,454,000 | 100.00 | 100.00 |
| MBK Contact Center Company Limited | 100,000 | 5,000 | 99.99 | 99.99 |
| MBK Online Company Limited | 1,000 | 1,000 | 99.97 | 99.97 |
| Intelligent Creative & Marketing Company Limited | 5,000 | 5,000 | 99.99 | 99.99 |
| MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") | 3,220,000 | 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 |
| MBK Tonsai Resort Company Limited (Formerly known as "M G 1 Company Limited") | 730,000 | 550,000 | 100.00 | 100.00 |
| MBK Properties Company Limited | 88,750 | 355,000 | 100.00 | 100.00 |

The details of investments in subsidiaries are presented in separate financial statements, are as follows:

| | (Unit: Baht) | | | |
|--|--------------|-------------|---------------------------------------|-------------|
| | Cost | | Dividend received for the years ended | |
| | 2022 | 2021 | 2022 | 2021 |
| Listed company | | | | |
| PRG Corporation Public Company Limited | 651,389,830 | 422,235,195 | - | 178,852,400 |

| | (Unit: Baht) | | | |
|--|----------------|----------------|--|---------------|
| | Cost | | Dividend received for the years ended | |
| | 2022 | 2021 | 2022 | 2021 |
| Non-listed companies | | | | |
| Riverdale Golf and Country Club Company Limited | 1,499,992,100 | 3,999,992,100 | 79,799,840 | 182,999,634 |
| MBK Hotels and Resorts Company Limited | 2,200,000,000 | 2,200,000,000 | 72,820,000 | 33,000,000 |
| Glas Haus Ratchada Company Limited | 250,000,000 | 250,000,000 | 72,729,937 | - |
| MBK Business Company Limited | 520,000,000 | 240,000,000 | 28,820,000 | - |
| MBK Premium Company Limited | 132,079,830 | 132,079,830 | 59,039,684 | - |
| Supsinthanee Company Limited | 247,342,825 | 500,005,325 | 5,000,000 | - |
| MBK Krabi Resort Company Limited (Formerly known as "MBK Asset Company Limited") | - | 75,000,000 | 31,500,000 | - |
| Primacy Elegance Investments Limited | 110,900 | 110,900 | - | - |
| MBK Smart Force Security Guard Company Limited | 1,344,939 | 1,344,939 | 7,600,000 | 3,900,000 |
| MBK Center Company Limited | 2,000,000 | 2,000,000 | 10,320,000 | - |
| MBK Shopping Center Company Limited | 1,000,000,000 | 1,000,000,000 | 196,490,000 | - |
| MBK Square Company Limited | 100,000,000 | 100,000,000 | 34,900,000 | - |
| MBK Hotels & Tourism Company Limited | 130,000,000 | 130,000,000 | - | - |
| T Leasing Company Limited | 2,433,000,000 | 2,433,000,000 | - | 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 | - | - |
| MBK Wealth Management Company Limited (Formerly known as "MBK Insurance Broker Company Limited") | 2,000,000 | 2,000,000 | - | - |
| MBK CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") | 4,000,000 | 4,000,000 | 120,000 | 100,000 |
| MBK Charan Company Limited | - | 550,000,000 | 1,262,700 | - |
| Technology Gateway Company Limited | 37,500,000 | 37,500,000 | 4,125,000 | - |
| MBK Real Estate Company Limited | 1,573,000,000 | 1,000,000,000 | 47,952,000 | - |
| MBK Enterprise Company Limited | 1,070,387,775 | 2,910,887,775 | 94,485,200 | - |
| MBK Contact Center Company Limited | 100,000,000 | 5,000,000 | - | - |
| MBK Online Company Limited | 1,000,000 | 1,000,000 | - | - |
| Intelligent Creative & Marketing Company Limited | 5,000,000 | 5,000,000 | - | - |
| MBK HTB Company Limited (Formerly known as "MBK Food System Company Limited") | 3,128,120,687 | 628,120,687 | 15,517,089 | - |
| Apple Auto Auction (Thailand) Company Limited | 52,717,647 | 52,717,647 | 36,149,775 | 26,027,837 |
| MBK Guarantee Company Limited | 2,504,800,000 | 2,504,800,000 | 120,000,000 | 120,000,000 |
| MBK Tonsai Resort Company Limited (Formerly known as "M G 1 Company Limited") | 713,500,000 | 533,500,000 | - | - |
| MBK Properties Company Limited | 83,760,000 | 350,010,000 | 14,200,000 | - |
| Investments in subsidiaries | 18,956,147,768 | 20,583,405,633 | 932,831,225 | 1,154,579,867 |
| Less: Allowance for impairment of investments | (10,544,448) | (12,904,707) | | |
| Investments in subsidiaries - net | 18,945,603,320 | 20,570,500,926 | | |

The movements of investments in subsidiaries in the separate financial statements during the years are as follows:

| | (Unit: Baht) | |
|---|-------------------------------|-----------------|
| | Separate financial statements | |
| | Cost method | |
| | 2022 | 2021 |
| Book value at beginning of year | 20,570,500,926 | 22,121,109,829 |
| Increase in investments in subsidiaries | 3,857,154,635 | - |
| Subsidiaries' capital reduction | (4,859,412,500) | (1,552,412,225) |
| Sale of investment in subsidiary | (625,000,000) | - |
| Reversal impairment of investments | 2,360,259 | 1,803,322 |
| Book value at the end of year | 18,945,603,320 | 20,570,500,926 |

On 11 November 2022, the Extraordinary General Meeting of shareholders No.1/2022 of PRG Corporation Public Company Limited (subsidiary) passed a resolution to approve the issuance and allotment of the warrant No.1 (PRG-W3) (at a ratio of 20 ordinary shares per 1 unit of warrant) free of charge to its existing shareholders totaling 32,926,027 units. Each unit of warrant is exercisable to purchase 1 ordinary share at Baht 5 each within 2 years, 11 months and 19 days, starting from 30 November 2022. The first warrant exercise was on 16 January 2023 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 50 Events after the reporting period to the financial statements.

15.2 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 | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| | (%) | (%) | | | | | | |
| Listed company | | | | | | | | |
| PRG Corporation Public Company Limited and its subsidiaries | 25.15 | 25.48 | 100.21 | 13.50 | (17.94) | (7.88) | - | (61.15) |
| Non-listed companies | | | | | | | | |
| MBK Resort Public Company Limited and its subsidiaries | 27.01 | 27.01 | 250.43 | 248.61 | 1.82 | (19.09) | - | - |
| Apple Auto Auction (Thailand) Company Limited | 53.56 | 46.44 | 303.11 | 272.83 | 61.64 | 85.21 | (31.35) | (22.57) |

15.3 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 and its subsidiaries | | MBK Resort Public Company Limited and its subsidiaries | | Apple Auto Auction (Thailand) Company Limited | |
|-------------------------|---|----------|--|----------|---|--------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Current assets | 1,125.30 | 1,053.67 | 217.89 | 225.35 | 690.93 | 749.15 |
| Non-current assets | 10,252.45 | 7,398.79 | 971.40 | 1,001.91 | 309.93 | 119.96 |
| Current liabilities | 896.15 | 1,112.91 | 490.14 | 534.90 | 270.44 | 223.21 |
| Non-current liabilities | 1,806.04 | 1,176.80 | 34.77 | 35.13 | 77.71 | 58.41 |

Summarised information about comprehensive income

(Unit: Million Baht)

| Company's name | For the years ended 31 December | | | | | |
|----------------------------|---|----------|--|---------|---|--------|
| | PRG Corporation Public Company Limited and its subsidiaries | | MBK Resort Public Company Limited and its subsidiaries | | Apple Auto Auction (Thailand) Company Limited | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Revenue | 2,396.88 | 2,113.17 | 302.96 | 194.16 | 575.63 | 618.25 |
| Profit (loss) for the year | 608.49 | 416.30 | 7.15 | (65.71) | 132.72 | 183.49 |
| Other comprehensive income | 1,610.86 | 361.63 | - | - | - | - |
| Total comprehensive income | 2,219.35 | 777.93 | 7.15 | (65.71) | 132.72 | 183.49 |

Summarised information about cash flow

(Unit: Million Baht)

| Company's name | For the years ended 31 December | | | | | |
|--|---|---------|--|---------|---|----------|
| | PRG Corporation Public Company Limited and its subsidiaries | | MBK Resort Public Company Limited and its subsidiaries | | Apple Auto Auction (Thailand) Company Limited | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Cash flow from operating activities | (132.03) | 125.39 | 28.02 | 24.25 | 73.85 | 185.66 |
| Cash flow from investing activities | 39.42 | (94.83) | 16.71 | (5.98) | (5.62) | (103.82) |
| Cash flow from financing activities | 88.73 | (28.64) | (33.40) | (14.35) | (23.97) | (54.93) |
| Net increase (decrease) in cash and cash equivalents | (3.88) | 1.92 | 11.33 | 3.92 | 44.26 | 26.91 |

16. Other non-current financial assets

Other non-current financial assets as at 31 December 2022 and 2021 comprise the following:

| | (Unit: Baht) | | | |
|---|-----------------------------------|---------------|-------------------------------|---------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Derivative designated as hedging instruments | | | | |
| Interest rate swap contract | 15,950,280 | 41,682,853 | 15,950,280 | 41,682,853 |
| 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 | 28,719,693 | 28,719,693 |
| Less: Allowance for expected credit losses | (28,719,693) | (28,719,693) | (28,719,693) | (28,719,693) |
| Total | - | - | - | - |
| Investments in equity securities designated at fair value through other comprehensive income | | | | |
| Investments in related companies | 6,296,863,750 | 5,000,140,000 | 6,152,363,750 | 4,871,790,000 |
| Investments in other companies | 21,879,545 | 22,289,325 | - | - |
| Investments in equity securities - associate (Perpetual bond) | 315,841,600 | - | 315,841,600 | - |
| Investments in debt securities at amortised cost | | | | |
| Investments in loans | 19,409,140 | 18,728,208 | 19,409,140 | 18,728,208 |
| Less: Allowance for expected credit losses | (16,956,957) | (18,728,208) | (16,956,957) | (18,728,208) |
| Total | 2,452,183 | - | 2,452,183 | - |
| Held-to-maturity investment | 103,880 | 103,880 | - | - |
| Total other non-current financial assets | 6,656,380,224 | 5,067,505,044 | 6,489,896,799 | 4,916,761,839 |

Equity instruments designated at FVOCI include listed equity investments and investments in equity securities - associate (perpetual bond) which the Group considers this investment to be strategic in nature.

As at 31 December 2022, the Group has investment in related companies, which recognised at fair value through other comprehensive income, with a total book value of Baht 2,616 million (2021: Baht 1,718 million) (the Company only: Baht 2,567 million 2021: Baht 1,669 million).

On 9 August 2022, the Company purchased the subordinated perpetual debentures redeemable upon dissolution No.1/2022 of Siam Piwat Company Limited (associated company) for a total of 752,000 units at an exercise price of Baht 1,000 per unit, totaling Baht 752 million. The Company has already exercised and paid debentures on 9 August 2022.

On 16 September 2022, the Company sold the subordinated perpetual debentures redeemable upon dissolution No.1/2022 of Siam Piwat Company Limited (associated company) to Thanachart Capital Public Company Limited (a major shareholders of the Company) for a total of 100,000 units at selling price of Baht 1,005.58 per unit, totaling Baht 100.56 million. The Company already received the amount for purchase of such debentures on 16 September 2022.

On 19 October 2022, the Company sold the subordinated perpetual debentures redeemable upon dissolution No.1/2022 of Siam Piwat Company Limited (Associated of the Company) to Thanachart Insurance Public Company Limited and T Life Assurance Public Company Limited (a common major shareholders) for a total of 247,000 units and 98,000 units, respectively, at selling price of Baht 1,010.55 per unit, totaling Baht 348.64 million. The Company already received the amount for purchase of such debentures on 20 October 2022.

17. Investment properties

The net book values of investment properties as at 31 December 2022 and 2021 are presented below:

(Unit: Baht)

| | Consolidated financial statements | | | | Total |
|--------------------------------|-----------------------------------|--|--|--------------------------|------------------|
| | 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 | |
| As at 31 December 2022 | | | | | |
| Cost | 550,843,192 | 2,556,600,435 | 21,386,603,640 | 176,756,594 | 24,670,803,861 |
| Less: Accumulated depreciation | - | (710,767,789) | (11,562,016,837) | - | (12,272,784,626) |
| Net book value | 550,843,192 | 1,845,832,646 | 9,824,586,803 | 176,756,594 | 12,398,019,235 |
| 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 |

(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 2022 | | | | | |
| Cost | 476,000 | – | 15,714,681,919 | 121,799,261 | 15,836,957,180 |
| Less: Accumulated depreciation | – | – | (7,126,321,077) | – | (7,126,321,077) |
| Net book value | 476,000 | – | 8,588,360,842 | 121,799,261 | 8,710,636,103 |
| 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 |

Reconciliations of net book values of investment properties for the years ended 31 December 2022 and 2021 are presented below:

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------------|-----------------------------------|-----------------|-------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Net book value at beginning of year | 13,065,117,327 | 13,914,081,813 | 9,480,755,373 | 10,135,454,785 |
| Acquisition of assets | 598,988,848 | 528,144,778 | 118,889,304 | 215,039,315 |
| Disposals - net book value | (454,731) | (47,780,535) | (419,302) | (14,875,487) |
| Reclassification | (40,494,775) | (96,374,228) | (44,580,738) | – |
| Depreciation for the year | (1,225,137,434) | (1,232,954,501) | (844,008,534) | (854,863,240) |
| Net book value at end of year | 12,398,019,235 | 13,065,117,327 | 8,710,636,103 | 9,480,755,373 |

The fair values of the investment properties, including leasehold rights as at 31 December 2022 and 2021 are presented below:

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------------|-------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Land awaiting for sales | 983,533,236 | 965,805,383 | 1,450,000 | 1,450,000 |
| Land and land improvement, building and building improvement, for rent | 3,308,195,740 | 3,085,959,623 | – | – |
| Building and right-of-use assets, for rent | 15,366,297,296 | 16,267,266,619 | 13,908,663,837 | 14,809,633,160 |
| Total | 19,658,026,272 | 20,319,031,625 | 13,910,113,837 | 14,811,083,160 |

The fair values of the above investment properties have been determined based on valuation performed by an independent valuer in 2020 - 2021. 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 2022 have been determined based on replacement cost approach and is presented in net book value amounting to Baht 76 million in consolidated financial statement (2021: Baht 431 million).

18. Land held for development

Land held for development as at 31 December 2022 and 2021 comprises land of the following companies.

(Unit: Baht)

| | Consolidated financial statements | |
|---|-----------------------------------|---------------|
| | 2022 | 2021 |
| Riverdale Golf and Country Club Company Limited | 702,232,939 | 601,117,939 |
| MBK Resort Public Company Limited | 159,115,310 | 157,676,215 |
| 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 | 538,762,261 |
| MBK Enterprise Company Limited | 124,386,850 | 124,274,390 |
| Total land held for development | 1,899,755,084 | 1,797,088,529 |

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.

