

# แบบแสดงรายการข้อมูลประจำปี 2565

แบบ 56-1 One Report

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Annual Registration Statements 2022

Form 56-1 One Report

**BAAN ROCK GARDEN**  
PUBLIC COMPANY LIMITED



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## Message from the Board of Directors

The overall outlook of the global economy in 2022 is likely to slow down. The COVID-19 pandemic scenario has now begun to stabilize. Each country has gradually vaccinated its own population, and the population in each country has adapted to life. The US economy's growth rates are slowing down, but the labor market is still robust and the unemployment rate is declining. The Federal Reserve (Fed) has accelerated its policy rate hike as inflationary pressures in the US economy remain high as a result of the pandemic-induced supply-demand imbalance, rising food and energy prices, and price pressures that are everywhere; The goal of US monetary policy is to reduce long-term inflation to 2 percent per year, which is a goal that the US Federal Open Market Committee prioritizes and wants to make and is the Fed's public duty to the people. Interest rate hikes will continue as necessary and appropriate, and US security policy, particularly its attitude toward China, will not change significantly. The Eurozone and UK economies continued to contract due to the protracted Russo-Ukrainian War, manufacturing disruptions that disrupted supply chains, and high inflationary pressures. The service sector has declined, but there is still momentum that is beginning to improve. The positive result comes from the relaxation of three main problems, including supply chain disruptions, cost pressure, and the regional energy crisis. These factors help boost entrepreneurs' and households' confidence in the overall economy, as reflected in the Economic Confidence Index and the Consumer Confidence Index, which continued to improve in line with the decrease in inflation expectations. The ASEAN-EU bilateral ties may open up new economic, trade-investment opportunities in the sectors of finance, electric vehicles, aerospace, transportation technology, and high-tech electronic power generation. As for the Chinese economy, it tends to slow down in line with the global economy because of the COVID-19 pandemic. As a result, the authorities had to take some lockdown measures, and the problem of a prolonged slump in the real estate sector was caused by the continued effects of the use of measures to control speculation, including the lack of liquidity coupled with easing, especially an interest rate cut, which may increase risks in the financial and real estate sectors. Therefore, it is likely that China will take further targeted measures to support the economy in the midst of many problems. In the later stages, the Chinese economy is likely to improve slightly, supported by the lifting of the zero COVID measure and the approaching Chinese New Year. However, the overall economic recovery remains fragile, and the number of COVID-19 cases is expected to rise.

The overall outlook of the Thai economy in 2022 has gradually recovered after the COVID-19 pandemic situation has subsided, and the vaccination rate has increased. Around the world, travel restrictions are gradually lifted, allowing Thailand to fully open the country since mid-2022, resulting in domestic economic activities and the number of foreign tourists gradually recovering. However, external factors such as the war between Russia and Ukraine that has erupted since the end of the first quarter and the lockdown of key Chinese cities have caused supply chain disruptions. These factors, coupled with an acceleration in global demand for goods and services during the country's opening-up period, has resulted in accelerating inflation in many major countries, including Thailand. The direction of monetary policy almost all over the world has been tightened. The Bank of Thailand, therefore, adjusted the direction of monetary policy to control inflation by raising the policy rate for the first time in four years in August 2022 and then raising it twice more continuously to 1.25 percent at the end of 2022. As for tourism, there will be a clearer recovery in the second half of 2022, with the number of foreign tourists increasing throughout the year. The supporting factor comes from the gradual relaxation of pandemic control measures, combined with the lifting of international travel restriction measures by many countries around the world. On the other hand, exports, which are a major economic driver, expanded in line with demand from trading partners recovering from the COVID-19 outbreak. Meanwhile, the demand for food or alternative products has increased due to the effects of the

Russian-Ukrainian War, and the high commodity prices have contributed to relatively healthy growth in the value of exports. However, exports clearly slowed down in the last quarter of the year, in line with signs of a global economic slowdown. Domestic spending improved as the COVID-19 pandemic situation subsided, vaccination progresses, and economic activities gradually resumed as normal, together with measures to support the spending by government through various projects continuously from the previous year. As for private consumption, there is a high growth trend. Private investment is expected to expand better than last year. The positive factor comes from continued export growth despite the industry facing some supply chain bottlenecks. Rebounding domestic economic activity and tourism resulted in an increase in demand for goods. In terms of expenditure, the government sector continued to support the economy, although its role gradually decreased as the pandemic situation subsided. In addition, the 2022 budget was reduced from the previous year, but disbursements were still made to alleviate and heal the impact of the COVID-19 pandemic crisis.

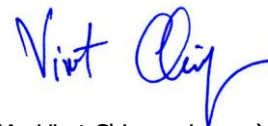
As for the real estate market in 2022, after the COVID-19 situation resolved, the country's full opening policy, the recovery of the tourism sector, the domestic economy began to recover according to the return to normal life, resulting in businesses in all fields began to expand, prompting residential real estate developers to rush to invest in new projects. However, high-cost conditions while limited pass-through of costs to prices, coupled with slowing trading partner economies, weak domestic purchasing power due to high cost of living burdens. The real estate business improved slightly as demand for low-rise housing and high-priced housing continued to persist, and there were signs of recovery in the high-rise housing sector from an increase in the number of new projects launched for sale especially in the price group not over 5 million baht. The acceleration of the launch of new projects comes from the backlog of some operators, which has decreased due to the acceleration of the release of completed housing in the past, affecting the revenue recognition in the future. Therefore, entrepreneurs still need to invest continuously, especially high-rise housing that takes more than a year to build and from the direction of construction costs and financial costs that are on the rise, causing some developers to choose to open projects as they want to lock in costs. However, the new housing activity has not yet fully recovered as overall household purchasing power is still fragile due to the high cost of living and high household debt; While the sale of second-hand housing has been well received by buyers, partly due to the fact that in the past 2 years, developers have slowed down the launch of new projects and new housing has higher average price per unit compared to the usable area. In 2022, the real estate market received a major boost from measures to reduce ownership transfer and mortgage fees, as well as the relaxation of LTV measures, but it still depended on the ability and qualifications of home buyers.

From the situation of the pandemic of COVID-19 that has been gradually resolved until now, the vaccination rate has increased, the population in the country has adjusted to normal life, many countries around the world have gradually lifted travel restrictions and tourism has recovered from the policy of opening up the country fully, causing domestic economic activities to gradually resume to be normal. The recovery of the housing market also depends on several factors to be cautious, such as measures to reduce ownership transfer and mortgage fees, interest rate hikes that put pressure on housing purchasing power. The increase in business costs affects housing prices and the liquidity of entrepreneurs, including land prices, construction materials prices, wages, finance costs, including land and building taxes. Oversupply in the housing market is still high, although operators have accelerated their marketing efforts to some extent, but there will still be completed housing units to fill in, requiring the company to adapt to market conditions and must constantly adjust strategies. The company still adheres to the creation of techniques and technology that are full of quality and standards for the design and development of modern housing that meets the needs of real customers by paying attention to every detail of the design, selection of contractors, QC

and after-sales service to meet customer needs. In addition, the company focuses on maintaining profitability close to the previous year and focusing on developing personnel to be efficient in operations in line with the current competitive situation in the market. As for the year 2022, the company continues to operate according to the plan while looking for more marketing and sales channels. The company will proceed with caution and prudence in order to provide products and services that meet the needs of customers for the good image of the company.

On behalf of Baan Rock Garden Public Company Limited, the Board of Directors and Executive Committee would like to thank all shareholders, customers, business partners, employees, financial institutions and everyone involved for your continued support. The Company continues to focus on conducting business in accordance with good governance principles in order to maintain the utmost benefit of all stakeholders.

Yours sincerely

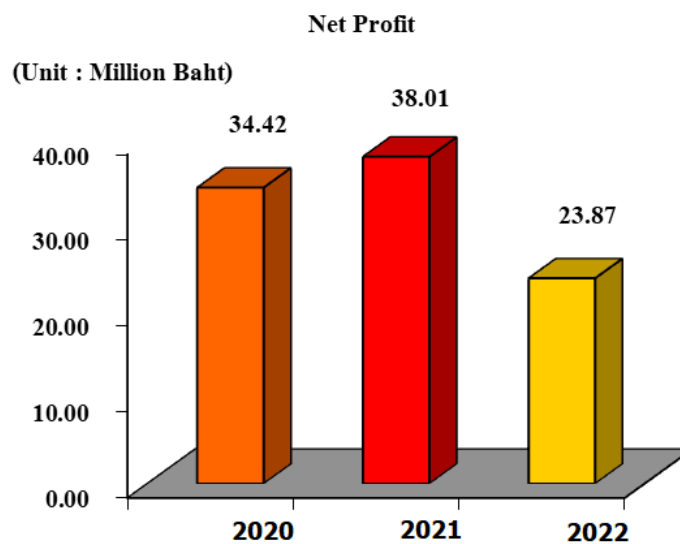
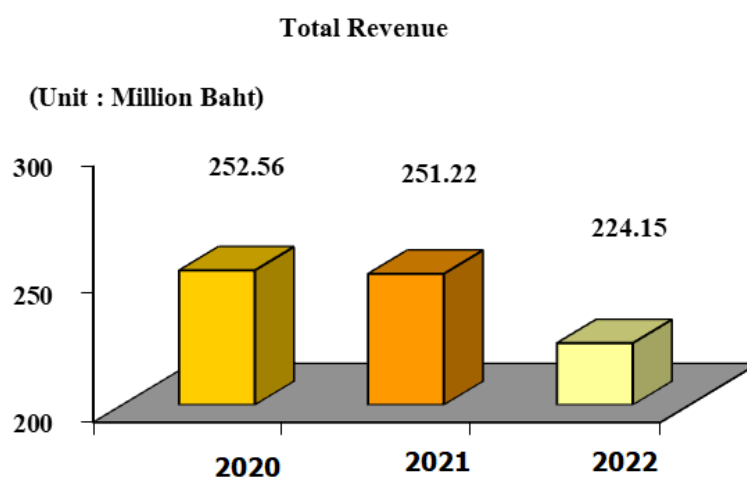
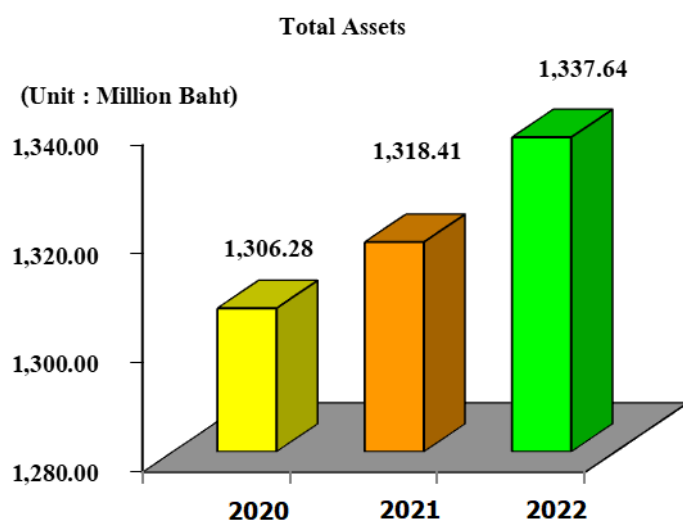


(Mr. Virat Chinprapinporn)

Chairman

Baan Rock Garden Public Company Limited

## Summary Financial Information





**Summary Financial Information (Continued)**

	<b>Consolidated</b>		<b>Unit : Baht</b>
	<b>2022</b>	<b>2021</b>	<b>Change</b>
			<b>%</b>
Total Revenue	224,147,962	251,222,237	(10.78)
Revenue from Sales	218,977,904	248,539,411	(11.89)
Cost of sales	133,449,918	148,091,139	(9.89)
Gross Profit	85,527,986	100,448,272	(14.85)
Net Profit (loss)	23,870,267	38,008,375	(37.20)
Total Assets	1,337,642,963	1,318,414,763	1.46
Total Liabilities	44,388,128	46,802,544	(5.16)
Total Shareholders' Equity	1,285,275,530	1,271,612,219	1.07
Issued and paid up share capital	1,025,000,181	1,025,000,181	-
<b>Per share data (Baht)</b>			
Net profit	0.02	0.04	(50.00)
Dividend	0.01	0.02	(50.00)
Book Value	1.26	1.24	1.61
<b>Finance Ratio</b>			
Profit Margin	39.06%	40.42%	(3.36)
Net Profit Margin	10.63%	15.13%	(29.74)
Return on Equity	1.86%	2.99%	(37.79)
Return on Asset	1.78%	2.88%	(38.10)
Debt to Equity Ratio	0.03	0.04	(25.00)

## Section1 : Business Operations and Performance

### 1. Business Policy and Overview

The Company has set the vision and mission through consideration from the Board of Directors. Which will be reviewed every 2 years to be used as a guideline for business operations and development for sustainable growth. By taking into account all groups of stakeholders. Also taking into account social and environmental responsibility.

#### Vision

To ensure housing development shall meet good quality and customer demands by means of modern and creative design. Every process is controlled and monitored. Appropriate innovation is developed. Emphasis is placed on services provided to customers with responsibility to stakeholders on the basis of environmentally and socially friendly approach.

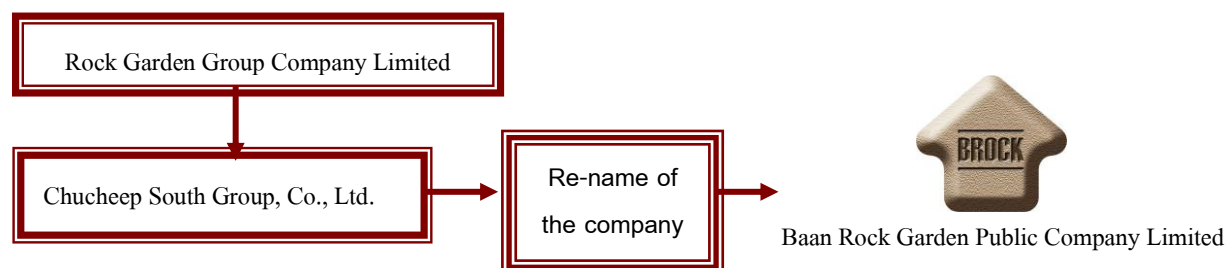
#### Mission

1. Emphasis is placed on outstanding housing and environmental designs, suitable for the era and quality of life.
2. Building confidence and trust among consumers on the basis of transparency, clarity, sincerity, and honesty.
3. Promoting corporate brands to be widely known.
4. Develop employee strength, team working skills with commitment, diligence, dedication, honesty, earnestness to be ready for creating quality projects.
5. Applying and managing internal organization with good governance and flexibility for enabling to cope with changing situations.

### Company Background and Significant Developments

Baan Rock Garden Public Company Limited, ("Company" or "BROCK"), was formerly known as Chucheeep South Group, Co., Ltd. The Company was established on February 5, 1990, by the Silaprarat family, who had extensive experiences in land trading in Bangkok and other major cities of Thailand, such as Chiang Mai, as well as coastal provinces like Rayong and Phuket. They also conducted business on trading of allocated vacant land in Soi Vachcharapol, Bangkok, known as the "Agricultural Garden" project.

Since the Silaprarat family has spot the increasing opportunity of the property development, they have decided to enter the real estate development business by using the same executive team from the Rock Garden Group, Co., Ltd.. This has demonstrated the capabilities and the extensive experiences in real estate and resort business.



**Chart : Re-organizational structure of the company**

Following the corporate restructuring and the transfer of executives from Rock Garden Group Company Limited, the Company has since concentrated on operating in the real estate business. BROCK's primary objective is to efficiently utilize all the land in its possession in Bangkok and Phuket. The Company also continuously seeks to acquire allocated land with high potential for profitable development projects.

### **Vision in business**

The Company fully outsources its project design, project construction and project marketing in order to effectively control its expenses, and to promote the performance of the executive and management team.