19. Property, plant and equipment

Property, plant and equipment comprise the following:

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------------|-----------------------------------|---------------|-------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| Net book value: | | | | |
| Property, plant and equipment | 4,352,641,136 | 4,476,765,988 | 392,833,258 | 431,941,925 |
| Right-of-use assets (Note 29.1 a) | 1,091,799,073 | 1,146,079,080 | 940,383,520 | 1,015,015,716 |
| Total | 5,444,440,209 | 5,622,845,068 | 1,333,216,778 | 1,446,957,641 |

Movements of property, plant and equipment for the years ended 31 December 2022 and 2021 are summarised below.

| | 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 |
| Cost | | | | | | Total |
| 1 January 2021 | 3,590,064,863 | 3,766,637,291 | 1,153,177,797 | 2,107,175,194 | 99,435,789 | 180,277,450 |
| Acquisitions | 1,824,082 | 9,204,907 | 28,996,707 | 38,397,559 | 1,185,272 | 162,848,949 |
| Disposals | (131,600) | (8,280,429) | (11,702,647) | (110,501,825) | (24,739,080) | - |
| Transfers | 19,845,405 | 46,723,093 | 24,390,491 | 100,519,793 | - | (191,478,782) |
| Reclassification | (8,568,910) | (6,113,800) | (3,429,890) | (714,410) | - | (15,785,987) |
| 31 December 2021 | 3,603,033,840 | 3,808,171,062 | 1,191,432,458 | 2,134,876,311 | 75,881,981 | 135,861,630 |
| Acquisitions | 8,293,157 | 50,825,250 | 42,486,261 | 63,703,148 | 2,859,824 | 61,146,484 |
| Disposals | (1,216,427) | (33,839,140) | (16,386,253) | (59,882,867) | (14,639,056) | (30,928) |
| Transfers | 9,905,435 | 85,636,179 | 24,162,746 | 12,242,289 | - | (131,946,649) |
| Reclassification | (5,188,769) | (8,087,579) | 47,735,501 | (11,002,043) | - | (4,593,377) |
| 31 December 2022 | 3,614,827,236 | 3,902,705,772 | 1,289,430,713 | 2,139,936,838 | 64,102,749 | 60,437,160 |
| | | | | | | 11,071,440,468 |

(Unit: Baht)

Consolidated financial statements

| | 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 2021 | 821,102,368 | 2,716,145,613 | 884,513,276 | 1,593,643,050 | 76,436,648 | - | 6,091,840,955 |
| 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 | 63,124,415 | - | 6,333,375,016 |
| Depreciation for the year | 31,175,001 | 119,790,759 | 93,561,740 | 138,473,128 | 5,557,617 | - | 388,558,245 |
| Accumulated depreciation on disposals | (1,089,369) | (34,001,745) | (14,337,279) | (56,022,653) | (13,785,730) | - | (119,236,776) |
| Reclassification | (2,761,560) | (10,899,013) | 1,554,976 | (9,525,445) | - | - | (21,631,042) |
| 31 December 2022 | 878,173,893 | 2,913,990,849 | 1,043,854,080 | 1,690,150,319 | 54,896,302 | - | 6,581,065,443 |

(Unit: Baht)

Consolidated financial statements

| | 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 2021 | 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 |
| Allowance for impairment during the year (reversal) | - | (982) | (446,837) | (934,570) | - | - | (1,382,389) |
| 31 December 2022 | 13,090,469 | 107,463,794 | 15,082,091 | 2,097,535 | - | - | 137,733,889 |
| Net book value | | | | | | | |
| 31 December 2021 | 2,739,093,550 | 861,605,438 | 212,828,887 | 514,618,917 | 12,757,566 | 135,861,630 | 4,476,765,988 |
| 31 December 2022 | 2,723,562,874 | 881,251,129 | 230,494,542 | 447,688,984 | 9,206,447 | 60,437,160 | 4,352,641,136 |
| Depreciation for the year | | | | | | | |
| 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 |
| 2022 (Baht 320 million include in costs of sales and costs of service and rental, and the remaining balance included in selling and administrative expense) | | | | | | | 388,558,245 |

| Cost | Separate financial statements | | | | | (Unit: Baht) | |
|------------------|---|-------------------------|----------------|-------------|--------------------------|---------------|-------|
| | Furniture, fixture and office equipment | | | | Construction in progress | | Total |
| | Building | Machinery and equipment | Motor vehicles | | | | |
| 1 January 2021 | 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 | |
| Acquisitions | - | 11,836,909 | 10,529,592 | 977,934 | 5,460,421 | 28,804,856 | |
| Disposals | - | (4,132,358) | (22,728,464) | (1,359,000) | - | (28,219,822) | |
| Transfers | - | - | 6,348,927 | - | (6,348,927) | - | |
| Reclassification | - | 42,619,680 | - | - | - | 42,619,680 | |
| 31 December 2022 | 1,042,731,187 | 519,418,376 | 1,179,732,259 | 1,993,360 | 6,956,919 | 2,750,832,101 | |

(Unit: Baht)

| | Separate financial statements | | | | |
|--|-------------------------------|-------------------------|---|----------------|--------------------------|
| | Building | Machinery and equipment | Furniture, fixture and office equipment | Motor vehicles | Construction in progress |
| Accumulated depreciation | | | | | Total |
| 1 January 2021 | 1,042,731,184 | 341,082,917 | 915,757,276 | 1,515,951 | - |
| Depreciation for the year | - | 37,716,319 | 69,961,314 | 97,820 | - |
| Accumulated depreciation - disposal | - | (574,617) | (132,624,184) | - | - |
| Reclassification | - | 37,998 | (16,516) | - | - |
| 31 December 2021 | 1,042,731,184 | 378,262,617 | 853,077,890 | 1,613,771 | - |
| Depreciation for the year | - | 47,142,357 | 63,828,833 | 99,944 | - |
| Accumulated depreciation - disposal | - | (3,742,641) | (22,054,054) | (1,000,000) | - |
| Reclassification | - | (1,961,058) | - | - | - |
| 31 December 2022 | 1,042,731,184 | 419,701,275 | 894,852,669 | 713,715 | - |
| Net book value | | | | | |
| 31 December 2021 | 3 | 90,831,528 | 332,504,314 | 760,655 | 7,845,425 |
| 31 December 2022 | 3 | 99,717,101 | 284,879,590 | 1,279,645 | 6,956,919 |
| Depreciation for the year | | | | | |
| 2021 (Baht 85 million included in costs of service and rental, and the remaining balance included in administrative expense) | | | | | 107,775,453 |
| 2022 (Baht 92 million included in costs of service and rental, and the remaining balance included in administrative expense) | | | | | 111,071,134 |

As at 31 December 2022, 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 4,463 million (2021: Baht 4,298 million) (the Company only: Baht 2,072 million, 2021: Baht 2,009 million).

20. Goodwill

Goodwill as at 31 December 2022 and 2021 comprise goodwill on business combination in the following associate and subsidiary:

| | (Unit: Baht) | |
|---|-----------------------------------|------------|
| | Consolidated financial statements | |
| | 2022 | 2021 |
| 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.

21. Intangible assets

Net book value of intangible assets which are computer software as at 31 December 2022 and 2021 are as follows:

| | (Unit: Baht) | | | |
|--------------------------------|-----------------------------------|---------------|-------------------------------|---------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Cost | 372,511,554 | 387,821,941 | 237,891,727 | 284,760,667 |
| Less: Accumulated amortisation | (253,266,794) | (243,015,588) | (174,233,925) | (168,144,276) |
| Less: Allowance for impairment | - | (249,137) | - | - |
| Net book value | 119,244,760 | 144,557,216 | 63,657,802 | 116,616,391 |

Reconciliations of the net book values of intangible assets for the years ended 31 December 2022 and 2021 is presented below:

| | (Unit: Baht) | | | |
|---------------------------------------|-----------------------------------|--------------|-------------------------------|--------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Net book value at beginning of year | 144,557,216 | 132,574,513 | 116,616,391 | 105,404,942 |
| Acquisitions of computer software | 19,727,306 | 41,811,605 | 11,479,479 | 33,203,147 |
| Reclassification | - | (851,966) | - | (1,735,128) |
| Amortisation | (32,647,062) | (28,700,366) | (23,494,836) | (20,256,570) |
| Disposal/Write-off - net book value | (12,641,837) | (68,785) | (40,943,232) | - |
| Impairment during the year (reversal) | 249,137 | (207,785) | - | - |
| Net book value at end of year | 119,244,760 | 144,557,216 | 63,657,802 | 116,616,391 |

22. Property foreclosed

(Unit: Baht)

| | Consolidated financial statements | | |
|---------------------------------|-----------------------------------|--------------|--------------|
| | Land | Buildings | Total |
| Cost | | | |
| As at 1 January 2021 | 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 |
| Increase | - | 16,031,245 | 16,031,245 |
| Disposal | - | (14,107,022) | (14,107,022) |
| As at 31 December 2022 | 99,757,869 | 295,877,031 | 395,634,900 |
| Allowance for impairment | | | |
| As at 1 January 2021 | - | 3,787,577 | 3,787,577 |
| Increase | - | 371,215 | 371,215 |
| As at 31 December 2021 | - | 4,158,792 | 4,158,792 |
| Increase | - | 398,051 | 398,051 |
| As at 31 December 2022 | - | 4,556,843 | 4,556,843 |
| Net book value | | | |
| As at 31 December 2021 | 99,757,869 | 289,794,016 | 389,551,885 |
| As at 31 December 2022 | 99,757,869 | 291,320,188 | 391,078,057 |

23. Other non-current assets

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|------------------------------------|-----------------------------------|-------------|-------------------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| Deposit | 8,609,143 | 15,623,513 | - | - |
| Withholding tax deducted at source | 234,524,911 | 205,748,443 | 55,164,519 | 52,289,748 |
| Value added tax refundable | 156,423,263 | 174,712,381 | - | - |
| Others | 6,217,534 | 6,295,550 | 74,896 | 460,579 |
| Other non-current assets | 405,774,851 | 402,379,887 | 55,239,415 | 52,750,327 |

24. Short-term loans from financial institutions

| | (Unit: Baht) | | | |
|--|-------------------------|-------------|--------------------------------------|-------------|
| | Interest rate per annum | | Consolidated financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Short-term loans from financial institutions | 1.68 - 2.63 | 1.22 - 2.00 | 937,584,529 | 990,000,000 |

| | (Unit: Baht) | | | |
|--|-------------------------|------|----------------------------------|------|
| | Interest rate per annum | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Short-term loans from financial institutions | 1.68 | - | 100,000,000 | - |

Short-term loans from financial institutions of a subsidiaries, short-term loans is secured by the pledge of some inventories of four subsidiaries (2021: two subsidiaries) and treasury stock held by subsidiary as described in Notes 11 and 34, respectively.

Short-term loans from financial institutions of the Company, short-term loans is unsecured loan and the maturity date is on 12 January 2023.

25. Trade and other payables

| | (Unit: Baht) | | | |
|---|--------------------------------------|---------------|----------------------------------|-------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Trade payables - related parties | 83,475,526 | 49,863,030 | 112,770,034 | 45,065,925 |
| Trade payables - unrelated parties | 303,906,767 | 268,506,538 | 32,199,151 | 14,660,021 |
| Accrued interest expenses - related parties | - | - | 35,869,226 | 34,917,682 |
| Accrued interest expenses - unrelated parties | 151,582,871 | 167,209,380 | 146,272,630 | 163,834,899 |
| Other payables - related parties | 586,253 | - | 97,370 | 4,259,006 |
| Other payables - unrelated parties | 135,544,961 | 155,818,607 | 14,911,047 | 48,483,390 |
| Retention payables | 54,513,838 | 92,178,558 | 23,849,982 | 30,417,383 |
| Accrued expenses | 308,311,413 | 272,977,683 | 79,882,267 | 46,506,029 |
| Total trade and other payables | 1,037,921,629 | 1,006,553,796 | 445,851,707 | 388,144,335 |

26. Long term loans from financial institutions

(Unit: Baht)

| Loan | Credit facilities (Million Baht) | Interest rate (% p.a.) | Repayment schedule | Consolidated financial statements | |
|------|-------------------------------------|---------------------------|---|-----------------------------------|-------------|
| | | | | 2022 | 2021 |
| 1 | 500 | MLR - 2.00 | Annually installments of principal and monthly payment of interest, with 36 installments 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) | 400,000,000 | 450,000,000 |
| 2 | 700 | MLR - 2.05 | Monthly installments of principal and monthly payment of interest, with principal payments of Baht 2.78 million per month. The first payment in 1 month after the first drawdown date and mature within 3 years (final installment within 2023) | 263,888,889 | 497,222,223 |
| 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 |
| 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) | 275,132,000 | 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) | 340,276,500 | 250,000,000 |

(Unit: Baht)

| Loan | Credit facilities (Million Baht) | Interest rate (% p.a.) | Repayment schedule | Consolidated financial statements | |
|--|-------------------------------------|---------------------------|---|-----------------------------------|---------------|
| | | | | 2022 | 2021 |
| 6 | 500 | MLR - 2.05 | Annually installments of principal and monthly payment of interest, with 36 installments 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 2025) | 153,000,000 | - |
| Total | | | | 1,432,297,389 | 2,240,354,223 |
| Less: Current portion | | | | (1,018,001,334) | (734,667,334) |
| Long-term loans - net of current portion | | | | 414,296,055 | 1,505,686,889 |

Movements in the long-term loans from financial institutions during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

| | Consolidated financial statements | |
|---------------------------------|-----------------------------------|-------------|
| | 2022 | 2021 |
| Balance as at beginning of year | 2,240,354 | 2,386,111 |
| Addition | 800,000 | 1,350,000 |
| Repayment | (1,608,057) | (1,495,757) |
| Balance as at end of year | 1,432,297 | 2,240,354 |

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 financial ratios.