### **Business Objectives and Goals**

Baan Rock Garden, PLC is focusing on developing and selling housing and land to customer group with average income, with price ranging from Bt. 1.49 million Baht to 4 million Baht. The Company has a policy to standardize the quality of all its projects, under the brand "Baan Rock Garden," in order to build confidence in its products among all the customers. The Company's strategy to sustain and to expand its market share is as followed:

- 1) selecting convenient locations, by building projects in the vicinity of town centers and shopping malls.
- 2) Setting appropriate pricing for every project by considering general consumer behavior and purchasing power of people in the area, so they could make prompt decision upon acknowledging the prices.
- 3) Presenting all housing with standardized quality, built with high-quality and durable materials.
- 4) Constructing and transferring all houses in timely manner, which is the Company's most outstanding strength that has built its trustworthy image among the consumers.
- 5) Maintaining excellent relationship with customers through post-sales services, such as maintenance of the house structure, painting and ceiling, as well as setting up water and electricity system. The Company employs its own construction team specifically to offer such services.
- 6) Expanding the projects to other provinces with high potential.

### **Business strategy**

#### **1. Location and product strategy**

The Company consider to develop the project in the area which has a chance in the economic great. According to The Company has set a policy to fully outsource its project development team, in order to help the Company to effectively control its expenses and to develop projects that meet the needs and objectives by hired professionals. As a result, the Company's projects are designed to appear modern and architecturally unique. The houses are designed to be spacious and airy, yet sufficiently functional, with openings for sunlight to reach the interior to emphasize the energy conservation concept. Furthermore, the Company also contracts external resources for all project constructions, by employing appropriate and effective selection process. It also sets the specifications of the suitable construction materials that the contractors must use for the projects. The construction will be thoroughly monitored and inspected by the Company's Project Construction Department, until the constructed unit is delivered to the Company, in order to ensure that the constructions are performed effectively in every step up until the rights transfer to the customers.

#### **2. Pricing Strategy**

The Company sets its product prices by employing the cost-plus-margin method. However, in the final stage of pricing, the Company also takes into consideration the market demand and competition conditions at the time. The performance of real estate industry largely depends on 1) interest rates; 2) consumer's purchasing power; and 3) the country's economic growth rate.

### Distribution channel

The company has greatly emphasized on sales persons at the sales office as their distribution channel to provide service to the retail customers who have walked in. Such sales persons at the sales office are the marketing officers whereby these positions have been outsourced. The company has hired 1 team of external parties to be responsible for the projects in Bangkok and another team to respond for the projects in Phuket. These marketing officers have great knowledge and expertise in the real estate market of those areas for a long time.

As for the marketing promotion, the marketing department of the company has worked with the marketing officers to arrange the promotion and several forms of advertisements e.g. internet (Facebook : Baan Rock Garden Suvarnabhumi) , IG , TikTok , billboards , medias on the minibus , booths displayed in many places in order to reach to the buyers and find the buyers for the company and distributing documents in industrial estates. These 2 marketing teams sale in the project have remuneration from the sale.

### Impacts on environment

The Company has faced no conflict regarding environment handling in the past 3 years, as the Company has put high priority in managing the environmental impact. The Company has set strict policy on environment treatment, by setting up systematic and standardized public utilities, especially water treatment system, including each project's central water treatment facility. Moreover, the Company has always followed up on its policy to minimize impacts on environments and its policy to regularly inspect the conditions of project surroundings.

### The following information illustrated key developments of the Company during the past 5 years:

February 2016      The Board of Directors' Meeting No.1/2016, held on February 18, 2016. The Board of Directors for Baan Rock Garden Public Company Limited had approve for year 2015 dividend payment at 0.02 Baht per share. The dividend will be paid to the shareholders whose names appearing in the Company's Shareholders Registration Book as of the date on which such Shareholders Registration Book is to be closed for suspension of share transfer in order to determine the shareholders entitled to dividend. The dividend payment exceeds that specified in the Terms and Conditions of BROCK-W1 warrants according to Clause 5 (e), Cause of the Company shall adjustment of rights the new exercise price and new exercise ratio as follows:

<b>Exercise Price</b>	: Before	3.50	Baht per Share.
<b>After</b>		<b>3.48</b>	<b>Baht per Share.</b>
<b>Exercise Ratio</b>	: Before	1 unit of Warrants shall be entitled to purchase	1 newly issued ordinary share.
<b>After</b>		<b>1 unit of Warrants shall be entitled to purchase</b>	<b>1.0052 newly issued ordinary share.</b>

With become effective immediately from the first day on which the purchases of the Company's ordinary shares shall not be entitled to receive such dividend distribution (the first day on which the SET posts XD sign) is 1 March 2016.

April 2016      The company has increased its capital stocks from 1,229,999,916 (One thousand two hundred twenty-nine million nine hundred ninety-nine thousand nine hundred and sixteen Baht) to 1,231,099,916 (One thousand two hundred thirty-one million ninety-nine thousand nine hundred and sixteen Baht) with paid capital of 1,024,999,930 (one thousand and twenty-four million, nine hundred and ninety-nine thousand, nine hundred and ninety-three baht) with the Department of Business Development Ministry of Commerce.

December 2016 Report on the Result of the Exercise of Rights to Purchase Ordinary Shares of Baan Rock Garden Public Company Limited under the Warrants BROCK-W1

Period	Warrant Exercise (Unit)	Outstanding (Unit)
March 2016	-	204,969,911
June 2016	-	204,969,911
September 2016	-	204,969,911
December 2016	-	204,969,911

January 2017 The company has hired a home design company for made to design house in the project. Rock Garden Airport Phase 3 to modernize and equalize its competitors. The design is designed as 2-storey detached houses 2 type and 1-storey duplexes 1 type.

February 2017 The company has started selling the project Rock Garden Airport Phase 3. The project comprises of 2-storey detached houses of type A 90 units, 2-storey detached houses type B 93 units and 1-storey duplexes houses 48 units. On 40-2-24.6 Rai.

July 2017 The Company was granted permission to allocate land no. 28/2560 on July 14, 2017 in Project Baan Suan Palm (Baan Rock Garden Airport Phase 3) with an area of approximately 40-2-24.6 rai, divided for sale of 231 units.

August-December 2017 The company has gradually implemented the construction Project Baan Rock Garden Airport Phase 3.

The company has received the building permits as follows:

\* Building Permit No. 56/2017 on 2 August 2017 is a 2-storey detached houses type A 16 Units.

\* Building Permit No. 57/2017 on 2 August 2017 is a 2-storey detached houses type B 16 Units.

\* Building Permit No. 91/2017 on 1 November 2017 is a 1-storey duplexes houses 48 Units.

\* Building Permit No. 103/2017 on 20 December 2017 is a 2-storey detached houses type A 11 Units.

\* Building Permit No. 104/2017 on 20 December 2017 is a 2-storey detached houses type B 5 Units.

December 2017 Report on the Result of the Exercise of Rights to Purchase Ordinary Shares of Baan Rock Garden Public Company Limited under the Warrants BROCK-W1

Period	Warrant Exercise (Unit)	Outstanding (Unit)
March 2017	-	204,969,911
June 2017	-	204,969,911
September 2017	-	204,969,911
December 2017	-	204,969,911

January–May 2018 The company has procured land for to make land allocation projects for sale to the general public.

March 2018 Excellence Property and Development Company Limited had owns the land and buildings in project ASTON VILLE located at Lam Sai Road, Khok Faet Subdistrict, Nong Chok District, Bangkok. This project is a 2-storey townhouse with 285 units, clubhouse, swimming pool, corporate office, park and road within the project. Excellence Property and Development Company Limited has completed the construction of 2-storey townhouses 54 units already (transferring ownership to 32 units already), construction building a clubhouse, swimming pool, corporate office has been completed, and construction road is about 165 meters already. Construction of a bridge over the Lam Sai Canal already.