27. Other current liabilities

Other current liabilities as at 31 December 2022 and 2021 comprise the following:

(Unit: Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|-------------|-------------------------------|-------------|
| | 2022 | 2021 | 2022 | 2021 |
| Deferred income | 65,724,651 | 58,764,878 | - | - |
| Deposit - property development project | 202,430,767 | 292,114,907 | - | - |
| Deposit | 47,819,652 | 39,418,802 | 13,682,000 | 10,885,947 |
| Unearned property tax | 154,912,509 | 195,514,431 | 85,800,191 | 87,345,371 |
| Unearned output tax | 31,550,934 | 24,014,959 | 5,139,043 | 4,961,844 |
| Unearned interest | 143,716,406 | 101,546,217 | - | - |
| Accrued dividend | 5,827,345 | 2,043,940 | 5,546,505 | 1,827,300 |
| Others | 149,873,915 | 81,018,658 | 21,120,434 | 8,998,186 |
| Total other current liabilities | 801,856,179 | 794,436,792 | 131,288,173 | 114,018,648 |

28. Long-term debentures

(Unit: Baht)

| Type of debentures | Interest rate (per annum) | | | Consolidated financial statements | | Separate financial statements | |
|----------------------------|---------------------------|-------------|-------------------|-----------------------------------|---------------|-------------------------------|---------------|
| | | Period | Due date | 2022 | 2021 | 2022 | 2021 |
| MBK Public Company Limited | | | | | | | |
| - 1/2012 | 4.93% | 10 years | 24 July 2022 | - | 220,000,000 | - | 220,000,000 |
| - 2/2012 | 4.70% | 10 years | 7 September 2022 | - | 194,000,000 | - | 194,000,000 |
| - 3/2012 | 4.72% | 10 years | 20 September 2022 | - | 630,000,000 | - | 630,000,000 |
| - 4/2012 | 5.10% | 15 years | 7 November 2027 | 1,500,000,000 | 1,500,000,000 | 1,500,000,000 | 1,500,000,000 |
| | | 7 years and | | | | | |
| - 1/2016 | 3.125% | 19 days | 17 March 2023 | 1,000,000,000 | 1,000,000,000 | 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 | 1,000,000,000 | 1,000,000,000 |
| - 1/2017 | 3.78% | 10 years | 20 July 2027 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| - 1/2018 | 3.50% | 10 years | 25 April 2028 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| - 1/2019 | 3.875% | 10 years | 24 May 2029 | 1,500,000,000 | 1,500,000,000 | 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 | 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 | 3,000,000,000 | 3,000,000,000 |
| - 2/2020 | 2.80% | 10 years | 26 March 2030 | 500,000,000 | 500,000,000 | 500,000,000 | 500,000,000 |
| | | 3 years and | | | | | |
| - 3/2020 | 1.96% | 2 days | 11 April 2023 | 300,000,000 | 300,000,000 | 300,000,000 | 300,000,000 |
| - 1/2021 | 1.91% | 3 years | 20 July 2024 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |

(Unit: Baht)

| Type of debentures | Interest rate (per annum) | Period | Due date | Consolidated financial statements | | Separate financial statements | |
|--|---------------------------|-------------|-----------------|-----------------------------------|-----------------|-------------------------------|-----------------|
| | | | | 2022 | 2021 | 2022 | 2021 |
| T Leasing Company Limited (subsidiary) | | | | | | | |
| | | 1 year | | | | | |
| | | 11 months | | | | | |
| - 1/2022 | 4.00% | and 10 days | 18 June 2024 | 100,000,000 | - | - | - |
| | | 1 year | | | | | |
| - 2/2022 | 4.00% | 11 months | 18 June 2024 | 100,000,000 | - | - | - |
| | | 1 year and | | | | | |
| - 3/2022 | 3.10% | 5 days | 17 October 2023 | 200,000,000 | - | - | - |
| Total | | | | 14,200,000,000 | 14,844,000,000 | 13,800,000,000 | 14,844,000,000 |
| Less: Debenture issuance fee | | | | (7,320,803) | (9,018,714) | (6,993,340) | (9,018,714) |
| Add: Recognised fair value of debentures (only the interest portion applying hedge accounting) | | | | 15,950,280 | 41,682,853 | 15,950,280 | 41,682,853 |
| Long-term debentures – net | | | | 14,208,629,477 | 14,876,664,139 | 13,808,956,940 | 14,876,664,139 |
| Less: Current portion | | | | (1,499,486,656) | (1,043,390,757) | (1,299,620,874) | (1,043,390,757) |
| Long-term debentures – net of current portion | | | | 12,709,142,821 | 13,833,273,382 | 12,509,336,066 | 13,833,273,382 |

Movement of the long-term debentures for the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|-------------|-------------------------------|-------------|
| | 2022 | 2021 | 2022 | 2021 |
| Net book value as at beginning of year | 14,876,664 | 15,762,263 | 14,876,664 | 15,762,263 |
| Issue during the period | 400,000 | 1,000,000 | - | 1,000,000 |
| Recognition of fair value of the interest portion applying hedge accounting | (25,733) | (31,546) | (25,733) | (31,546) |
| Call during the period | (1,044,000) | (1,856,000) | (1,044,000) | (1,856,000) |
| Addition of underwriting fee on debenture issued | (450) | - | - | - |
| Amortisation of underwriting fee | 2,148 | 1,947 | 2,026 | 1,947 |
| Net book value as at end of year | 14,208,629 | 14,876,664 | 13,808,957 | 14,876,664 |

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. (Note 47.1)

The Company and subsidiary debentures are name-registered, unsubordinated, unsecured with no holders representative. Under the terms and conditions of the debentures, the Company and subsidiary have 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 for debentures issued by the Company.

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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 year 2021, 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 year 2021, 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.

29. Leases

29.1 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 2022 and 2021 are summarised below.

(Unit: Baht)

| | Consolidated financial statements | | | |
|---------------------------|-----------------------------------|--------------|----------------|--------------------|
| | Land | Buildings | Motor vehicles | Total ^a |
| 1 January 2021 | 838,188,908 | 413,781,822 | 8,168,042 | 1,260,138,772 |
| Additions | 18,911,002 | 471,760 | 2,952,688 | 22,335,450 |
| Depreciation for the year | (98,856,202) | (35,544,090) | (1,994,850) | (136,395,142) |
| 31 December 2021 | 758,243,708 | 378,709,492 | 9,125,880 | 1,146,079,080 |
| Additions | 44,496,277 | 8,510,086 | 23,408,421 | 76,414,784 |
| Depreciation for the year | (88,849,375) | (36,169,371) | (5,676,045) | (130,694,791) |
| 31 December 2022 | 713,890,610 | 351,050,207 | 26,858,256 | 1,091,799,073 |

(Unit: Baht)

| | Separate financial statements | | | |
|---------------------------|-------------------------------|--------------|----------------|---------------|
| | Land | Buildings | Motor vehicles | Total |
| 1 January 2021 | 688,650,121 | 404,754,422 | 12,810,945 | 1,106,215,488 |
| Additions | - | - | 2,952,688 | 2,952,688 |
| Disposals | - | - | (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 |
| Additions | - | - | 19,848,259 | 19,848,259 |
| Depreciation for the year | (55,836,492) | (32,884,584) | (5,759,379) | (94,480,455) |
| 31 December 2022 | 578,355,691 | 338,985,254 | 23,042,575 | 940,383,520 |

The movements of right-of-use assets exclude the right-of-use assets which are classified as investment properties as described in Note 17.

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.

On 1 November 2022, the University, the Company and MBK Business Company Limited (a subsidiary) entered into a memorandum of agreement to include MBK Business Company Limited as the payer of consideration for the area of Pathumwan Princess Hotel directly paid to the University from the 11th year to the 20th year, totaling Baht 1,532 million. This is intended to enhance the accounting management efficiency and the management flexibility following the restructuring in 2023. The subsidiary will manage Pathumwan Princess Hotel in place of the Company and will be responsible for collecting and remitting the revenue under the hotel area concession agreement to the Company for the purpose of calculating the total revenue of the Company, as it is required to pay revenue sharing in accordance with the terms of the rights contract as described above. However, the rights and benefits of the University and the duties and responsibilities of the Company as specified in the rights contract will remain unchanged. The memorandum of agreement takes effect on 22 April 2023 and will end upon the expiration of the aforementioned rights contract.

(Unit: Baht)

| | Consolidated/Separate financial statements | |
|--|--|-----------------|
| | 2022 | 2021 |
| Liabilities under finance lease agreements | 14,543,096,000 | 15,404,338,000 |
| Less: Deferred interest expenses | (3,459,729,581) | (4,054,786,034) |
| Total | 11,083,366,419 | 11,349,551,966 |
| Less: Current portion | (860,055,038) | (606,092,507) |
| Liabilities under finance lease agreements - net of current portion | 10,223,311,381 | 10,743,459,459 |

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 2022 and 2021 comprise the following:

| | (Unit: Baht) | | | |
|--|-----------------------------------|--------------------|-------------------------------|-------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Liabilities under lease agreements | 491,338,926 | 485,624,930 | 27,859,167 | 11,745,627 |
| Less: Deferred interest expenses | (138,080,468) | (150,717,468) | (2,530,127) | (928,710) |
| Total | 353,258,458 | 334,907,462 | 25,329,040 | 10,816,917 |
| Less: Current portion | (38,626,647) | (28,557,875) | (6,993,692) | (3,605,957) |
| Liabilities under lease agreements – net of current portion | 314,631,811 | 306,349,587 | 18,335,348 | 7,210,960 |

A maturity analysis of lease payments is disclosed in Note 47.2 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 | |
| | 2022 | 2021 | 2022 | 2021 |
| Depreciation of right-of-use assets | 1,282,175 | 1,307,268 | 938,489 | 949,016 |
| Interest expense on lease liabilities | 613,317 | 635,507 | 595,962 | 617,857 |
| Expense relating to short-term leases | 412 | 502 | 11 | 11 |
| Expense relating to leases of low-value assets | 2,174 | 3,255 | 86 | 50 |

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 694 million (2021: Baht 852 million) (the Company only: Baht 637 million, 2021: Baht 767 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 76 million (2021: Baht 22 million) (the Company only: Baht 20 million, 2021: Baht 3 million).

Furthermore, the Group elected to adopt the practical expedient relating to COVID-19-related rent concessions. The practical expedient permits a lessee not to assess whether rent concessions are lease modifications. The Group applies the practical expedient to all rent concessions that meet all of the conditions, 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 effects of the application of this expedient, due to resulting changes in payments under leases are recognised in profit or loss for the year ended 31 December 2022, amounting to Baht 231 million (2021: Baht 293 million) (the Company only: Baht 231 million, 2021: Baht 293 million).

29.2 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 17). 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 2022 and 2021 as follows:

| | (Unit: Thousand Baht) | | | |
|--------------------------|-----------------------------------|-----------|-------------------------------|---------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Within 1 year | 1,420,715 | 1,243,488 | 1,056,443 | 307,237 |
| Over 1 and up to 5 years | 1,008,490 | 838,867 | 857,200 | 351,939 |
| Over 5 years | 32,453 | 124,537 | 193,218 | 250,036 |
| Total | 2,461,658 | 2,206,892 | 2,106,861 | 909,212 |

During 2022, the Group has sub-lease income amounting to Baht 1,715 million (2021: Baht 1,505 million) (the Company only: Baht 1,056 million, 2021: Baht 835 million).

30. 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 | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Provision for long-term employee benefits | | | | |
| at beginning of year | 324,688,627 | 324,276,674 | 99,955,558 | 119,205,808 |
| Included in profit or loss: | | | | |
| Current service cost | 30,433,848 | 24,129,795 | 6,615,310 | 6,295,607 |
| Interest cost | 3,940,209 | 2,123,149 | 967,415 | 1,006,278 |
| Past service cost from curtailment | - | (10,290,060) | - | - |
| Transfer employee | - | - | (9,293,262) | (21,457,068) |
| Benefits paid during the year | (16,967,280) | (15,550,931) | (13,789,593) | (5,095,067) |
| Provision for long-term employee benefits | | | | |
| at end of year | 342,095,404 | 324,688,627 | 84,455,428 | 99,955,558 |

The Group expects to pay Baht 23.45 million of long-term employee benefits during the next year (the Company only: Baht 7.13 million) (2021: Baht 16.35 million, the Company only: Baht 10.77 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 14 years (the Company only: 14 years) (2021: 14 years, the Company only: 14 years).

Significant actuarial assumptions are summarised below:

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|-----------------------------------|---------------|-------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| | (% per annum) | (% per annum) | (% per annum) | (% per annum) |
| Discount rate | 0.40 - 2.99 | 0.40 - 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 2022 and 2021 are summarised below:

| Consolidated financial statements | | | |
|-----------------------------------|----------------------|----------------------|----------------------|
| 31 December 2022 | | | |
| 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 | (27.16) | 30.62 |
| Salary increase rate | 1 | 36.36 | (31.29) |
| Staff turnover rate | 20 | (33.33) | 41.42 |

| 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) | 29.58 |
| Salary increase rate | 1 | 31.94 | (28.00) |
| Staff turnover rate | 20 | (29.46) | 36.99 |

| Separate financial statements | | | |
|-------------------------------|----------------------|----------------------|----------------------|
| 31 December 2022 | | | |
| 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 | (4.16) | 4.78 |
| Salary increase rate | 1 | 5.50 | (4.79) |
| Staff turnover rate | 20 | (5.43) | 6.96 |

| Separate 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 | (4.55) | 5.20 |
| Salary increase rate | 1 | 5.51 | (4.82) |
| Staff turnover rate | 20 | (5.40) | 6.86 |

31. Other non-current liabilities

| | (Unit: Baht) | | | |
|-------------------------------|-----------------------------------|------------|-------------------------------|-----------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Refundable employee security | 1,892,810 | 1,384,320 | 1,892,810 | 1,384,320 |
| Retention payable | 20,634,582 | 28,675,736 | - | - |
| Others | 15,087,464 | 15,196,522 | - | 106,487 |
| Other non-current liabilities | 37,614,856 | 45,256,578 | 1,892,810 | 1,490,807 |

32. Share capital

On 28 April 2022, the 2022 Annual General Meeting of the Company's shareholders passed a resolution to approve on the significant matters as follows:

1. Approval for the reduction of the Company's registered capital from Baht 2,405,583,548 to Baht 1,905,583,548 by canceling the registered 500,000,000 ordinary shares with a par value of Baht 1 per share issued accommodate the capital increase under the general mandate scheme. The Company registered capital decrease with the Ministry of Commerce on 11 May 2022.
2. Approval for the increase in the Company's registered capital from Baht 1,905,583,548 to Baht 1,985,641,029 by issuing new ordinary shares not exceeding 80,057,481 shares with a par value of Baht 1 per share to reserve for the exercise of the Company's warrants to purchase ordinary shares MBK-W4 and the right adjustment of MBK-W1, MBK-W2 and MBK-W3. The Company registered capital increase with the Ministry of Commerce on 12 May 2022.
3. Approval for the increase in the Company's registered capital under the general mandate scheme from Baht 1,985,641,029 to Baht 2,485,641,029 by issuing additional 500,000,000 ordinary shares with a par value of Baht 1 to the Company's existing shareholders in proportion to their shareholding. The Company registered capital increase with the Ministry of Commerce on 12 May 2022.

On 11 November 2022, the Extraordinary General Meeting of shareholders No.1/2022 of the Company passed a resolution to approve on the significant matters as follows:

1. Approval for the reduction of the Company's registered capital from Baht 2,485,641,029 to Baht 1,985,641,029 by canceling the registered 500,000,000 ordinary shares with a par

value of Baht 1 per share issued accommodate the capital increase under the general mandate scheme.

2. Approval for the increase in the Company's registered capital from Baht 1,985,641,029 to Baht 1,988,712,432 by issuing new ordinary shares not exceeding 3,071,403 shares with a par value of Baht 1 per share to reserve for the right adjustment of MBK-W1, MBK-W2, MBK-W3 and MBK-W4.
3. Approval for the increase in the Company's registered capital under the general mandate scheme from Baht 1,988,712,432 to Baht 2,488,712,432 by issuing additional 500,000,000 ordinary shares with a par value of Baht 1 to the Company's existing shareholders in proportion to their shareholding.

33. 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 2022, the Company has set aside statutory reserve at Baht 3.05 million (2021: Nil).

34. Treasury stock

| | (Unit: Baht) | |
|--------------------------------------|-----------------------------------|-------------|
| | Consolidated financial statements | |
| | 2022 | 2021 |
| Treasury stocks held by subsidiaries | 804,692,074 | 711,993,784 |
| | 804,692,074 | 711,993,784 |

Treasury stocks held by subsidiaries

Treasury stocks represented the Company's shares held by subsidiaries totaling 540 million shares (2021: 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 2022, a subsidiary has pledged and entered into a negative pledge agreement on the treasury stock of 226 million shares with a par value of Baht 1 each with book value (cost method) amounting to Baht 432 million (2021: 226 million shares, totaling Baht 432 million) to secure short-term loan facilities from banks, as discussed in Note 24 to consolidated financial statement.

35. 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 | |
| | 2022 | 2021 |
| Total shareholders' equity - as stated in statements of financial position | 17,185,689,824 | 16,915,244,562 |
| Less: Treasury stock held by subsidiaries | (804,692,074) | (711,993,784) |
| Equity attributable to the Company's shareholders - after less treasury stock held by subsidiaries | <u>16,380,997,750</u> | <u>16,203,250,778</u> |
| | | |
| | (Unit: Baht) | |
| | Separate financial statements | |
| | 2022 | 2021 |
| Investments in subsidiaries - as stated in statements of financial position | 18,945,603,320 | 20,570,500,926 |
| Less: Treasury stock held by subsidiaries | (804,692,074) | (711,993,784) |
| Investments in subsidiaries | <u>18,140,911,246</u> | <u>19,858,507,142</u> |

36. Warrants

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.

| Consolidated financial statement | | | | | | | | | | | | |
|----------------------------------|------------------|----------------------------|------------------|--------------|--------------|--|--------|--------------------------|--------------|-------------|--|-------|
| Allocated to | Allocated date | Determined exercising date | | Outstanding | | Increase | | Decrease during the year | | As at | | |
| | | First exercise | Last exercise | Warrant | Exercise | Exercise ratio for ordinary shares during the year | Share | Exercise price | Amount | 31 December | | |
| | | | | Million unit | Million unit | Par 1 warrant | Share | Baht | Million Baht | 2022 | | |
| Existing shareholder | | | | | | | | | | | | |
| (MBK-W1) | 23 November 2020 | 15 January 2021 | 15 November 2023 | 33.05 | 8.25 | 1:1.0971, 1.0653 and 1.1214 | 9.02 | 2,6754 - 2,8162 | 45.19 | | | 24.80 |
| Existing shareholder | | | | | | | | | | | | |
| (MBK-W2) | 1 June 2021 | 15 July 2021 | 15 May 2024 | 36.92 | 7.31 | 1:1.0313, 1.0621 and 1.0656 | 7.74 | 2,7634 - 2,9088 | 21.94 | | | 29.61 |
| Existing shareholder | | | | | | | | | | | | |
| (MBK-W3) | 30 November 2021 | 17 January 2022 | 15 November 2024 | 70.21 | 60.72 | 1:1, 1.0298 and 1.0526 | 61.63 | 2,8500 - 3.00 | 182.13 | | | 9.49 |
| Existing shareholder | | | | | | | | | | | | |
| (MBK-W4) | 30 May 2022 | 15 July 2022 | 15 May 2025 | - | 55.28 | 1:1 and 1.0221 | 55.29 | 2,9350 - 3.00 | 165.82 | | | 16.50 |
| Total issuance by the Company | | | | 140.18 | 131.56 | | 133.68 | | 415.06 | | | 80.40 |

Separate financial statement

| Allocated to | Allocated date | Determined exercising date | | Outstanding warrant | Warrant | Exercise | Exercise ratio | Issue of ordinary shares during the year | Exercise price | Amount | Outstanding warrant |
|-------------------------------|------------------|----------------------------|--------------------------|--------------------------|------------------------|----------|-----------------------------|--|-----------------|--------|---------------------|
| | | First exercise | Last exercise | | | | | | | | |
| | | As at 31 December 2021 | Increase during the year | Decrease during the year | As at 31 December 2022 | | | | | | |
| Existing shareholder (MBK-W1) | 23 November 2020 | 15 January 2021 | 15 November 2023 | 33.05 | - | 8.25 | 1.1,0971, 1,0653 and 1.1214 | 9.02 | 2.6754 - 2.8162 | 24.76 | 24.80 |
| Existing shareholder (MBK-W2) | 1 June 2021 | 15 July 2021 | 15 May 2024 | 36.92 | - | 7.31 | 1.1,0313, 1,0621 and 1.0856 | 7.74 | 2.7634 - 2.9088 | 21.94 | 29.61 |
| Existing shareholder (MBK-W3) | 30 November 2021 | 17 January 2022 | 15 November 2024 | 70.21 | - | 60.72 | 1.1, 1,0298 and 1.0526 | 61.63 | 2.8500 - 3.00 | 182.13 | 9.49 |
| Existing shareholder (MBK-W4) | 30 May 2022 | 15 July 2022 | 15 May 2025 | - | 71.78 | 55.28 | 1:1 and 1.0221 | 55.29 | 2.9350 - 3.00 | 165.82 | 16.50 |
| | | | | 140.18 | 71.78 | 131.56 | 133.68 | | | 394.65 | 80.40 |

On 28 April 2022, the 2022 Annual General Meeting of shareholders of the Company passed a resolution to approve an issuance and allotment of the Company passed a resolution to approve an issuance and allotment of warrant No.4 (MBK-W4) with free of charge by specified holders to its existing shareholders (The appropriate rate by 25 existing ordinary shares per 1 unit of warrant) totaling 71,778,083 units. 1 unit of warrant is exercisable to purchase 1 ordinary share at Baht 3 each, within 2 years 11 months and 16 days starting from 30 May 2022. Its first exercise is on 15 July 2022 and able to exercise on the date 15 of each month throughout the term of the warrants.

37. Interest revenue from financial business

Interest revenue from financial business for the years ended 31 December 2022 and 2021 comprise the following:

| | (Unit: Baht) | | | |
|---------------------------------------|-----------------------------------|---------------|-------------------------------|-----------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Loans to customers | 773,058,633 | 868,647,770 | 3,899,213 | 2,829,799 |
| Hire purchase and financial lease | 1,585,729,775 | 1,542,586,097 | - | - |
| Total revenue from financial business | 2,358,788,408 | 2,411,233,867 | 3,899,213 | 2,829,799 |

38. Financial costs

Financial costs of the Group for the years ended 31 December 2022 and 2021 are made up as follows:

| | (Unit: Baht) | | | |
|--------------------------------------|-----------------------------------|---------------|-------------------------------|---------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Interest expenses | 568,351,566 | 624,414,866 | 912,193,866 | 962,581,057 |
| Finance costs from lease liabilities | 613,316,567 | 635,507,200 | 595,961,517 | 617,857,264 |
| Other finance costs | 3,358,840 | 4,419,748 | 2,122,704 | 3,638,567 |
| Total financial costs | 1,185,026,973 | 1,264,341,814 | 1,510,278,087 | 1,584,076,888 |

39. 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 2022, the Group contributed Baht 40 million to the fund. (2021: Baht 15 million) (the Company only: Baht 10 million, 2021: Nil)

40. Expenses by nature

Significant expenses by nature for the years ended 31 December 2022 and 2021 are as follows:

| | (Unit: Baht) | | | |
|--|-----------------------------------|---------------|-------------------------------|---------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Cost of sales of properties | 432,388,211 | 531,998,385 | - | - |
| Salaries and wages and other employee benefits | 1,664,864,138 | 1,543,581,260 | 413,047,195 | 412,675,041 |
| Depreciation | 1,744,390,470 | 1,771,397,346 | 1,049,560,123 | 1,056,791,142 |
| Amortisation | 32,647,062 | 28,700,366 | 23,494,836 | 20,256,570 |
| Reversal of allowance for impairment of investments in subsidiary | - | - | (2,360,259) | (1,803,322) |
| Allowance for impairment of property foreclosed | - | 371,215 | - | - |
| Allowance for impairment of plant and equipment (reversal) | (1,382,389) | 280,095 | - | - |
| Allowance for impairment of intangible assets (reversal) | (249,137) | 207,785 | - | - |
| Allowance for expected credit losses (reversal/written-off) | 198,109,454 | (84,856,675) | (2,463,278) | 49,205,423 |
| Losses on exchange rate | 5,431,471 | 3,820,449 | - | - |
| Transportation expenses | 178,229,281 | 153,335,791 | - | - |
| Commission and promotion expenses | 86,669,210 | 85,896,552 | 555,425 | 709,711 |
| Power supply expenses | 372,559,341 | 288,734,301 | 98,973,024 | 75,423,775 |
| Rental expenses | 12,480,661 | 8,874,848 | - | 60,932 |
| Repair and maintenance operating expenses | 200,574,203 | 143,843,881 | 70,303,684 | 72,621,310 |
| Raw materials and consumables used | 885,030,595 | 793,285,905 | - | - |
| Increase (decrease) on changes in inventories of finished goods and work in progress | (3,011,015) | 7,017,291 | - | - |

41. 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 2022 and 2021 are made up as follows:

| | (Unit: Baht) | | | |
|--|----------------------|--------------------|----------------------|-------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Current income tax: | | | | |
| Current income tax charge for the year | 246,537,112 | 209,181,985 | - | - |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | 11,086,279 | 59,943,654 | (33,230,727) | 20,161,587 |
| Income tax expense (profit) reported in the statement of comprehensive income | 257,623,391 | 269,125,639 | (33,230,727) | 20,161,587 |

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

| | (Unit: Baht) | | | |
|--|----------------------|---------------------|----------------------|---------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Gains (losses) on investments in equity designated at fair value through other comprehensive income | 143,321,209 | (77,948,640) | 135,601,995 | (77,948,640) |
| Unrealised losses on investments in loans | - | (914,184) | - | (914,184) |
| Gains on investments in equity designated at fair value through other comprehensive income of an associate | - | 6,793,378 | - | - |
| Translation adjustment of an associate | 223,189 | (279,170) | - | - |
| Actuarial losses of an associate | 636,201 | - | - | - |
| Income tax expense reported in the statement of other comprehensive income | 144,180,599 | (72,348,616) | 139,601,995 | (78,862,824) |

Reconciliations between tax expense and the product of accounting profit (loss) multiplied by the applicable tax rate for the years ended 31 December 2022 and 2021 are as follows:

| | (Unit: Baht) | | | |
|---|-----------------------------------|--------------------|-------------------------------|-------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Profit (loss) before corporate income tax | 637,159,048 | (474,981,137) | 27,794,456 | (540,157,061) |
| Applicable tax rates | 0 - 20% | 0 - 20% | 20% | 20% |
| Accounting profit (loss) before income tax multiplied by tax rates | 127,431,810 | (94,996,227) | 5,558,891 | (108,031,412) |
| Effects of non-deductible expenses, additional capital expenditure deductions allowed and income exempted from income tax | 130,191,581 | 364,121,866 | (38,789,618) | 128,192,999 |
| Income tax expenses reported in the statement of comprehensive income | 257,623,391 | 269,125,639 | (33,230,727) | 20,161,587 |

The components of deferred tax assets and deferred tax liabilities as at 31 December 2022 and 2021 are as follows:

| | (Unit: Baht) | | | |
|---|-----------------------------------|--------------------|-------------------------------|--------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Deferred tax assets | | | | |
| Allowance for impairment of assets | 28,210,680 | 28,154,680 | 5,743,939 | 5,743,939 |
| Provision for long-term employee benefits | 46,889,232 | 44,087,571 | 6,259,609 | 9,210,918 |
| Actuarial losses | 17,823,898 | 17,823,900 | 10,631,476 | 10,631,476 |
| Actuarial losses of associates | 631,453 | 1,267,654 | - | - |
| Finance lease agreements | 543,714,751 | 545,005,442 | 543,714,750 | 545,005,442 |
| Timing differences of accounting and taxable income recognition | 168,556,125 | 140,343,910 | 3,941,722 | 3,941,721 |
| | 805,826,139 | 776,683,157 | 570,291,496 | 574,533,496 |

| | (Unit: Baht) | | | |
|---|-----------------------------------|----------------------|-------------------------------|--------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Deferred tax liabilities | | | | |
| Timing differences of depreciation of buildings | 18,709,580 | 17,698,252 | - | - |
| 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 | 783,966,840 | 640,645,631 | 780,247,627 | 640,645,631 |
| Gains on investment in equity and investment in debt securities at fair value through profit and loss | 1,469,011 | - | 1,469,011 | - |
| Unrealised losses on investments in loans | (357,428) | (357,429) | (357,429) | (357,429) |
| Gains on interest income under effective interest method from investments in loans | 188,926 | 188,926 | 188,926 | 188,926 |
| Timing differences of accounting and taxable income recognition | 41,849,905 | 95,205,110 | 29,086,461 | 67,772,581 |
| Translation adjustment of an associate | 544,206 | 321,017 | - | - |
| Share of profit from investments in associates | 255,519,490 | 197,496,763 | - | - |
| | <u>1,186,005,592</u> | <u>1,035,313,332</u> | <u>810,634,596</u> | <u>708,249,709</u> |

As at 31 December 2022, the Group has unused tax losses totaling Baht 6,687 million (2021: Baht 5,516 million) (the Company only: Baht 5,243 million, 2021: Baht 4,100 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 2027 (2021: 2026).

42. 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 2022 and 2021 are as follows:

| | Consolidated | | Separate | |
|--|----------------------|---------------|----------------------|---------------|
| | financial statements | | financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Ordinary shares issued and paid-up | 1,761,921,389 | 1,694,923,000 | 1,761,921,389 | 1,694,923,000 |
| Add: Weighted average share | 62,203,221 | 29,197,523 | 62,203,221 | 29,197,523 |
| Less: Treasury stock held by a subsidiary | (379,955,407) | (372,040,750) | - | - |
| Weighted average number of shares held | | | | |
| by third parties | 1,444,169,203 | 1,352,079,773 | 1,824,124,610 | 1,724,120,523 |
| Add: Warrants allocated to existing shareholders | 104,691,841 | - | 104,691,841 | - |
| Weighted average number of ordinary shares for | | | | |
| diluted earnings per share | 1,548,861,044 | 1,352,079,773 | 1,928,816,451 | 1,724,120,523 |
| Profit (loss) for the year (Baht) | 331,852,284 | (804,475,422) | 61,025,183 | (560,318,648) |
| Earnings (loss) per share (Baht/share) | 0.23 | (0.60) | 0.03 | (0.33) |
| Diluted earnings per share (Baht/share) | 0.21 | (0.60) | 0.03 | (0.33) |

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.