	Excellence Property and Development Company Limited has offered to sell the land and buildings, project ASTON VILLE to Baan Rock Garden Plc. Which consists of Land with 2 storey townhouse 22 units, vacant land 231 units, land with clubhouse and swimming pool and corporate office 1 unit, park 1 unit, road no.1 and garden 1 unit, road no.2 and garden 1 unit, total of 257 units. Initially, the company conducted a survey of the housing market in Nong Chok district Bangkok.												
10 April 2018	The company has made a memorandum of agreement to offer land and building in the project ASTON VILLE is located at Lam Sai Road, Khok Faet Subdistrict, Nong Chok District, Bangkok with Excellence Property and Development Company Limited price offered for sale 79,000,000 Baht (seventy nine million baht only) for the company to do Examine documents and information related to government agencies and private agencies and inspect assets related to the project ASTON VILLE for a period of 3 months.												
May 2018	<p>The company has gradually implemented the construction Project Baan Rock Garden Airport Phase 3.</p> <p>The company has received the remaining building permits as follows:</p> <p>* Building Permit No. 31/2018 on 17 May 2018 is a 2-storey detached houses type A 63 Units.</p> <p>* Building Permit No. 32/2018 on 17 May 2018 is a 2-storey detached houses type B 72 Units.</p>												
1 June 2018	The assign date for the last exercise of rights to purchase ordinary shares of Baan Rock Garden Public Company Limited under the Warrants BROCK-W1.												
11 June 2018	The company has increased its paid capital stocks from 1,024,999,930 (One thousand twenty-four million nine hundred ninety-nine thousand nine hundred thirty Baht) to 1,025,000,181 (One thousand twenty-five million one hundred and eighty-one Baht) with the Department of Business Development Ministry of Commerce.												
June 2018	Report on the Result of the Exercise of Rights to Purchase Ordinary Shares of Baan Rock Garden Public Company Limited under the Warrants BROCK-W1												
	<table><tr><th>Period</th><th>Warrant Exercise (Unit)</th><th>Outstanding (Unit)</th></tr><tr><td>March 2018</td><td>-</td><td>204,969,911</td></tr><tr><td>1 June 2018</td><td>250</td><td>204,969,911</td></tr><tr><td colspan="3">(The last Exercise Date)</td></tr></table>	Period	Warrant Exercise (Unit)	Outstanding (Unit)	March 2018	-	204,969,911	1 June 2018	250	204,969,911	(The last Exercise Date)		
Period	Warrant Exercise (Unit)	Outstanding (Unit)											
March 2018	-	204,969,911											
1 June 2018	250	204,969,911											
(The last Exercise Date)													
1 June 2018	The company has made a request to extend the period with Excellence Property and Development Company Limited has been extended for another 1.5 months for the company to investigate all assets related to the project ASTON VILLE.												
July 2018	The company has hired Sim Property Consultant Co., Ltd., which was property appraisal company listed in the capital market. Which hiring to evaluate property values Land allocation project, ASTON VILLE project, located at Lam Sai Road, Khok Faet Subdistrict, Nong Chok District, Bangkok.												
9 August 2018	The Company has made an additional memorandum of agreement regarding the sale of land and buildings in the project ASTON VILLE with Excellence Property and Development Company Limited. By agreeing to change the selling price is in the amount of 72,000,000.- Baht (seventy two million baht only), effective until 1 September 2018.												
17 August 2018	The company has purchased the land allocation project ASTON VILLE by contracting to buy and sell land with buildings, land allocation project ASTON VILLE located at Lam Sai Road, Khok Faet Subdistrict, Nong Chok District, Bangkok. Which consists of Land with 2-storey townhouse												

	22 units, vacant land 231 units, Land with clubhouse and swimming pool and corporate office 1 unit, Park 1 unit, Road No.1 and garden 1 unit, and Road No.2 and garden 1 unit, total of 257 units. With ready to receive the transfer of the license to allocate land No. 88/2557 on dated 25 August 2014. And ready to receive the transfer of the building permit No. 672/2561 on dated 10 September 2018. And documents of various agencies Various government documents Related to the land allocation project ASTON VILLE located at Lam Sai Road, Khok Faet Subdistrict, Nong Chok District, Bangkok. At the price of 72,000,000.- baht (seventy two million baht only) with Excellence Property and Development Company Limited.
20 August 2018	The company has started planning development the project purchased was the project ASTON VILLE, which is located at Lam Sai Road, Khok Faet Subdistrict, Nong Chok District, Bangkok. This project was renamed the project BR @ Arena. And on 20 September 2018, the company started to renovate the 2-storey townhouse 22 units and clear the area to support the construction of the house.
October 2018	The company started selling 2-storey townhouses in the project BR @ Arena.
14 November 2018	Excellence Property and Development Company Limited has registered the transfer of ownership of land and buildings of the project ASTON VILLE total 257 units to Baan Rock Garden Public Company Limited. Consists of Land with 2-storey townhouse 22 units, Vacant land 231 units, Clubhouse and swimming pool and corporate office 1 units, Park 1 unit, Road no.1 and garden 1 unit, and Road no.2 and garden 1 unit.
December 2018	Excellence Property and Development Company Limited has transferred the building permit No. 672/2561, on dated 10 September 2018 to Baan Rock Garden Public Company Limited.
December 2018	Land Allocation Board Bangkok Resolved in the meeting on 26 September 2018, allowing to Excel Property and Development Co., Ltd. to transfer the license to allocate land No. 88/2557 on dated 25 August 2014 for Baan Rock Garden Public Company Limited. By the Land Allocation Board Bangkok has issued a letter granting permission to transfer the license to allocate land No. 157/2561 on dated 3 December 2018 to Baan Rock Garden Public Company Limited.
30 May 2019	The company has gradually implemented the construction Project BR @ ARENA Phase 2. The company has received the building permits as follows: * Building Permit No. N.J.579/2562 on 30 May 2019 is a 2 storey townhouse, 5 meters wide with 56 Units, 2 storey townhouse, 6 meters wide with 24 Units.
November 2019	The company has hired a home design company for remodel to design 2-storey detached houses type A and type B into 1-storey detached houses type C with 51 Units in the Project Rock Garden Airport Phase 3. With focusing on the needs of customers more and equal with competitors.
26 December 2019	The company has gradually implemented the construction Project Rock Garden Airport phase 3, which the company has remodel to design 2-storey detached houses into 1-storey detached houses type C. The company has received the building permits as follows: * Building Permit No. 123/2562 on 26 December 2019 is a 1-storey detached houses type C with 51 Units.
29 October 2020	The company has gradually implemented the construction Project BR @ ARENA Phase 3. The company has received the building permits as follows:

- \* Building Permit No. N.J.835/2563 on 29 October 2020 is a 2 storey townhouse, 6 meters wide with 12 Units.
  - \* Building Permit No. N.J.836/2563 on 29 October 2020 is a 2 storey townhouse, 5 meters wide with 16 Units.
  - \* Building Permit No. N.J.837/2563 on 29 October 2020 is a 2 storey townhouse, 4 meters wide with 20 Units.
- 24 February 2021 The Company has considered an offer to purchase the land located at Chalong Krung Road, Lam Phak Chi Subdistrict, Nong Chok District (Chia Ra Dap), Bangkok, with an area of 30-1-77.5 rai with Siam Commercial Bank Public Company Limited.
- 2 April 2021 The Board of Directors approves the purchase of vacant land, which is located at Chalong Krung Road, Lam Phak Chi Subdistrict, Nong Chok District (Chia Ra Dap), Bangkok, with an area of 30-1-77.5 rai from Siam Commercial Bank Public Company Limited, with the objective of operating a land allocation project with structure under the name "Baan Rock Garden Chalong Krung Project" with a single-detached house style, which is the normal business transaction of the Company.
- 2 April 2021 The Company has considered an offer to purchase the land located at Soi Wat Siripong, Tha Raeng Subdistrict (Lum Phai), Bang Khen District, Bangkok, with an area of 2-1-30.50 rai from Mrs. Naowanart Jamornmarn, Mrs. Naowaranlalit Kasetuwan and Mrs. Naowanij Silaparat at the price of 40,000 baht per square wah, totaling 37,220,000 baht.
- \* The objective is to operate a land allocation project with structure under the name "Baan Rock Garden Watcharaphon Project", with a townhome style, which is the normal business transaction of the Company.
  - \* Nevertheless, Mrs. Naowanij Silaparat, as the Managing Director of the Company, has cross-connection in the purchase of this plot of land, which is a big transaction under the name "Baan Rock Garden Watcharaphon Project", with a townhome style, which is a normal business transaction of the Company. Therefore, the Board of Directors has the authority to approve principles by setting a framework for the management to proceed.
  - \* In addition, on 29 March 2021, the Company hired Sims Property Consultant Company Limited, a property appraisal company listed on the Stock Exchange, to appraise this plot of land. The appraised value is at 45,000 baht per square wah, higher than the price offered to the Company at 40,000 baht per square wah.
- 12 April 2021 The Company has purchased the land by entering in to the Land Purchase and Sale Agreement with Siam Commercial Bank Public Company Limited, which is a vacant land located at Chalong Krung Road, Lam Phak Chi Subdistrict, Nong Chok District (Chia Ra Dap), Bangkok with an area of 30-1-77.5 rai.
- 29 April 2021 Siam Commercial Bank Public Company Limited has executed the registration of ownership transfer for 4 plots of vacant land with an area of 30-1-77.5 rai at the Bangkok Land Office, Nong Chok branch.
- 14 May 2021 The Audit Committee has considered it eligible for the management to purchase the land located at Soi Wat Siripong, Tha Raeng Subdistrict (Lum Phai), Bang Khen District, Bangkok, with an area of 2-1-30.50 rai from Mrs. Naowanart Jamornmarn, Mrs. Naowaranlalit Kasetuwan and Mrs. Naowanij Silaparat at a price of 40,000 baht per square wah. The objective is to operate a land allocation project with structure under the name "Baan Rock