43. Net movements in operating assets and liabilities

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|---------------|-------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| (Increase) decrease in operating assets | | | | |
| Trade and other receivables | 197,392,281 | (100,454,992) | 174,426,399 | (126,371,282) |
| Loans to customers | 27,265,551 | 672,921,797 | - | - |
| Inventories | 251,237,701 | 541,453,566 | 994,528 | 2,181,571 |
| Other current assets | 8,473,344 | (39,743,805) | 33,455,352 | (17,954,930) |
| Restricted fixed deposits | (5,475) | (7,476) | - | - |
| Other non-current assets | 25,381,504 | 50,145,162 | 385,684 | - |

| | (Unit: Baht) | | | |
|--|-----------------------------------|--------------------|-------------------------------|----------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2022 | 2021 | 2022 | 2021 |
| Increase (decrease) in operating liabilities | | | | |
| Trade and other payables | 31,415,622 | (220,569,011) | 105,825,279 | (24,775,932) |
| Other current liabilities | 13,481,600 | 38,779,202 | 13,550,320 | 2,312,409 |
| Cash receipts (refund) of advance rental and services deposits | (128,129,684) | (228,851,492) | (148,255,284) | (228,628,425) |
| Cash receipts (refund) of deposits | 33,026,629 | (82,265,065) | 70,182,327 | (58,312,049) |
| Other non-current liabilities | (7,641,722) | 19,997,369 | 402,003 | (1,305,324) |
| Net movements in operating assets and liabilities | 451,897,351 | 651,405,255 | 250,966,608 | (452,853,962) |

44. 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, and marina business.
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 2022 and 2021, respectively.

| | For the year ended 31 December 2022 | | | | | | | | | | (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 | 1,703,285 | 828,946 | 412,320 | 907,624 | 1,600,523 | 2,359,275 | 567,867 | 25,071 | - | 8,404,911 | |
| Inter-segment revenues | 444,623 | 171,715 | 27,973 | 55,584 | 8,400 | 2,700 | - | 77,797 | (788,792) | - | |
| Total revenues | 2,147,908 | 1,000,661 | 440,293 | 963,208 | 1,608,923 | 2,361,975 | 567,867 | 102,868 | (788,792) | 8,404,911 | |
| Segment operating profit (loss) | (745,465) | 49,645 | 70,843 | 207,033 | (77,868) | 559,592 | 203,668 | 4,155 | - | 311,603 | |
| Share of profit (loss) from investments in associates and joint venture | 410,590 | (432) | (13,490) | - | - | 10,240 | - | (297) | - | 406,611 | |
| Unallocated income and expenses: | | | | | | | | | | | |
| Finance income | | | | | | | | | | 23,696 | |
| Dividend income | | | | | | | | | | 422,231 | |
| Other income | | | | | | | | | | 194,484 | |
| Finance costs | | | | | | | | | | (721,467) | |
| Income tax expenses | | | | | | | | | | (257,623) | |
| Profit for the year for non-controlling interests of the subsidiaries | | | | | | | | | | (47,683) | |
| Profit attributable to equity holder of the Company | | | | | | | | | | 331,852 | |

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)

| | 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 2022 | 12,712,836 | 1,975,424 | 3,368,323 | 3,296,598 | 978,399 | 15,069,358 | 262,843 | 99,653 | 16,586,667 | 54,350,101 |
| 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 |

Geographic information

Revenue from external customers is based on locations of the customers.

| | (Unit: Million Baht) | |
|---------------------------------|----------------------|-------|
| | 2022 | 2021 |
| Revenue from external customers | | |
| Thailand | 7,997 | 7,216 |
| United States/Canada | 148 | 83 |
| Europe | 166 | 189 |
| Asia Pacific | 94 | 143 |
| Total | 8,405 | 7,631 |

Major customers

For the year 2022 and 2021, the Group has no major customer.

45. Commitments and contingent liabilities

45.1 Capital commitments

As at 31 December 2022 and 2021, the Group has the capital commitments of construction for each segment as follows:

| | (Unit: Million Baht) | |
|----------------------------|----------------------|------|
| | 2022 | 2021 |
| Shopping center business | 121 | 217 |
| Hotel and tourism business | 13 | 17 |
| Golf business | - | 4 |
| Real estate business | 39 | 49 |
| Food solution business | 36 | 35 |
| Auction business | 2 | 66 |
| Total | 211 | 388 |

45.2 Financial lease commitment

On 8 April 2022, the subsidiary entered into a land lease agreement for a period of 20 years from 1 August 2023 to 31 July 2043. The subsidiary is required to pay the advance rental in April 2022 and August 2022 and has the obligation to pay the rental fee under annually basis starting from 5 August 2023 over 20 years. There is also the option for the lessee to extend the lease term for another 10 years from the expiration of the lease term under this agreement.

45.3 Operating lease commitments and service agreement

As at 31 December 2022 and 2021, the Group has future minimum lease payments with short-term and low-value of underlying assets required under these non-cancellable leases contracts are as follows:

| | (Unit: Million Baht) | |
|------------------------|----------------------|------|
| | 2022 | 2021 |
| Payable within: | | |
| Less than 1 year | 92 | 123 |
| 1 to 5 years | 38 | 29 |
| More than 5 years | 5 | 6 |
| Total | 135 | 158 |

45.4 Guarantees

As at 31 December 2022, there are outstanding bank guarantees of approximately Baht 283 million (2021: Baht 251 million) issued by the banks on behalf of the Group as required in the normal course of business.

45.5 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 | 259 | 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.

45.6 Litigation

As at 31 December 2022 and 2021, the subsidiaries have legal cases claimed which have yet to be finalised the details of litigations are as follows:

- 45.6.1 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. The Group management believes that the outcome of the case will has no significant impact to the Group's financial position.
- 45.6.2 A subsidiary has legal case claimed for damages of approximately Baht 17.48 million relating to not comply with certain conditions of the contract. 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.

46. Fair value hierarchy

As at 31 December 2022 and 2021, 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 2022 | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | |
| Other current financial assets | | | | |
| Investment in debt instrument | 1,806 | - | - | 1,806 |
| Other non-current financial assets | | | | |
| Derivatives - interest rate swap agreement | - | 16 | - | 16 |
| Investment in debt instrument | - | - | 3 | 3 |
| Investment in equity instrument | 6,297 | 316 | 22 | 6,635 |
| Assets for which fair value are disclosed | | | | |
| Investment properties | - | - | 19,658 | 19,658 |
| Liabilities measured at fair value | | | | |
| Long-term debentures - only the interest portion applying hedge accounting | - | 16 | - | 16 |
| Liabilities for which fair value are disclosed | | | | |
| Long-term debentures | - | 13,974 | - | 13,974 |

(Unit: Million Baht)

Consolidated financial statements

31 December 2021

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

- - 20,319 20,319

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 2022

Financial assets measured at fair value

Other current financial assets

Investment in debt instrument

1,806 - - 1,806

Other non-current financial assets

Derivatives - interest rate swap agreement

- 16 - 16

Investment in debt instrument

- - 3 3

Investment in equity instrument

6,152 316 - 6,468

Assets for which fair value are disclosed

Investment properties

- - 13,910 13,910

Liabilities measured at fair value

Long-term debentures - only the interest portion

applying hedge accounting

- 16 - 16

Liabilities for which fair value are disclosed

Long-term debentures

- 13,534 - 13,534

(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 |

During the current year, there was no transfer within the fair value hierarchy.

47. Financial instruments

47.1 Derivatives and hedge accounting

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|---------------|-------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| Derivative assets | | | | |
| Derivative assets designated as hedging instruments | | | | |
| Interest rate swap agreement | 15,950 | 41,683 | 15,950 | 41,683 |
| Total derivative assets | 15,950 | 41,683 | 15,950 | 41,683 |
| Derivative liabilities | | | | |
| Derivative liability not designated as hedging instruments | | | | |
| Foreign exchange forward contracts | 86 | 896 | - | - |
| Total derivative liabilities | 86 | 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 2022

| Foreign currency | Sold amount (Unit) | Contractual exchange rate (Baht per 1 foreign currency unit) | Maturity date |
|---------------------|-----------------------|---|-------------------------------|
| USD | 2,526,656 | 33.280 - 36.700 | 23 January 2023 - 2 June 2023 |

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 |

Derivatives designated as hedging instruments

Fair value hedge

As at 31 December 2022 and 2021, 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 2022 and 2021 is, as follows:

| | Notional amount | | Carrying amount | | Line item in the statement of financial position | Change in fair value used for measuring ineffectiveness | |
|--------------------|-----------------|-----------------|-----------------|-----------------|--|--|-----------------|
| | 2022 | 2021 | 2022 | 2021 | | 2022 | 2021 |
| | (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 | 15,950 | 41,683 | financial assets | 25,732 | 31,546 |

The impact of the hedged items on the statement of financial position as at 31 December 2022 and 2021 is, as follows:

| | Carrying amount | | Accumulate fair value adjustments | | Line item in the statement of financial position | Change in fair value used for measuring ineffectiveness | |
|------------|-----------------|-----------------|--------------------------------------|-----------------|--|--|-----------------|
| | 2022 | 2021 | 2022 | 2021 | | 2022 | 2021 |
| | (Thousand Baht) | (Thousand Baht) | (Thousand Baht) | (Thousand Baht) | | (Thousand Baht) | (Thousand Baht) |
| Fixed-rate | | | | | Long-term | | |
| debentures | 1,515,950 | 1,541,683 | 15,950 | 41,683 | debentures | 25,732 | 31,546 |

The ineffectiveness recognised in profit or loss was not significant.

47.2 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 10 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 | | Type of major collateral |
|---|---|-------------|--|
| | 31 December | 31 December | |
| | 2022 | 2021 | |
| Loans to customers and Interest receivables | 8,733 | 8,521 | Land, land and construction thereon, properties, buildings and machine |
| Hire purchase receivables | 6,637 | 6,894 | 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 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currency are summarised below.

| | Currency | Financial assets | | Average exchange rate | |
|---|----------|------------------|-----------|------------------------------------|--------|
| | | 2022 | 2021 | 2022 | 2021 |
| | | (Unit) | (Unit) | (Baht per 1 foreign currency unit) | |
| Trade receivables | USD | 84,000 | 1,836,435 | 34.295 | 33.153 |
| Investment in associate (foreign country) | USD | 70,000 | 70,000 | 34.295 | 33.153 |

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 2022 and 2021, significant financial assets and liabilities classified by type of interest rate.

(Unit: Million Baht)

| Consolidated financial statements | | | | | | | |
|--|----------------------|-------------|---------|----------|--------------|--------|---------------|
| 31 December 2022 | | | | | | | |
| | Fixed interest rates | | | Floating | Non-interest | | |
| | Within | | Over | interest | | Total | Interest rate |
| | 1 year | 1 - 5 years | 5 years | rate | bearing | | (% p.a.) |
| Financial assets | | | | | | | |
| Cash equivalents (excluding cash) | - | - | - | 1,256 | - | 1,256 | 0.10 - 1.00 |
| Trade and other receivables | - | - | - | - | 822 | 822 | - |
| Short-term loans to related companies | - | - | - | 83 | - | 83 | 5.35 - 6.33 |
| Loans and installment receivables | 1,332 | 4,957 | 30 | 2,444 | - | 8,763 | 3.25 - 15.00 |
| Hire purchase receivables | 3,293 | 3,343 | 1 | - | - | 6,637 | 6.17 - 27.31 |
| Other current financial assets | 3 | 1,530 | 129 | - | 147 | 1,809 | 0.57 - 4.95 |
| Other non-current financial assets | - | 316 | - | - | 6,340 | 6,656 | 5.50 |
| | 4,628 | 10,146 | 160 | 3,783 | 7,309 | 26,026 | |
| Financial liabilities | | | | | | | |
| Short-term loans from financial institutions | 938 | - | - | - | - | 938 | 1.68 - 2.63 |
| Trade and other payables | - | - | - | - | 1,038 | 1,038 | - |
| Long-term loan from financial institution | - | - | - | 1,432 | - | 1,432 | 2.14 - 3.31 |
| Long-term debentures | 1,501 | 4,705 | 8,003 | - | - | 14,209 | 1.91 - 5.10 |
| Lease liabilities | 899 | 2,248 | 8,290 | - | - | 11,437 | 4.78 - 5.12 |
| | 3,338 | 6,953 | 16,293 | 1,432 | 1,038 | 29,054 | |

(Unit: Million Baht)

Consolidated financial statements

31 December 2021

| | Fixed interest rates | | | Floating interest rate | Non-interest bearing | Total | Interest rate (% p.a.) |
|--|----------------------|--------------|---------------|------------------------|----------------------|---------------|------------------------|
| | Within 1 year | 1 - 5 years | Over 5 years | | | | |
| Financial assets | | | | | | | |
| Cash equivalents (excluding cash) | - | - | - | 4,441 | - | 4,441 | 0.05 - 1.00 |
| Trade and other receivables | - | - | - | - | 1,026 | 1,026 | - |
| Short-term loans to related companies | - | - | - | 65 | - | 65 | 3.70 - 5.95 |
| Loans and installment receivables | 1,715 | 5,240 | 30 | 1,565 | - | 8,550 | 3.25 - 15.00 |
| Hire purchase receivables | 3,410 | 3,482 | 2 | - | - | 6,894 | 5.88 - 23.88 |
| Other current financial assets | 3 | - | - | - | - | 3 | 0.15 - 0.20 |
| Other non-current financial assets | - | - | - | - | 5,067 | 5,067 | - |
| | <u>5,128</u> | <u>8,722</u> | <u>32</u> | <u>6,071</u> | <u>6,093</u> | <u>26,046</u> | |
| Financial liabilities | | | | | | | |
| 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 - 3.85 |
| 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)

Separate financial statements

31 December 2022

| | Fixed interest rates | | | Floating interest rate | Non-interest bearing | Total | Interest rate (% p.a.) |
|--|----------------------|--------------|---------------|------------------------|----------------------|---------------|------------------------|
| | Within 1 year | 1 - 5 years | Over 5 years | | | | |
| Financial assets | | | | | | | |
| Cash equivalents (excluding cash) | - | - | - | 556 | - | 556 | 0.10 - 1.00 |
| Trade and other receivables | - | - | - | - | 353 | 353 | - |
| Short-term loans to related companies | - | - | - | 8,645 | - | 8,645 | 3.63 - 6.83 |
| Other current financial assets | - | 1,530 | 129 | - | 147 | 1,806 | 1.17 - 4.95 |
| Other non-current financial assets | - | 316 | - | - | 6,174 | 6,490 | 5.50 |
| | <u>-</u> | <u>1,846</u> | <u>129</u> | <u>9,201</u> | <u>6,674</u> | <u>17,850</u> | |
| Financial liabilities | | | | | | | |
| Short-term loans from financial institutions | 100 | - | - | - | - | 100 | 1.68 |
| Trade and other payables | - | - | - | - | 446 | 446 | - |
| Short-term loans from related companies | - | - | - | 7,309 | - | 7,309 | 0.75 - 6.33 |
| Long-term debentures | 1,301 | 4,505 | 8,003 | - | - | 13,809 | 1.91 - 5.10 |
| Lease liabilities | 867 | 3,143 | 7,099 | - | - | 11,109 | 3.95 - 5.12 |
| | <u>2,268</u> | <u>7,648</u> | <u>15,102</u> | <u>7,309</u> | <u>446</u> | <u>32,773</u> | |

(Unit: Million Baht)

| Separate financial statements | | | | | | |
|---|----------------------|-------------|--------------|---------------|----------------------|------------------------|
| 31 December 2021 | | | | | | |
| | Fixed interest rates | | | Floating | Non-interest bearing | Total |
| | Within 1 year | 1 - 5 years | Over 5 years | interest Rate | | |
| | | | | | | Interest rate (% p.a.) |
| Financial assets | | | | | | |
| Cash equivalents (excluding cash) | - | - | - | 3,572 | - | 3,572 |
| Trade and other receivables | - | - | - | - | 520 | 520 |
| Short-term loans to related companies | - | - | - | 7,868 | - | 7,868 |
| Other financial assets | - | - | - | - | 4,917 | 4,917 |
| | - | - | - | 11,440 | 5,437 | 16,877 |
| Financial liabilities | | | | | | |
| Trade and other payables | - | - | - | - | 388 | 388 |
| Short-term loans from related companies | - | - | - | 8,068 | - | 8,068 |
| Long-term debentures | 1,043 | 3,299 | 10,535 | - | - | 14,877 |
| Lease liabilities | 610 | 2,694 | 8,056 | - | - | 11,360 |
| | 1,653 | 5,993 | 18,591 | 8,068 | 388 | 34,693 |

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. Approximately 17% of the Group's debt will mature in less than one year at 31 December 2022 (2021: 15%) (the Company only: 28%, 2021: 26%) based on the carrying value of borrowings reflected in the financial statements.

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 2022 and 2021 are as follows:

(Unit: Thousand Baht)

Consolidated financial statement

31 December 2022

| | At call | Less than 1 year | 1 - 5 years | Over 5 years | Total |
|--|------------------------|---------------------|-------------------|-------------------|-------------------|
| Financial assets | | | | | |
| Loans and installment receivables | - | 1,707,604 | 6,798,270 | 257,351 | 8,763,225 |
| Hire purchase receivables | 212,662 ⁽¹⁾ | 3,080,533 | 3,344,091 | - | 6,637,286 |
| | <u>212,662</u> | <u>4,788,137</u> | <u>10,142,361</u> | <u>257,351</u> | <u>15,400,511</u> |
| Financial liabilities | | | | | |
| Short-term loans from financial institutions | - | 937,585 | - | - | 937,585 |
| Trade and other payables | - | 1,037,922 | - | - | 1,037,922 |
| Long-term loans from financial institutions | - | 1,027,056 | 444,373 | - | 1,471,429 |
| Long-term debentures | - | 1,951,215 | 6,262,226 | 8,318,807 | 16,532,248 |
| Lease liabilities | - | 1,103,317 | 3,852,581 | 10,050,677 | 15,006,575 |
| | <u>-</u> | <u>6,057,095</u> | <u>10,559,180</u> | <u>18,369,484</u> | <u>34,985,759</u> |

⁽¹⁾ Indefinite hire purchase receivables are a part of receivable with credit-impaired

(Unit: Thousand Baht)

Consolidated financial statement

31 December 2021

| | At call | Less than 1 year | 1 - 5 years | Over 5 years | Total |
|--|------------------------|---------------------|-------------------|-------------------|-------------------|
| Financial assets | | | | | |
| Loans and installment receivables | - | 1,954,258 | 6,197,513 | 398,139 | 8,549,910 |
| Hire purchase receivables | 201,708 ⁽¹⁾ | 3,208,157 | 3,484,033 | - | 6,893,898 |
| | <u>201,708</u> | <u>5,162,415</u> | <u>9,681,546</u> | <u>398,139</u> | <u>15,443,808</u> |
| Financial liabilities | | | | | |
| 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 |
| | <u>-</u> | <u>5,592,815</u> | <u>11,042,730</u> | <u>21,241,021</u> | <u>37,876,566</u> |

⁽¹⁾ Indefinite hire purchase receivables are a part of receivable with credit-impaired

(Unit: Thousand Baht)

| Separate financial statement | | | | | |
|--|------------------|---------------------|------------------|-------------------|-------------------|
| 31 December 2022 | | | | | |
| | At call | Less than 1 year | 1 - 5 years | Over 5 years | Total |
| Financial liabilities | | | | | |
| Short-term loans from financial institutions | - | 100,000 | - | - | 100,000 |
| Trade and other payables | - | 445,852 | - | - | 445,852 |
| Short-term loans from related companies | 7,308,770 | - | - | - | 7,308,770 |
| Long-term debentures | - | 1,737,359 | 6,058,067 | 8,318,807 | 16,114,233 |
| Lease liabilities | - | 1,063,626 | 3,756,440 | 9,750,889 | 14,570,955 |
| | <u>7,308,770</u> | <u>3,346,837</u> | <u>9,814,507</u> | <u>18,069,696</u> | <u>38,539,810</u> |

(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 |
| | <u>8,067,546</u> | <u>2,745,852</u> | <u>9,800,908</u> | <u>20,915,819</u> | <u>41,530,125</u> |

47.3 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 46 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 financial statements | | | |
|------------------------------|-----------------------------------|------------|------------------|------------|
| | 31 December 2022 | | 31 December 2021 | |
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial liabilities | | | | |
| Long-term debentures | 14,209 | 13,974 | 14,877 | 15,010 |

(Unit: Million Baht)

| | Separate financial statements | | | |
|------------------------------|-------------------------------|------------|------------------|------------|
| | 31 December 2022 | | 31 December 2021 | |
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial liabilities | | | | |
| Long-term debentures | 13,809 | 13,534 | 14,877 | 15,010 |

48. Dividends

| Dividends | Approved by | Total | Dividend (Baht per share) | Dividend payment date |
|--|---|----------------------------------|------------------------------|--------------------------|
| | | Total dividend (Million Baht) | | |
| Interim dividends on the six-month period ended 31 December 2022 | Meeting of the Board of Directors on 5 October 2022 | 757 | 0.40 | 4 November 2022 |

49. 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 2022, the Group's Debt to Equity Ratio was 1.49 : 1 (2021: 1.62 : 1) and the Company's was 2.01 : 1 (2021: 2.16 : 1).

50. Events after the reporting period

MBK Public Company Limited

On 1 January 2023, the Company transferred Pathumwan Princesss Hotel segment to MBK Business Company Limited (a subsidiary) to enhance the management efficiency and flexibility following the restructuring of shopping center and hotel business in 2023.

On 26 January 2023, the Board of Directors Meeting No.1/2023 of the Company passed a resolution to approve the exercise of the 24,648,096 units of warrant (PRG-W3) to purchase the ordinary shares of PRG Corporation Public Company Limited (subsidiary). The Company exercised such warrants on 15 February 2023 at an exercise price of Baht 5 per share, totaling Baht 123.24 million. The subsidiary registered the increase in its share capital with the Ministry of Commerce. The exercise of such warrant has affected to the increase in the Company's shareholding percentage in that subsidiary from 74.85% to 74.98%.

On 16 January and 16 February 2023, the warrant holders exercised their rights to purchase ordinary shares which the totaling as follow:

| Allocated to Existing shareholders | Number of exercised warrants | Exercise ratio for ordinary shares | Issue of ordinary shares |
|---------------------------------------|------------------------------------|--|-----------------------------|
| | Unit | Per 1 warrant | Share |
| MBK-W1 | 5,134,616 | 1 : 1.1214 | 5,757,953 |
| MBK-W2 | 290,419 | 1 : 1.0856 | 315,276 |
| MBK-W3 | 193,830 | 1 : 1.0526 | 204,021 |
| MBK-W4 | 530,267 | 1 : 1.0221 | 541,981 |
| | | | <u>6,819,231</u> |

MBK Hotels and Resorts Company Limited (Directly owned)

On 1 January 2023, MBK Hotels and Resorts Company Limited (a subsidiary) transferred Dusit Thani Krabi Beach Resort segment to MBK Krabi Resort Company Limited (subsidiary) to enhance the management efficiency and flexibility following the restructuring of hotel business in 2023.

MBK Shopping Center Company Limited (Directly owned)

On 5 January 2023, the Extraordinary General Meeting of shareholders No.1/2023 of MBK Shopping Center Company Limited (subsidiary) passed a resolution granting approval to increase the registered share capital from Baht 1,000 million to Baht 1,100 million (1 million preferred shares with par value of Baht 100 per share, totaling Baht 100 million). The Company already paid all amount of such shares and the subsidiary registered capital increase with the Ministry of Commerce on 12 January 2023. The increase of capital has not affected to the Group's shareholding percentage in that company.

MBK CSC Holding Company Limited (Formerly known as "MBK Innovation Company Limited") (Directly owned)

On 5 January 2023, the Extraordinary General Meeting of shareholders No.1/2023 of MBK CSC Holding Company Limited (subsidiary) passed a resolution granting approval to increase the registered share capital from Baht 4 million to Baht 154 million (1.5 million preferred shares with par value of Baht 100 per share, totaling Baht 150 million). The Company already paid all amount of such shares and the subsidiary registered capital increase with the Ministry of Commerce on 12 January 2023. The increase of capital has not affected to the Group's shareholding percentage in that company.

Intelligent Creative & Marketing Company Limited (Directly owned)

On 5 January 2023, the Extraordinary General Meeting of shareholders No.1/2023 of Intelligent Creative & Marketing Company Limited (subsidiary) passed a resolution granting approval to increase the registered share capital from Baht 5 million to Baht 45 million (0.4 million ordinary shares with par value of Baht 100 per share, totaling Baht 40 million). The Company already paid all amount of such shares and the subsidiary registered capital increase with the Ministry of Commerce on 12 January 2023. The increase of capital has not affected to the Group's shareholding percentage in that company.

51. Reclassification

The Group reclassified the following transactions for the year ended 31 December 2021 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 2021 | | | |
|--|----------------------------------|------------------------|------------------------------|------------------------|
| | Consolidated financial statement | | Separate financial statement | |
| | As reclassified | As previously reported | As reclassified | As previously reported |
| Statement of financial position | | | | |
| Trade and other payables | 1,006,553,796 | 1,016,399,414 | - | - |
| Other current liabilities | 794,436,792 | 784,591,174 | - | - |
| Statement of comprehensive income | | | | |
| Rental income | 1,490,725,781 | 1,504,647,915 | - | - |
| Service income | 904,907,574 | 890,985,440 | - | - |

52. Approval of financial statements

These financial statements were approved by the Company's Audit Committee on 27 February 2023.

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, 2022

| 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. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | 31 Dec. 2022 | (%) | 31 Dec. 2021 | 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 and Chairman of the Corporate Governance and Sustainability Committee | 78 | - Master of Science (Finance) in Management, Massachusetts institute of Technology (M.I.T.), U.S.A. | Ordinary shares Warrant | - - | - - | - - | - - | - - | - - | - - | - - | Mr. Banterng Tantivit is the father of Mr. Atipon Tantivit | 9 | 2 | |
| 2 Mr. Suphadej Poonpipat Vice Chairman, Chairman of the Executive Committee, Chairman of the Compensation and Nomination Committee and Member of the Corporate Governance and Sustainability Committee | 72 | - Master of Science, University of Wisconsin, U.S.A. | Ordinary shares Warrant | - - | - - | - - | - - | - - | - - | - - | - - | - | 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 2015 - Present 1994 - Apr. 2018 1994 - 2006 Present 2003 - Present 2006 - Present 2003 - Present Sep. 2019 - Present 2002 - Dec.2019 2015 - Feb. 2017 1997 - Present 1987 - Present 1987 - Present Jul. 2021 - Present Jul. 2016 - Present | - Chairman of the Board of Directors - Chairman of the Corporate Governance and Sustainability Committee - Chairman of the Executive Committee - Vice Chairman of the Board of Directors - Chairman of the Board of Directors and Director - Director - 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 - Director | - MBK Public Company Limited ("MBK") - MBK - MBK - MBK - The subsidiaries and associates of MBK as shown on page 392-394 - Siam Piwat Company Limited - Siam Piwat Holding Company Limited - 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 - Learnsai Villages 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 2005 - Nov. 2021 2005 - Present Sep. 2014 - Sep. 2019 Sep. 2019 - Present Jun. 2014 - Present 2003 - Present 2006 - Present Sep. 2012 - Present 2016 - Present Oct. 2011 - Dec. 2017 2011 - Sep. 2012 2007 - Present 2006 - 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 and Member of the Corporate Governance and Sustainability Committee - Member of the Compensation and Nomination Committee - Director - Director - Director - Vice Chairman of the Board and Vice Chairman of the Board of Executive Directors - Vice Chairman of the Executive Committee - Chairman of the Executive Committee - Vice Chairman of the Board of Directors - 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 Corporate Governance and Sustainability Committee - 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 - Director - Chairman of the Risk Management Committee - Chief Executive Officer | - MBK - MBK - MBK - MBK - MBK - The subsidiaries and associates of MBK as shown on page 392-394 - 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 Bank Public Company Limited - Thanachart Insurance Public Company Limited - Thanachart Insurance Public Company Limited - Thanachart Insurance Public Company Limited - T 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 - PRG Corporation Public Company Limited - Thanachart Capital 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. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | 31 Dec. 2022 | (%) | 31 Dec. 2021 | 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, Chairman of the Audit Committee and Member of the Corporate Governance and Sustainability Committee | 60 | - MBA major in international Business, Bridgeport University, Connecticut, U.S.A. | Ordinary shares Warrant | - - | - - | - - | - - | - - | - - | - - | - - | - | - | 2 | |
| 4 Mr. Pracha Jaidee Independent Director, Member of the Audit Committee and Member of the Compensation and Nomination Committee and Member of the Corporate Governance and Sustainability Committee | 67 | - Master of Business Administration, Kasetsart University | Ordinary shares Warrant | - - | - - | - - | - - | - - | - - | - - | - - | - | 2 | 1 | |
| 5 Mr.Suwit Rojanavanich Independent Director, Member of the Audit Committee and Member of the Corporate Governance and Sustainability Committee | 64 | - 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 Warrant | 316,992 0 | 0.017 - | 299,000 35,480 | 17,992 (35,480) | - - | - - | - - | - - | - | - | 1 | |
| 6 Ms. Panit Pulsirivong Independent Director, Member of the Compensation and Nomination Committee and Member of the Corporate Governance and Sustainability Committee | 74 | - 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 Warrant | 473,778 0 | 0.025 - | 438,035 17,521 | 35,743 (17,521) | - - | - - | - - | - - | - | 5 | 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 - Feb. 2023 Apr. 2018 - Feb. 2023 Apr. 2018 - Jun. 2019 2018 - Present 2014 - 2017 2014 - 2016 2004 - 2014 | - Independent Director and Chairman of the Audit Committee - Member of the Corporate Governance and Sustainability 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 - 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 2015 - Present 2006 - Present 2004 - Present | - Independent Director and Member of the Audit Committee and Member of the Compensation and Nomination Committee - Member of the Corporate Governance and Sustainability Committee - Director - Member of the Audit Committee | - MBK - MBK - Batan Marble 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 and Member of the Corporate Governance and Sustainability 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 |
| | 6 | 2006 - Present 2015 - Present Present 1974 - Present 1988 - Present 1996 - Present 1997 - Present 2015 - Present 2000 - Present 2005 - Present 2014 - Present 1997 - Present | - Independent Director and Member of the Compensation and Nomination Committee - Member of the Corporate Governance and Sustainability Committee - Chairman and General Manager - Executive Director - Managing Director - Vice Chairman - Vice Chairman - Chairman - Chief Operating Officer and Chairperson, Public Relations Department - Conciliator - Director - Vice Chairman | - MBK - MBK - Naew Na Newspaper Company Limited - World Express Company Limited - Naew Na Network Company Limited - The Royal Chiangmai Golf Resort Co., Ltd. - Thammasat Association - 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 |