	<p>Garden Watcharaphon Project" with a townhome style, which is the normal business transaction of the Company. The proposed price has been verified by Sims Property Consultant Co., Ltd., a property appraisal company listed on the stock exchange, with the appraised value of 45,000 baht per square wah, higher than the price offered to the Company of 40,000 baht per square wah.</p>
14 May 2021	<p>The Board of Directors considers and approves the purchase of vacant land, located at Soi Wat Siripong, Tha Raeng Subdistrict (Lum Phai), Bang Khen District, Bangkok, with an area of 2-1-30.50 rai from Mrs. Naowanart Jamornmarn, Mrs. Naowaranlalit Kasetsuwan and Mrs. Naowanij Silaparat at a price of 40,000 baht per square wah, totaling 37,220,000 baht.</p> <p>* The objective is to operate a land allocation project with structure under the name "Baan Rock Garden Watcharaphon Project", with a townhome style, which is the normal business transaction of the Company.</p> <p>* Nevertheless, Mrs. Naowanij Silaparat, as the Managing Director of the Company, has cross connection in the purchase of this plot of land, which is a big transaction. However, the objective of purchasing this plot of land is to operate a land allocation project with structure under the name "Baan Rock Garden Watcharaphon Project", with a townhome style, which is the normal business transaction of the Company. Therefore, the Board of Directors has the authority to approve principles by setting a framework for the management to proceed.</p> <p>* In addition, on 29 March 2021, the Company hired Sims Property Consultant Company Limited, a property appraisal company listed on the Stock Exchange, to appraise this plot of land. The appraised value is at 45,000 baht per square wah, higher than the price offered to the Company at 40,000 baht per square wah.</p>
June, September 2021	<p>The company has gradually implemented the construction Project BR @ ARENA Phase 4-5.</p> <p>The company has received the building permits as follows:</p> <p>* Building Permit No. N.J.638/2021 on 24 June 2021 is a 2 storey townhouse, 6 meters wide with 11 Units.</p> <p>* Building Permit No. N.J.639/2021 on 24 June 2021 is a 2 storey townhouse, 5 meters wide with 80 Units.</p> <p>* Building Permit No. N.J.870/2021 on 15 September 2021 is a 2 storey townhouse, 6 meters wide with 12 Units, 2 storey townhouse, 5 meters wide with 28 Units</p> <p>* Building Permit No. N.J.871/2021 on 15 September 2021 is a 2 storey townhouse, 6 meters wide with 12 Units.</p>
15 September 2021	<p>The company has gradually implemented the construction Project Rock Garden Airport phase 3, which the company has remodel to design 2-storey detached houses into 1-storey detached houses type C.</p> <p>The company has received the building permits as follows:</p> <p>* Building Permit No. 51/2021 on 15 September 2021 is a 1-storey detached houses type C with 22 Units.</p>
12 November 2021	<p>The Company has considered an offer to purchase 2 plots of land located at Soi Yoo Wittaya 12, Nong Chok Subdistrict, Nong Chok District, Bangkok, with a total area of approximately 34-0-12 rai from a third party. * The Board of Directors has considered and approved for the management to proceed with the purchase of land as proposed.</p>

May 2022	<p>1) Mr. Surapon Satimonont has submitted a letter of resignation from Director / Independent Director / Chairman of the Audit Committee on May 11, 2022 due to many responsibilities, effective from May 13, 2022 onwards.</p> <p>2) To approve the appointment of Mr. Prasan Thamsanong as Director / Independent Director / Audit Committee, effective from May 13, 2022 onwards.</p> <p>For Mr. Prasan Thamsanong, he graduated with a bachelor's degree, Bachelor of Laws Ramkhamhaeng University, Thai Barrister and Master of Faculty of Political Science Ramkhamhaeng University. He has served in the Department of Lands for more than 35 years, possesses good knowledge, ability and experience in land law.</p> <p>3) Modifications of position of Mr. Wanchai Mekasut from Audit Committee to Chairman of the Audit Committee, effect from 12 May 2022 onwards.</p>
14 February 2022	The company has registered the transfer of ownership of land without buildings, located at Soi Yoo Wittaya-12, Krathum Rai Sub-district, Nong Chok District, Bangkok, in the amount of 2 plots, total area 33-1-67.3 rai, from outsiders at the Bangkok Department of Land office, Nong Chok branch.
September 2022	<p>The company has changed the style of the 2-storey townhouse of the BR Arena Project (Phase 5) to suit the era in order to accommodate the needs of customers, and gradually proceeding with the construction of houses. The Company has received the building permits as follows:</p> <p>* Building Permit No. N.J.0958/2565 on 13 September 2022 is a 2 storey townhouse, 6 meters wide with 12 Units, 5 meters wide with 28 Units.</p> <p>* Building Permit No. N.J.0957/2565 on 13 September 2022 is a 2 storey townhouse, 6 meters wide with 12 Units.</p>
29 December 2022	The company has registered the transfer of ownership of land without buildings, located at Soi Wat Siripong, Tha Raeng Subdistrict (Lum Phai), Bang Khen District, Bangkok, with an area of 2-1-30.50 rai from Mrs. Naowanart Jamornmarn, Mrs. Naowaranlalit Kasetsuwan and Mrs. Naowanij Silaparat at a price of 40,000 baht per square wah, totaling 37,220,000 baht. Nevertheless, Mrs. Naowanij Silaparat, as the Managing Director of the Company, has cross connection in the purchase of this plot of land, which is a big transaction. However, the objective of purchasing this plot of land is to operate a land allocation project with structure under the name "Baan Rock Garden Watcharaphon Project", with a townhome style, which is the normal business transaction of the Company. In addition, on 29 March 2021, the Company hired Sims Property Consultant Company Limited, a property appraisal company listed on the Stock Exchange, to appraise this plot of land. The appraised value is at 45,000 baht per square wah, higher than the price offered to the Company at 40,000 baht per square wah.

## 2. Nature of Business

### Revenue Structure

The records highlight the Company's revenues, classified by project development, from 2020 to 2022 as follows:

**Table: Revenue Structure of BROCK and Subsidiaries, Classified by Project Development**

Revenue Types	Generating Projects	2020 Total		2021 Total		2022 Total	
		Revenues (Bt. mil.)	%	Revenues (Bt. mil.)	%	Revenues (Bt.mil.)	%
1 Revenues from development projects							
1.1 Sales of semi-detached houses and 2 storey detached houses (2 units in 2020 , - units in 2021 and 2022 )	Baan Rock Garden Airport 2	4.97	1.97	-	-	-	-
1.2 Sales of semi-detached houses and detached houses (57 units in 2020, 45 units in 2021 and 34 units in 2022)	Baan Rock Garden Airport 3	177.37	70.23	148.34	59.05	97.84	43.65
1.3 Sales of 2-story townhouse (33 units in 2020, 54 units in 2021 and 55 units in 2022)	Baan Rock Garden Arina - Nong Chok	66.67	26.40	100.20	39.89	121.14	54.04
2. Other Revenues		3.55	1.40	2.68	1.06	5.17	2.31
Total Revenues		252.56	100.00	251.22	100.00	224.15	100.00

### Overview of Company's Business

Baan Rock Garden Public Company Limited conducts its business in real estate sector, with focus on the development of single-attached houses, townhouses and commercial building. The Company primarily develops its real estate under the project title "Baan Rock Garden" in Bangkok and other major provinces that have displayed rapid economy growth and potential for further growth, such as Phuket , Samuthprakarn and Rayong. The Company's current projects comprise the following:

**1. "Rock Garden Home 1" and "Rock Garden Home 2" projects.** Both projects comprise 2-storey townhouses and 4.5-storey commercial buildings that the Company acquired from ROCK GROUP, the Company's associate

company, in September 2003. They were the remaining 91 available units of the projects that ROCK GROUP hadn't previously sold.

**2. "Baan Rock Garden Meng-Jai" project.** This project was the Company's first development project, which was introduced to the market in February 2004. The project comprises 63 units of 3-storey semi-home-office townhouses, located on Pracha-utit Road, Bangkok.

**3. "Baan Rock Garden Bypass" project.** The Company's second development project is a large project, primarily located in the vicinity of Phuket Bypass Road, which is the province's major district. The project is divided into 6 development phases.

**3.1) "Baan Rock Garden Bypass 1."** The project comprises of 1-storey townhouses 91 units.

**3.2) "Baan Rock Garden Bypass 2."** The project comprises of 1-storey townhouses 99 units and 2.5-storey commercial building 15 units.

**3.3) "Baan Rock Garden Bypass 3."** The project comprises of 1-storey duplexes houses, 1-storey detached houses, 2-storey detached houses and home offices, the project is total 90 units.

**3.4) "Baan Rock Garden Bypass 4."** The project comprises of 1-storey duplexes houses, 1-storey detached houses, 2-storey detached houses and home offices, the project is total 82 units.

**3.5) "Baan Rock Garden Bypass 5."** The project comprises of 1-storey duplexes houses and 2-storey Detached houses, the project is total 94 units.

**3.6) "Baan Rock Garden Bypass 6."** The project comprises of 2-storey detached houses.

The project is divided into 10 phase. As follows.

**3.6.1) "Baan Rock Garden Bypass 6/1."**

The project comprises of 2-storey detached houses, the project is total 49 units. For the year 2018, the Company has closed the sale of project Baan Rock Garden Bypass 6/1 is complete.

**3.6.2) "Baan Rock Garden Bypass 6/2."**

The company is planning the development of project Baan Rock Garden Bypass 6/2.

**4. "Baan Rock Garden Airport"** The project is located on Onnuch-Ladkrabang highway, Amphur Bangsolthong, Samuthprakarn province. The project is divided into 3 phases. Which at present are implemented as follows.

**4.1) "Baan Rock Garden Airport, Phase 1."**

The project comprises of 2-storey town houses 117 units and 2-storey duplexes houses 12 units, the project is total 129 units. The Company has closed the sale of Project Baan Rock Garden Airport Phase 1 on year 2014.

**4.2) "Baan Rock Garden Airport, Phase 2."**

The project comprises of 2-storey detached houses 35 units and 2-storey duplexes houses 102 units, the project is total 137 units. The Company has closed the sale of Project Baan Rock Garden Airport Phase 2 already.

**4.3) "Baan Rock Garden Airport, Phase 3 or BR @ AERO."**

The project comprises of 2-storey detached houses of type A with 62 units and 2-storey detached houses type B with 48 units and 1-storey detached houses type C with 73 Units and 1-storey duplexes houses with 48 units, the project is total 231 units. The company has already transferred the ownership to customers in the amount of 202 units and expects that the company will be able to close the sale by mid-2023.

**5. "BR @ Arena"** This Project is located on Lam Sai Road, Khok Faet Subdistrict, Nong Chok District, Bangkok. The project comprises 2 storey townhouse 285 units, club house, swimming pool, corporate office, park and road within the project. Excellence Property and Development Company Limited has completed the construction of 2-storey townhouses 54 units (transferring ownership to customers 32 units). The construction a clubhouse, swimming pool, corporate office and road within the project is about 165 meters has been completed.

Which the company buys and receives the ownership transfer of all land and buildings and the company has developed project the following.

- 1)** September 2018, the company began renovating 22-story townhouse with 22 units in the first phase to prepare for sale.
- 2)** October 2018, the company started to sell 22-story townhouse with 22 units in the first phase in the name of the project BR @ Arena.
- 3)** 14 November 2018, the Company received the ownership transfer of all land and buildings Consisting of Land with 2-storey townhouses 22 units, Vacant land 231 units, Land with club house and swimming pool and corporate office 1 unit, Park 1 unit, Road No.1 and garden 1 unit, Road No.2 and garden 1 unit, the total of 257 units from Excellence Property and Development Company Limited.
- 4)** 3 December 2018, the Company received the transfer of land development license number 88/2557, dated 25 August 2014 from Excellence Property and Development Company Limited.
- 5)** December 2018, the company received the construction permit transfer of 22 units in the first phase from Excellence Property and Development Company Limited.
- 6)** In the beginning of 2019, the company hired a house design company. To design a 2 storey townhouse, 5 meters wide and 2 storey townhouse, 6 meters wide for 80 units in Phase 2.
- 7)** May 2019 The company received a construction permit for a 2 storey townhouse, 5 meters wide and 2 storey townhouse, 6 meters wide, with 40 units in Phase 2.
- 8)** May 2019, the company has gradually proceeded to construct houses of 40 units in phase 2.
- 9)** In the year 2019, the company has already transferred ownership to customers in the amount of 6 units.
- 10)** October 2020, The company received a construction permit for a 2 storey townhouse, 4 meters wide and 2 storey townhouse, 5 meters wide and 2 storey townhouse, 6 meters wide, with 48 units in Phase 3.
- 11)** The year 2020, the company has already transferred ownership to customers in the amount of 33 units.
- 12)** The year 2021, The company received a construction permit for a 2 storey townhouse, 5 meters wide and 2 storey townhouse, 6 meters wide, with 91 units in Phase 4.
- 13)** The year 2021, The company received a construction permit for a 2 storey townhouse, 5 meters wide and 2 storey townhouse, 6 meters wide, with 52 units in Phase 5.
- 14)** The year 2021, the company has already transferred ownership to customers in the amount of 54 units.
- 15)** The Year 2022, the company has changed the style of the 2-storey townhouse of the BR Arena Project (Phase 5) and the company has received a building permit for a 2-storey townhouse with a width of 5 meters and a width of 6 meters, totaling 52 units.
- 16)** The year 2022, the company has already transferred ownership to customers in the amount of 148 units.

**6. "Baan Rock Garden Chalong Krung"** The Project is located on Chalong Krung Road, Lamphakchee Subdistrict, Nong Chok District, Bangkok. Area 30-1-77.5 rai, The project is divided into 2 phases. Which at present are implemented as follows.

**6.1) "Baan Rock Garden Chalong Krung, Phase 1"**

The project comprises of 2-storey detached houses, the company has developed project the following.

- 1) June – August 2021, The company performs land reclamation.
- 2) The year 2021, The company performs project planning design.
- 3) The year 2022, the company is designing a 2-storey detached house and is adjusting the layout of the project.

**6.2) "Baan Rock Garden Chalong Krung, Phase 2"**

The project comprises of 2-storey detached houses, the company has developed project the following.

- 1) June – August 2021, The company performs land reclamation.
- 2) The year 2021, The company performs project planning design.
- 3) The year 2022, the company is designing a 2-storey detached house and is adjusting the layout of the project.

**Future Projects****"Baan Rock Garden Bypass Phase 6 Project"**

The company has already completed 5 projects in Phuket which are the Baan Rock Garden Bypass 1 project, Baan Rock Garden Bypass 2 project, Baan Rock Garden Bypass 3 project, Baan Rock Garden Bypass 4 project and Baan Rock Garden Bypass 5 project. These projects with total areas of 57-1-81.3 rai (from the end of 2004 to 2007) are located on the bypass road in Phuket.