| 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. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | 31 Dec. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | | | | |
| 7 Mr. Piyaphong Artmangkorn Director, Member of the Executive Committee and Member of the Corporate Governance and Sustainability Committee | 65 | - Master Degree, Public Administration (Taxation), University of Southern California, U.S.A. | Ordinary shares Warrant | 3,000,092 0 | 0.158 - | 3,120,000 124,800 | (119,908) (124,800) | - - | - - | - - | - - | - | 1 | 1 | |
| 8 Mr. Suvalt Theeravachirakul Director, Vice Chairman of the Executive Committee and Member of the Corporate Governance and Sustainability Committee | 63 | - 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 Warrant | 1,783,591 0 | 0.094 - | 1,592,833 93,313 | 190,758 (93,313) | 599,972 300 | 0.032 - | 530,300 46,572 | 69,672 (46,272) | - | 83 | 5 | |
| 9 Mr. Atipon Tantivit Director, Member of the Executive Committee and Member of the Corporate Governance and Sustainability Committee | 46 | - Master of Business Administration (Executive) Sasin Graduate Institute of Business Administration, Chulalongkorn University | Ordinary shares Warrant | 467,022 0 | 0.025 - | 400,000 48,000 | 67,022 (48,000) | 7,063,737 0 | 0.373 - | 6,050,000 726,000 | 1,013,737 (726,000) | Mr. Atipon Tantivit is a son of Mr. Banterng Tantivit | 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 | |
| | - | 1998 - Present 2006 - Present 2015 - Present 2005 - 2017 2016 - Dec. 2019 2005 - Feb. 2009 2001 - 2008 2000 - 2008 2005 - 2007 2022 - Present | - Director - Member of the Executive Committee - Member of the Corporate Governance and Sustainability 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 - Director | - MBK - 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 - Bangkok Property Company Limited | | ✓ | DAP | 2004 | None |
| | 1 | Jan. 2023 - Present 2002 - Dec. 2022 2002 - Present 2002 - Dec. 2022 2009 - Dec. 2022 2015 - Present Present Dec. 2017 - Present 2009 - Present 2016 - Present 2017 - Present 2005 - Present 2007 - 2019 Jun. 2014 - Aug. 2021 2007 - Jul. 2018 2000 - 2007 Apr. 2019 - Present May 2019 - Present Jun. 2020 - Present Apr. 2021 - Present | - Vice Chairman of the Executive Committee - Member of the Executive Committee - Director - CEO - President - Member of the Corporate Governance and Sustainability Committee - Chairman of the Board of Directors and Director - Vice Chairman of the Board of Directors - Vice Chairman of the Executive Committee - Member of the Compensation and Nomination Committee - Independent Director and Chairman Member of the Audit committee - Member of Risk Management Committee - Independent Director and Member of the Audit 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 - MBK - MBK - MBK - The subsidiaries and associates of MBK as shown on page 392-394 - PRG Corporation Public Company Limited - PRG Corporation Public Company Limited - PRG Corporation Public Company Limited - Thai Rung Union Car Public Company Limited - Thai Rung Union Car Public Company Limited - IFS Capital (Thailand) 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 |
| | - | 2003 - Present 2018 - Present 2015 - Present 2020 - Present 2000 - Present 2000 - Present 2000 - Present 2000 - Present 2000 - Present 2000 - Present 1987 - Present 2003 - Present 2003 - 2022 2012 - Present 2014 - Present 1999 - Present | - Director - Member of the Executive Committee - Member of the Corporate Governance and Sustainability Committee - Director - Managing Director - Director - Director - Director - Director - Director - Director - Director - Director - Director - Director - Director | - MBK - MBK - MBK - The subsidiaries and associates of MBK as shown on page 392-394 - 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 | | | |
|---|----------------|---|--------------------------------|-----------------------------|----------------|---------------------|---|---|----------------|-----------------------|---|--------------|--|---|--|
| | | | | 31 Dec. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | 31 Dec. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | | Number of position in Company Limited (Company) | Number of position in Public Company Limited (Company) | |
| 10 Mr. Wichak Praditavanij Director, Member of the Executive Committee, Member of the Corporate Governance and Sustainability Committee and President and CEO | 57 | - Master of Business Administration Saint Louis University - Master of Accountancy Faculty of Commerce and Accountancy Chulalongkorn University | Ordinary shares Warrant | - - | - - | - - | - - | 679,215 0 | 0.036 - | 596,500 63,820 | 82,715 (63,820) | - | 64 | 2 | |
| 1 Mr. Suvait Theeravachirakul Vice Chairman of the Executive Committee | | The details of Mr. Suvait Theeravachirakul was shown on the part of the Board of Directors' background | | | | | | | | | | | | | |
| 2 Mr. Wichak Praditavanij President and CEO | | The details of Mr. Wichak Praditavanij shown on the part of the Board of Directors' background | | | | | | | | | | | | | |
| 3 Mr. Kraivin Srikraivin Deputy Chief Executive Officer | 55 | - Master of Business Administration California University of Pennsylvania | Ordinary shares Warrant | - - | - - | - - | - - | - - | - - | - - | - - | - | 24 | 2 | |
| 4 Mr. Kasemsuk Chongmankhong Chief Golf Business Officer and Chief Auction Business Officer and Chief Corporate Supporting Center Officer and Chief Financial & Administrative Officer | 63 | - Master of Accounting, Thammasat University | Ordinary shares Warrant | 46,793 0 | 0.002 - | 43,264 1,730 | 3,529 (1,730) | - - | - - | - - | - - | - | 80 | 2 | |

| 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 Jan. 2023 - Present Nov. 2021 - Dec. 2022 Jan. 2022 - Present Apr. 2022 - Present Jul. 2020 - Nov. 2021 Jan. 2019 - Nov. 2021 Apr. 2010 - Jun. 2012 Sep. 2000 - Jun. 2002 Aug. 1998 - Sep.2000 | - Director and Member of the Corporate Governance and Sustainability Committee - President and CEO - Managing Director 1 MBK GROUP - Director - Director - Member of the Executive Committee - 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 - MBK - The subsidiaries and associates of MBK as shown on page 392-394 - PRG Corporation Public Company Limited - PRG Corporation Public Company Limited - 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 | | ✓ | DCP | 2022 | None |
| | - | Jan. 2023 - Present Mar. 2022 - Dec. 2022 Present May 2022 - Present Jul. 2006 - Present Mar. 2014 - Oct. 2022 May. 2014 -May 2022 | - Deputy Chief Executive Officer - Managing Director 2 MBK GROUP - Director - Member of the Executive Committee - Director - Director - Director | - MBK - MBK - The subsidiaries and associates of MBK as shown on page 392-394 - PRG Corporation Public Company Limited - Srikraivin Development Company Limited - Navavej International Public Company Limited - KPN Academy Company Limited | | ✓ | DAP | 2005 | None |
| | - | 2003 - Present Present | - Chief Financial & Administrative Officer - Director | - MBK - The subsidiaries and associates of MBK as shown on page 392-394 | | ✓ | DCP | 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. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | 31 Dec. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | | | | |
| 5 Mr. Somphol Tripopnart Chief Shopping Center Business Officer and Acting Chief Marketing Officer | 63 | - Master of Business Administration (M.B.A.) Kasetsart University | Ordinary shares Warrant | - - | - - | - - | - - | - - | - - | - - | - - | - | 10 | 1 | |
| 6* Mr.Kiangkrai Phurivitvattana Deputy Chief Corporate Supporting Center | 61 | - Master of Business Administration (M.B.A.) Kasetsart University | Ordinary shares Warrant | - - | - - | - - | - - | - - | - - | - - | - - | - | - | 2 | |

*Note: Mr.Kiangkrai Phurivitvattana was appointed into Deputy Chief Corporate Supporting Center Officer on January 5, 2023 as a result, the number of Executive Management is 6 persons.

The person assigned to take the highest responsibility in Accounting and Finance

| | | | | | | | | | | | | | | |
|--|---|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Mr. Kasemsuk Chongmankhong Chief Golf Business Officer and Chief Auction Business Officer and Chief Corporate Supporting Center Officer and Chief Financial & Administrative Officer | <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 Rungrojchanathip Assistant Chief Finance & Administration Officer 1 | 55 | - 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 Warrant | - | - | - | - | - | - | - | - | - | 4 | 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. 2016 - Present Aug. 2022 - Present Aug. 2018 - Aug. 2020 2013 - Feb. 2020 Present 2008 - 2013 2002 - 2008 2006 - 2007 | - Managing Director, the Shopping Center Business - Acting Chief Marketing Officer - 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 - MBK - The subsidiaries and associates of MBK as shown on page 392-394 - Islamic Bank of Thailand - Krungthai panich insurance public company limited - Ua Withya Public Company Limited | | ✓ | DCP | 2006 | None |
| | - | Jan. 2023 - Present Jan. 2022 - Present Feb. 2020 - Dec. 2021 Aug. 2020 - Dec. 2021 Aug. 2016 - Jan. 2020 | - Deputy Chief Corporate Supporting Center - Senior Expert - Head of Corporate Counselor - Head of Business Transformation - Executive Vice President | - MBK - TMBThanachart Bank Public Company Limited - TMBThanachart Bank Public Company Limited - TMBThanachart Bank Public Company Limited - Thanachart Bank Public Company Limited | | ✓ | DCP | 2017 | None |

| | | | | | | | | |
|---|---|--|--|--|---|---|---|------|
| - | 2017 - Present 2018 - Present Sep. 2020 - Present May. 2021 - Present Oct. 2015 - Present | - Assistant Chief Finance & Administration Officer 1 - Director - Director - Director - Director | - MBK - MBK HTB Company Limited - MBK Broker Company Limited - Technology Gateway Company Limited - MBK Innovation Company Limited | | - | - | - | 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. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | 31 Dec. 2022 | (%) | 31 Dec. 2021 | Number: Increase (decrease) during the year | | Number of position in Company Limited (Company) | Number of position in Public Company Limited (Company) | |
| Secretary of the Company | | | | | | | | | | | | | | | |
| Ms. Chonlada Ngamnikulchalin Secretary of the Company and Senior Vice President Compliance Department | 51 | - Master of Business Administration Ramkhamhaeng University - Company Secretary Program (CSP # 114/2020) - Effective Minutes Taking (EMT # 52/2022) | Ordinary shares Warrant | 50,000 1,860 | 0.003 - | 23,000 2,760 | 27,000 920 | - - | - - | - - | - - | - | - | 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 | |
| | - | Nov. 2020 - Present | - Secretary of the Company and Senior Vice President Compliance Department - Secretary of the Executive Committee - Secretary of Corporate Governance and Sustainability Committee | - MBK - MBK - MBK | | ✓ ✓ | CSP EMT | 2020 2022 | None |
| | | 2013 - Oct. 2020 | - 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 | | | | | |

List of The Board of Directors and The Executive Management Entitled in MBK's subsidiaries and associates as of December 31, 2022

| Board of Directors and Executive Management | Company | | | | | | | | | | | | | | | | | | | | |
|---|---|--|---|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | | | | | | | | | |
| The Board of Directors | Mr. Banterng Tantavit | | | | | | | | | | | | | | | | | | | | |
| | Mr. Suphadej Poonpipat | | | | | | | | | | | | | | | | | | | | |
| | Mr. Kasama Punyagupta | | | | | | | | | | | | | | | | | | | | |
| | Mr. Pracha Jaidee | | | | | | | | | | | | | | | | | | | | |
| | Mr. Suwit Rojanavanich | | | | | | | | | | | | | | | | | | | | |
| | Ms. Panit Pulsirivong | | | | | | | | | | | | | | | | | | | | |
| | Mr. Piyaiphong Artmangkorn | | | | | | | | | | | | | | | | | | | | |
| | Mr. Suwit Theeravachirakul | | | | | | | | | | | | | | | | | | | | |
| | Mr. Atipon Tantavit | | | | | | | | | | | | | | | | | | | | |
| | Mr. Wichak Praditavanij | | | | | | | | | | | | | | | | | | | | |
| The Executive Management | Mr. Suwit Theeravachirakul | | | | | | | | | | | | | | | | | | | | |
| | Mr. Wichak Praditavanij | | | | | | | | | | | | | | | | | | | | |
| | Mr. Kraivin Srikaivin | | | | | | | | | | | | | | | | | | | | |
| | Mr. Kasemsuk Chongmankhong | | | | | | | | | | | | | | | | | | | | |
| | Mr. Somphol Tripopnart | | | | | | | | | | | | | | | | | | | | |
| | Mr. Kiangkrai Phurivattana | | | | | | | | | | | | | | | | | | | | |
| | MBK Shopping Center Company Limited | | | | | | | | | | | | | | | | | | | | |
| | Paradise Park Company Limited | | | | | | | | | | | | | | | | | | | | |
| | Glas Haus Building Company Limited | | | | | | | | | | | | | | | | | | | | |
| | Glas Haus Ratthada Company Limited | | | | | | | | | | | | | | | | | | | | |
| | MBK Smart Force Security Guard Company Limited | | | | | | | | | | | | | | | | | | | | |
| | The Nine Center Company Limited | | | | | | | | | | | | | | | | | | | | |
| | Paradise Place Suanluang 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 | | | | | | | | | | | | | | | | | | | | |
| | Intelligent Creative & Marketing 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 | | | | | | | | | | | | | | | | | | | | |
| | MBK Capital Company Limited | | | | | | | | | | | | | | | | | | | | |
| | MBK Bangkok Golf Hotel Company Limited | | | | | | | | | | | | | | | | | | | | |

| Board of Directors and Executive Management | Company | The Olympic Fitness Club Company Limited | C L P Management Company Limited | MBK Tonsai Resort Company Limited | MBK Krabi Resort Company Limited | MBK HTB Company Limited | Rehappy Plus Company Limited | Paemala Spa Company Limited | DMS Property Investment Private Limited | Riverdale Golf and Country Club Company Limited | MBK Resort Public Company Limited | Phuket Loch Palm Golf Club Company Limited | MBK Golf Management Company Limited | MBK Enterprise Company Limited | Lam Luk Ka Golf and Country Club Company Limited | MBK Real Estate Company Limited | Plan Estate Company Limited | Crystal Lake Properties Company Limited | Plan Appraisal Company Limited | Lan Bangna Company Limited | Kathu Land Company Limited | MBK Residence Company Limited | MBK Sukhumvit Company Limited | MBK Charan Company Limited | MG 6 Company Limited | MBK Asset Solution Company Limited | MBK Unity Company Limited | MBK Realty Company Limited | MBK Development Company Limited | Green Element Company Limited | MBK East One Company Limited | MG 3 Company Limited | PRG Corporation Public Company Limited |
|---|-------------------------------|--|----------------------------------|-----------------------------------|----------------------------------|-------------------------|------------------------------|-----------------------------|---|---|-----------------------------------|--|-------------------------------------|--------------------------------|--|---------------------------------|-----------------------------|---|--------------------------------|----------------------------|----------------------------|-------------------------------|-------------------------------|----------------------------|----------------------|------------------------------------|---------------------------|----------------------------|---------------------------------|-------------------------------|------------------------------|----------------------|--|
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The Board of Directors | Mr. Banterng Tantivit | | | | | | | | | | x | | | | | | | | | | | | | | | | | | | | | | x |
| | Mr. Suphadej Poonpipat | | | | | | | | | | / | | | | | | | | | | | | | | | | | | | | | | |
| | Mr. Kasama Punyagupta | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Mr. Pracha Jaidee | | | | | | | | | | /// | | | | | | | | | | | | | | | | | | | | | | |
| | Mr. Suwit Rojanavanich | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Ms. Panit Pulsirivong | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Mr. Piyaiphong 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 | / | / | / | / | Δ |
| | 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 | / | / | / | / | Δ | |
| | Mr. Wichak Praditavanij | / | / | / | / | / | | | | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | |
| | Mr. Kraivin Srikraivin | / | / | / | | | | | | / | | | / | / | | | | | | | | | | | | | | | | | | | |
| | Mr. Kasemsuk Chongmankhong | / | / | / | / | / | | | | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | |
| | Mr. Somphol Tripopnart | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Mr. Kiangkrai Phunivitvattana | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Board of Directors and Executive Management | | Company | | The Board of Directors | | | | | | | | | | | | | | | | | | | | The Executive Management | | | | | | | | | | | | | | | | | | | | Notes : | | x = Chairman | | Δ = Vice Chair of the Board of Director | | / Directors | | // = Chairman of the Audit Committee | | /// = Directors of the Audit Committee | | = Subsidiaries | | = Associates | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| | | | | PRG Properties Company Limited | PRG Logistics Company Limited | PRG Food Product Company Limited | MBK Food Service Company Limited | Sima Asset Company Limited | Ratchasirima Rice Company Limited | Riverdale Marina Company Limited | PRG Global Company Limited | Khao Mahboonkrong Company Limited | PRG Food Island Company Limited | PRG Food Service Company Limited | MBK Guarantee Company Limited | Primacy Elegance Investments Limited | MBK Premium Company Limited | T Leasing Company Limited | Paradise Retail Company Limited | MG 4 Company Limited | MG 7 Company Limited | MG 8 Company Limited | MBK Broker Company Limited | Q Broker Company Limited | Max Asset Management Company Limited | Apple Auto Auction (Thailand) Company Limited | MBK Training Center Company Limited | MBK Wealth Management Company Limited | Technology Gateway Company Limited | MBK Innovation Company Limited | MBK Contact Center Company Limited | MBK Advanced Company Limited | MBK Trading Company Limited | TM Communications and Brand Management Company Limited | Puen Pob Patt Company Limited | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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Notes : x = Chairman Δ = Vice Chair of the Board of Director / = 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 31st December 2022. | | | | | | | | | | | | |
|--|--|---|--|---|---|---|---|---|--|--|--|--------------------------------------|
| Name / Company | PRG Corporation Public Company Limited | Subsidiary : PRG Properties Company Limited | Subsidiary : PRG Food Product Company Limited ¹ | Subsidiary : PRG Food Island Company Limited ² | Subsidiary : Khao Mahboonkrong Company Limited ³ | Associate : PRG Food Service Company Limited ⁴ | holds shares indirectly : Ratchasima Rice Company Limited | holds shares indirectly : PRG Global Company Limited ⁵ | holds shares indirectly : PRG Logistic Company Limited | holds shares indirectly : Riverdale Marina Company Limited | holds shares indirectly : Sima Asset 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 | 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 | I | I | E |
| 8 Mr. Wichak Praditavanij | I,L | - | - | - | - | - | - | - | - | I | I | E |
| 9 Mr. Kraivin Srikraviv | L | - | - | - | - | - | - | - | - | I | I | - |
| 10 Mr. Somkiat Makcayathorn | O,I,L | I,L | O,I | I,Z | I,O,Z | O,I,Z | I,L | I,L | I,L | O,I | I,L | - |
| 11 Ms. Arthorn Vanasantakul | - | - | - | I | - | - | - | - | - | - | - | - |
| 12 Mr. Apichat Kamoltham | - | - | I | - | - | - | - | - | - | - | - | - |
| 13 Ms. Pimonrat Chitpavanaskul | E | I | I | I,L | I,O | I | I | I | I | - | - | - |
| 14 Mr. Satawat Laklaem | E | - | - | I,O | - | I | - | - | - | - | - | - |
| 15 Mr. Thirachai Issara | E | - | - | - | - | - | O | - | - | - | O | - |
| 16 Mr. Nalin Harnmanorom | E | - | - | - | - | - | - | - | O | - | I | - |
| 17 Mr. Abhimongkol Kitjawatra | - | O | - | - | - | - | - | - | - | I | - | - |
| 18 Ms. Preeyanuch Nuntachote | E | - | - | - | - | - | - | - | - | - | - | - |
| 19 Ms. Prisana Klankaew | E | I | - | - | - | I | I | I | - | I | - | - |
| 20 Mr. Phatjai Siu | - | - | - | - | - | - | - | O | - | - | - | - |