After the completion of the abovementioned projects, the company has started their future property development projects. These future projects include the Baan Rock Garden Bypass Phase 6 project with the areas on the bypass road of 235-1-18.5 rai (after deducting the areas of 25-1-25 rai where the electric poles are located, as such, the company has turned that into a public park). This project is located in a good location which is considered to be the main location in Phuket with its growth potential as it is located along the bypass road and close to the Central Festival Department Store and Tesco Lotus. The company's objective is to continue its property development whereby the project shall offer 2 storey detached houses with plot of land. The Baan Rock Garden Bypass 6 project has 10 phases with total 580 units. In 2009, the Company launched Baan Rock Garden Bypass 6 Phase 1 Project comprising 49 units (23-2-42.2 rai) and realized incomes on March 2010. The Company continued to develop facilities of Baan Rock Garden Bypass 6 Phase 1 and Phase 10 Project. Sources of capital were from operating cash flow and / or loans from financial institutions.

In 2023, the company is continuously planning the development of Baan Rock Garden Bypass 6 Phase 2 project.

**"Baan Rock Garden Soi Watcharaphon Project"**

The company still has vacant land awaiting development in the area of 3-2-68.9 rai which is located at the corner between Watcharapol Road and Theparak Road Which is a new road that is an intersection connecting Phaholyothin Road to Sukhaphiban 5 Road, next to the Chalong Rat Expressway, and also nearly to the Pink Line electric train with a route running between Khae Rai - Min Buri, will be opened in 2023 and in the future will There is a Gray line electric train with a route running between Watcharapol - Thong Lo. There is a construction plan and the service will be opened in 2030. The company plans to develop a project on the said land. We are currently in the process of surveying the housing market.

**"Baan Rock Garden Baan Pae Project"**

This project has the area of 104 rai which is located on the Sukhumvit Road and close to the community. This plot of land is located along the hill side and close to the sea which makes it suitable for developing the residential areas. The company shall construct the commercial building, detached houses and hill side detached houses whereby this shall be the highlight of this project. The target customers of the company are the local who may want to own the weekend houses and the foreigners who are looking for houses. With the potential of Tumboon Baan Pae which is the most popular tourist attraction in Rayong, there are a lot of tourists visiting Tumboon Baan Pae each year. One of the popular tourist destinations is Koh Samet. Of that number, several tourists are looking for houses. As for the progress of this project, it is on the process of studying the project structure.

**"Baan Rock Garden Watcharaphon Project Soi Wat Siriphong"**

The Company has received the transfer of ownership of land without buildings, Located at Soi Wat Siriphong, Tha Raeng Subdistrict (Lum Phai), Bang Khen District, Bangkok, area 2-1-30.50 rai, located on Watcharapol Road, nearly Thanommit Market. In 2023, the Pink Line electric train preparing to open for service running on the route between Khae Rai Station - Min Buri, which is the route through the entrance to Watcharaphon Road, which is Watcharaphon Station. In addition, the Pink Line electric train also has a connection point with the network of 6 lines, namely the Chalong Ratchatham Line. Or Purple Line electric train Bang Sue - Bang Yai, Brown Line electric train Khae Rai - Lam Sali (Bung Kum), Red Line electric train Bang Sue - Rangsit, Green Line electric train Mo Chit - Saphan Mai - Khu Khot, Gray Line electric train The Watcharaphon-Thonglor section, the Orange Line train from the Thailand Cultural Center-Min Buri (Suwinthawong) and the Gray Line train running the Watcharaphon-Thonglor route. There is a construction plan and it will open for service in 2030. The company plans to develop the project into a 3-storey townhome building with a built-in elevator under the project in the near future.

**Competition and market conditions****Thailand's economic overview in 2022 and outlook in 2023**

Thailand's economy has been recovering in 2022, owing primarily to strong private investment and tourism growth at an accelerated pace, particularly in the tourism industry, which has rebounded significantly as evidenced by the steady rise in the number of foreign tourists. In addition, private consumption was supported by economic activities, including employment and labor income that improved and were more widely distributed although the global economic slowdown caused the export sector to expand less. At the same time, government expenditure and investment declined as a result of lower annual budget disbursement rates, but there were still public health expenditures related to COVID-19 and medical expenditures and non-monetary social welfare transfer costs for goods and services in the market system. Headline inflation and core inflation tended to decline, but the risk of inflation to pass on rising costs remains to be monitored. In addition, energy price adjustments were still uncertain. The overall financial system was stable with high levels of capital, reserves and liquidity. Debt serviceability of businesses and households overall improved in line with the economic recovery. However, the financial position of some SME entrepreneurs and households was still fragile as income had not fully recovered, which would make them more sensitive to higher cost of living and debt burden. Therefore, the Bank of Thailand had ongoing debt restructuring measures, including specific measures and sustainable debt solutions for vulnerable groups. The housing market after the Covid-19 situation began to relax. More and more people were returning to their normal lives. The country's opening policy with the aim to stimulate the economy that the government had started to use, together with the entrepreneurs that started to launch more new projects and make various promotions to generate sales, transfer amounts as much as possible to stimulate trading in the real estate sector. However, high inflation and



rising interest rates were negative factors that put pressure on purchasing power and domestic consumption, as well as affecting costs and investment of entrepreneurs. However, there are still positive factors that support the housing market in 2023 from the government that helps encourage both entrepreneurs and those preparing to look for a new home with 2 main measures: Measure to reduce land and building taxes at a rate of 15% of the calculated tax amount of the 2023 tax year and measures to reduce transfer fees to 1% and reduce mortgage fees to 0.01% for the purchase of single houses, semi-detached houses, row houses, commercial buildings, and condominiums both first-hand and second-hand houses with an appraised value of no more than 3 million baht and a mortgage limit of no more than 3 million baht per contract. Such measures should help improve the housing market.

Although the Thai economy is likely to continue to recover due to the tourism sector and private consumption which are the main drivers of the economy in the future, even if the global economic slowdown caused the export sector to expand, but employment and labor income improved and spread more evenly. Headline inflation in 2023 is likely to be higher than the previous estimate mainly from domestic energy prices, but is still likely to decrease and return to the target in 2023. The policy rate hike is also a guideline for policy implementation that is in line with the economic recovery and inflation outlook. Overall debt serviceability of businesses and households has improved in line with the economic recovery, but the financial positions of some SME entrepreneurs and households remains fragile, affecting the cost of living and higher debt burden. As for the housing market in Bangkok and its vicinity, growth is driven by the low-rise market while the condominium market has begun to face a decrease in purchasing power. It is likely that in the next phase, the housing market in Bangkok and its vicinity will begin to encounter limitations on both the supply side in terms of location to build housing with less and higher costs and the demand side that decreases from purchasing power and population structure. The company has done marketing and public relations in new channels to penetrate the market to reach more customers such as the Internet, Facebook, LINE, IG, public relations among target customers, special discounts in various forms, give away to customers who visit the project and using the Ban Dee Bok To Policy to increase incentives and drive decision-making to buy more homes. For the Ban Rock Garden Airport Phase 3 project or BR @ AERO, it is a project near Suvarnabhumi Airport (but not in the noise line), near the motorway, near the Airport Link, which is a convenient location for traveling, And the BR @ Arena project (BR @ ARENA) which is a project adjacent to the Bangkok Arena sports center, near schools, near government offices, near shopping areas, which are convenient to travel. Moreover, the company will continue to build new projects in 2023 to support the needs of consumers.

Phuket's economy has expanded from expectations, supported by a recovery in tourism and private consumption after the COVID-19 epidemic subsided, the full opening of the country and the sector and with the fact that the government has issued measures to stimulate and promote the tourism sector both domestically and internationally by relaxing international travel measures, canceling registration to enter Thailand through the Thailand Pass system for foreign tourists and extending the period of stay in Thailand for foreigners from visa-exempt countries to stay in Thailand longer, from originally no more than 30 days to no more than 45 days, and extending the time for those who come to apply for a visa at the checkpoint (Visa on Arrival: VOA) from no more than 15 days to no more than 30 days. As a result, foreign tourists travel more. In addition, the government sector has continuously issued various economic stimulus measures in the country, such as the 4th phase of the We Travel Together project, the extension of the Thai travel tour project that will support tourism activities by adding extra long holidays, etc., which makes the overall picture of the real estate market in Phuket in 2023 continues to recover. The company continues to develop real estate under the name of Baan Rock Garden Bypass Project, which the company still sees that Phuket is one of the country's top tourist destinations as there are still local people who continuously



come to work, tourists, investors, both Thai and foreigners with good potential, are interested and the demand for housing in Phuket still exists.