/ Independent Director

I Director

L Member of the Executive Committee

E Executive

// Audit Committee

V Vice Chairman of the Board of Directors

Y Vice Chairman of the Executive Committee

O Managing Director / CEO

/// Chairman of the Audit Committee

X Chairman

Z Chairman of the Executive Committee

1 Change of the Company's name from MBK Restaurants Group Company Limited

2 Change of the Company's name from MBK Food Island Company Limited

3 Change of the Company's name from MBK Entertainment Company Limited

4 Change of the Company's name from MBK Food Service Company Limited

5 Change of the Company's name from Innofood (Thailand) 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 IOB | | | | Illegal Record |
|--|-------------|---|--|--|---|--------------------------------------|--------|------------|------|----------------|
| | | | Period | Position | Name of company-agency | Do not pass | Passed | IOB Course | Year | |
| Ms. Yupapun Paritranun Chief Internal Audit Officer | 58 | - Master of Science, Chulalongkorn University - Certified Internal Auditor (CIA) | 2009 - Present 2000 - 2009 2000 - 2013 | - Chief Internal Audit Officer - Executive Vice President, Internal Audit - Acting Vice President, Management Audit Department | - MBK - MBK - MBK | | ✓ | DCP | 2005 | None |
| | | | 2004 - Present 2000 - 2003 | - Director - Acting Vice President, Operational Audit Department | - MBK Advanced Company Limited - MBK | | | | | |

Details of Compliance Units

| | | | | | | | | | | | | |
|--|----|---|--|--|----------------------------------|--|--|--|--------|------------|--------------|------|
| Ms. Chonlada Ngamnikulchalin Secretary of the Company and Senior Vice President Compliance Department | 51 | - Master of Business Administration Ramkhamhaeng University - Company Secretary Program (CSP # 114/2020) - Effective Minutes Taking (EMT # 52/2022) | Nov. 2020 - Present | - Secretary of the Company and Senior Vice President Compliance Department - Secretary of the Executive Committee - Secretary of Corporate Governance and Sustainability Committee - Senior Vice President Internal Audit2 Department | - MBK - MBK - MBK - MBK | | | | ✓ ✓ | CSP EMT | 2020 2022 | None |
| | | | 2013 - Oct. 2020 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 was 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, 2022 were prepared in accordance with Financial Reporting Standards. In preparing the financial statements, appropriate accounting policies were adopted and regularly adhered to, using careful discretion and reasonable estimates. As well, key information was adequately disclosed in the notes to the financial statements. The purpose was to ensure that the disclosed information rightly reflect the Company's financial status, performance and cash flows in transparent manner, which were beneficial to the investing public. Importantly, the certified auditor from EY Office Limited 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 provided the auditor with its support in terms of information and documents.

The Board of Directors had 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 was 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 appointed the Audit Committee with all of its members being independent directors. The Committee was responsible for reviewing accounting policies and ensuring the quality of financial reports. It was also responsible for reviewing internal control systems, the internal audit systems, and the risk management systems. As well, it was responsible for ensuring that the disclosure of information about related party transactions is complete, adequate and appropriate. The opinion of the Audit Committee was given in its report which was already included in this Form 56-1 One Report.

The Board of Directors was of the opinion that the overall internal control systems are adequate and appropriate and gave 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, 2022 were reliable and in compliance with financial report standards as well as the related laws and regulations.



Mr. Banterng Tantivit
Chairman of the Board of Directors



Mr. Wichak Praditavanij
President and CEO

THE REPORT OF THE EXECUTIVE COMMITTEE

Dear Shareholders of MBK Public Company Limited

The Board of Directors 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 2022, the Executive Committee had 13 meetings in total for considering and providing solutions and suggestions for the Company's important issues so that the business could be run in accordance with the situation and the recovering economy prior to proposing them to the Company's Board of Directors for consideration. The important subjects could be summarized as follows:

- 1) Considered the operational direction, strategic policies, business plans, and operating budgets of the Company and its subsidiaries.
- 2) Considered the Company's structure and management structure, its authority, its salary structure, and its annual remuneration for the Company's employees and executives in order to be appropriate and consistent with the strategic policies and business plan.
- 3) Considered the liquidity management and investment in projects of the Company and its subsidiaries by analyzing opportunities and threats in the investment, and risks of financial activities or investments in projects as well as monitoring and evaluating results to increase the competitive advantage and potential investment opportunities.
- 4) Considered and approve the financial transactions and material credit lines before proposing to the Board of Directors for approval.
- 5) Controlled and oversaw the management of the subcommittees and to supervise and monitor the performance of the Company and its subsidiaries on a monthly basis to ensure that the goals were accomplished.
- 6) Acknowledged problems, obstacles and consider solutions so that the Company's operation was smooth.

The Executive Committee had performed its duties assigned by the Board of Directors by using their knowledge and abilities in doing so cautiously, carefully, and reasonably in 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 stakeholders to lead the organization towards stable and sustainable growth.



Mr. Suphadej Poonpipat
Chairman of the Executive Committee

THE REPORT OF THE AUDIT COMMITTEE

Dear Shareholders of MBK Public Company Limited

The Audit Committee consisted of 3 following independent directors with qualifications as follows:

- | | | | |
|----|-------------|--------------|---------------------------------|
| 1. | Ms. Vijitra | Thumpothong | 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, Chief Internal Audit Officer, acts as the Secretary of the Audit Committee.

In 2022, 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 practice guidelines. The audit review was to ensure efficient and effective compliance with the Good Corporate Governance principles, internal control, and applicable legal requirements. In 2022, 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:

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.

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, according to the regulations of the Stock Exchange of Thailand.

Compliance with Applicable Requirements and Laws

The Audit Committee reviewed that the Company's operations were in accordance with the Securities and Exchange Act, SET's requirements and laws related to the Company's business, and that the disclosure of information was adequate and appropriate.

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 policy 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 and verified that the Company had an efficient internal control system and efficient internal audit. The Audit Committee also ensured that anti-corruption measures and a whistle-blowing process were in place. It considered audit plans and approved annual audit plans and scrutinized audit finding reports by advising and monitoring corrective actions on material issues. The Audit Committee considered the adequacy of personnel and the independence of the internal audit operations, and recommended continuous improvement of the audit operations.

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 proposed 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 2022.

The Audit Committee performed its duties using knowledge, ability, caution, prudence, and sufficient independence straightforwardly 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 2022 under the requirements and relevant rules, there was adequate and appropriate financial information disclosure, internal control system had efficient, and operational supervision.



Ms. Vijitra Thumpothong
Chairman of the Audit Committee
27th February 2023

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 (Non-executive director) |
| 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 2022, the Compensation and Nomination Committee held 4 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) Considered and reviewed the charter of the Compensation and Nomination Committee in light of the current situation and Good Corporate Governance.
- 2) Considered and recruited directors and committee members who were qualified and did not have legally prohibited characteristics in various sub-committees to replace directors retiring by rotation by ensuring that the Board structure was diverse based on the Board Skills Matrix in terms of skillsets, experiences, as well as gender and age that were favorable and suitable to the Company's nature of business, and to nominate the Chief Executive Officer and President, the Deputy Chief Executive Officer, Chief Business Officers, and Chief Officers or equivalent of the Company and group companies to the Board of Directors.
- 3) Considered the remuneration of director, committee, President and CEO, Deputy Chief Executive Officer, Chief Business Officers, and Chief Officers or equivalent 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) Considered the performance evaluation criteria of the Chief Executive Officer and President, the Deputy Chief Executive Officer, Chief Business Officers, and Chief Officers or equivalent of the Company and group companies to support the annual compensation consideration.
- 5) Encouraged and supported the Company to open up an opportunity for shareholders to propose an agenda for the annual meeting of shareholders 2023 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 30th September 2022 to 30th December 2022.

- 6) Followed up and monitored 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.
- 7) Monitored and ensured that the employee remuneration policy was fair, competitive, and successful in retaining quality and potential employees.
- 8) Monitored and ensured the continuous development to enhance the potential of the Chief Executive Officer and President, the Deputy Chief Executive Officer, Chief Business Officers, and Chief Officers or equivalent of the Company and group companies.

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 served with care, prudence, transparency, and independence— as stipulated in the Charter of the Compensation and Nomination Committee. Guidelines were revised to be comprehensive and aligned with the Company's situation and business, and consistent in the Good Corporate Governance's principles for the maximum benefits of the Company, shareholders, and all sectors of stakeholders.



Mr. Suphadej Poonpipat
Chairman of the Compensation and
Nomination Committee

THE REPORT OF THE CORPORATE GOVERNANCE AND SUSTAINABILITY 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. On 7th December 2022, the Company's Board of Directors passed a resolution to review the order to establish the Good Corporate Governance Committee to include sustainability in accordance with the corporate governance principles. The Good Corporate Governance Committee shall also serve as the Sustainability Committee. Thus, the committee's names were changed to the Corporate Governance and Sustainability Committee, comprising 10 members as follows:

| | | | |
|-----|---------------|------------------|---|
| 1. | Mr. Banterng | Tantivit | Chairman of the Corporate Governance and Sustainability Committee |
| 2. | Mr. Suphadej | Poonpipat | Member of the Corporate Governance and Sustainability Committee |
| 3. | Mr. Kasama | Punyagupta | Member of the Corporate Governance and Sustainability Committee |
| 4. | Mr. Pracha | Jaidee | Member of the Corporate Governance and Sustainability Committee |
| 5. | Mr. Suwit | Rojanavanich | Member of the Corporate Governance and Sustainability Committee |
| 6. | Ms. Panit | Pulsirivong | Member of the Corporate Governance and Sustainability Committee |
| 7. | Mr. Piyaphong | Artmangkorn | Member of the Corporate Governance and Sustainability Committee |
| 8. | Mr. Suvait | Theeravachirakul | Member of the Corporate Governance and Sustainability Committee |
| 9. | Mr. Atipon | Tantivit | Member of the Corporate Governance and Sustainability Committee |
| 10. | Ms. Vijitra | Thumpothong | Member of the Corporate Governance and Sustainability Committee |
| 11. | Mr. Wichak | Praditavanij | Member of the Corporate Governance and Sustainability Committee |

Notes: Mr. Kasama Punyagupta resigned from the independent director, Chairman of the Audit Committee, and the Corporate Governance and Sustainability member positions on 2 February 2023. The Company's Board of Directors Meeting No. 2/2023 passed a resolution to appoint Mrs. Vijitra Thumpothong to assume the vacant positions in replacement, effective from 2 February 2023 onwards.

Ms. Chonlada Ngamnikulchalin, the Company Secretary and Senior Vice President of the Compliance Department, acted as Secretary of the Corporate Governance and Sustainability Committee.

The Corporate Governance and Sustainability 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 and its subsidiaries' corporate governance. One meeting was held in 2022 to carry out duties within the specified scope of responsibilities. The following are the specific key operations:

1. To review the Company's Good Corporate Governance policy and Code of Conduct and relevant policies and best corporate governance practices suitable to the Company and in line with the CG Code prescribed by the SEC, the guidelines and criteria in the ASEAN CG Scorecard under the CGR Project of the Thai Institute of Directors (IOD) and aligns with the anti-corruption policy
2. Established 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. Supervised the organization's sustainable development operations by considering the responsibility towards the environment, the society, corporate governance, and all stakeholders. Adopted the Sustainable Development Goals according to the United Nations framework as a guideline for setting sustainable business goals to drive concrete actions throughout the Company's value chain. To give comments and suggestions for the project implementation to be a part in driving the creation of a happy society and strengthening the Thai economy sustainably.
4. Supervised and promoted knowledge and understanding of good corporate governance, corporate business ethics, sustainable development, and anti-corruption among the directors, executives and employees to strictly adhere to in order to increase the efficiency of corporate governance in a sustainable manner. As a result, the Company's corporate governance assessment of listed companies achieved the level of "Excellent or 5 stars" for 7 consecutive years since 2016. And to provide recommendations for improving corporate governance according to corporate governance promotion projects, focusing on operations in accordance with good corporate governance principles.

The Corporate Governance and Sustainability Committee were 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). The Committee was committed and persistent in driving the organization to strive to be a transparent and ethical organization on the basis of honesty, transparency, and against all forms of corruption in order to develop and build confidence among all stakeholders and create added value for the organization to grow sustainably.



Mr. Banterng Tantivit
Chairman of the Corporate Governance
and Sustainability Committee



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