**Real estate trends in 2023 will continue to be supported by the following factors:**

- 1) Measures to help the government's real estate sector, in which the Ministry of Finance has coordinated with the Ministry of Interior to draft two ministerial regulations, which are:
  - Ministerial regulations prescribing fees for registration of transfers and mortgages of immovable properties to support and alleviate the burden for people who want to have their own residence by reducing the registration fee for transferring immovable properties whose purchase price and property appraisal price do not exceed 3 million baht and the mortgage limit is not more than 3 million baht per contract, from 2 percent to 1 percent and reduce the registration fee for real estate mortgages as a result of the registration of the transfer of such real estate at the same time from 1 percent to 0.01 percent for the sale of real estate residential buildings such as single houses, twin houses and row houses or commercial buildings or land with such buildings, excluding the case of selling only parts.
  - Ministerial regulations prescribing fees for registration of ownership transfer and mortgage of condominium units to support and alleviate the burden of people who want to have their own place to live by reducing the registration fee for the transfer of condominiums registered for condominiums with the purchase price and the appraisal price of not more than 3 million baht and the mortgage amount not exceeding 3 million baht per contract from 2 percent to 1 percent and reducing the registration fee for condominiums as a result of the registration of the transfer at the same time from 1 percent to 0.01 percent, excluding the case of selling only parts
- 2) Another measure to help the government's real estate sector, approved by the cabinet, as presented by the Ministry of Finance to the people to alleviate suffering and support economic recovery after Covid-19 is to reduce the land and building tax for the year 2023 by reducing the tax at the rate of 15 percent of the tax amount calculated for the collection of land and building tax for the year 2023 after the exemption period ends and to alleviate the tax burden according to the Land and Building Tax Act 2019
- 3) In 2023, there will be 3 electric train lines opened and they are important routes that will pass by many golden locations in Bangkok and its vicinity. All 3 lines will increase convenience for people to travel to different areas more easily and will also connect to the existing mass transit lines, making travel in Bangkok more convenient and will definitely stimulate the real estate market around the electric train project very well.

**Yellow Line electric train :** Preparing to open for service in the first quarter of 2023 after the trial run in 2022. The Yellow Line is one line that many people wait for because it runs from the beginning of Lat Phrao Road to Samrong. It is a relatively populated area and is the first mass transit line to operate in the eastern part of Bangkok.

**Pink Line electric train :** Preparing to open for service in 2023 as well, with a service running between Khae Rai - Min Buri.

**Orange Line electric train :** It is an early construction line and is expected to open for service in 2023. The Orange Line will serve operate the service between Thailand Cultural Center - Min Buri (Suwinthawong) through connecting points to MRT and Go out to the Minburi zone, which will help people living on the east side of Bangkok travel to the city more conveniently.

- 4) Measures to stimulate the sluggish real estate business due to the global economic downturn have been approved by the government, resulting in the requirement that foreigners can buy houses and buy land according to the requirements. This is to attract investors or foreign tourists to invest, although holding real estate in Thailand is still subject to the same conditions as buying a condo by foreigners in which they can

legally own ownership up to 49% of the total condo area in that project. The details of the requirements for foreigners to buy a house in Thailand are as follows.

- A)** The foreigners can own no more than 1 rai of land.
- B)** If the foreigners have transferred the house and land, the seller must also have proof of ownership of the building.
- C)** Foreigners who can buy land or houses in Thailand must have the required qualifications and must also invest in Thailand at least 40 million baht, and invest for at least 5 years, as well as investing in a legitimate business, as well as receiving permission from the Minister of the Interior only. Foreigners need to buy in Bangkok, Pattaya City, municipality or in an area designated as a residential area according to the city planning law.
- D)** Foreigners who are allowed to own land or property such as a house must use it for living purposes only. If it is verified that the condition is wrong, it must be sold back.

**The negative factors that affect the real estate market are:**

- 1)** The state of debt related to people in the country, whether it is home loan debt, car loan debt, business debt, credit card debt, etc. The fact that a person has a lot of household debt means that people's purchasing power will decrease. When purchasing power decreases, there will be no spending force causing the economy to recession in the end. The current situation in which Thai household debt is at a high level of about 90% will inevitably result in a decrease in purchasing power of buyers. As more people are in debt, banks will find it harder to release loan credits, putting the real estate market under pressure to slow down considerably.
- 2)** The Bank of Thailand has a policy to raise interest rates that are not as severe as in many countries due to the context of Thailand in which the economy is recovering, causing the National Bank of Thailand to raise interest rates lower than many countries. This affects the purchasing power of the people in a limited range. But if inflation in the United States remains high for a long time and the problem drags on into next year, this will pressure the Fed to raise interest rates even further and last for a long time. This will force the National Bank of other countries (including Thailand) to raise interest rates accordingly to maintain financial stability. In this situation, high interest rates should affect the purchasing power of real estate.
- 3)** Although the COVID-19 epidemic has not ended, the current situation has become more and more relaxed, and many people are starting to return to normal life. The country has opened up and almost all social distancing policies have been lifted. However, the risk of new species may always come back, which if a new species of disease occurs, it may become a negative factor that holds the purchase of real estate.
- 4)** The Treasury Department has announced the use of land or building valuation accounts according to the Property Appraisal Act for the Benefit of the State 2019, effective from January 1, 2023 until December 31, 2026, with an average increase rate of 8.93%. The Treasury Department is a government agency involved and responsible for determining and preparing the appraisal prices for each plot of land and preparing the land appraisal account and announcing to be used every four years.

**Assets Used in Business Operations**

The main components of the Company's assets in 2020, 2021 and 2022 were development costs and undeveloped-land costs, accounting for about 81.13% , 83.16% and 87.08% of the total assets, respectively. In 2022, the

development costs and undeveloped land costs were at 10.82% and 76.26% of the total assets, respectively. The details of the aforementioned costs were summarized below:

(Unit: Bt. million)

<b>Costs of property development :</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
• Project under development – net: Baan Rock Garden Airport 2	2.56	2.56	2.56
• Project under development – net: Baan Rock Garden Airport 3	158.05	84.58	52.01
• Project under development – net: Baan Rock Garden Arena - Nong Chok	88.33	128.05	90.23
<b>Total</b>	<b>248.94</b>	<b>215.19</b>	<b>144.80</b>
<b>Undeveloped land :</b>			
• Vacant land: approximately 3.5 rais - Soi Vacharapol, Bangkok	38.40	38.18	38.18
• Vacant land: approximately 508 rais - Pa-Klog, Talang, Phuket	513.36	513.08	513.08
• Vacant land: approximately 212 rais – Ratsada, Muang, Phuket (Baan Rock Garden Bypass 6 Phase 2-10)	197.40	196.51	196.51
• Vacant land: approximately 104 rais - Baan Pae, Muang, Rayong	61.70	61.18	61.18
• Vacant land: approximately 31 rais- Lam Phak Chi, Nong Chok, Bangkok	-	72.24	72.24
• Vacant land: approximately 33 rais- Krathum Rai, Nong Chok, Bangkok	-	-	100.23
• Vacant land: approximately 2 rais- Tha Raeng, Bang Khen, Bangkok	-	-	38.65
<b>Total</b>	<b>810.86</b>	<b>881.19</b>	<b>1,020.07</b>

**Details of the company's obligations:**

- 1) Baan Rock Garden Bypass 6 Phase 2-10 Project: The Company's assets at Ratsada Sub-district, Mueang District, Phuket Province in respect of the Baan Rock Garden Bypass 6 project, the Company has total obligations in the amount of approximately 6.62 million baht from long-term loans from related persons. There is no interest payment at present, but the period for repayment of the land is within 30 November 2006. The Company has to transfer some land of the Company's title deed No. 33772 at Ratsada Sub-district, Mueang District, Phuket Province in the amount of 4 rai in the area of Baan Rock Garden Bypass 6 project, construction work part 9 according to the contract agreed on October 7, 2005 in the amount of approximately 5.30 million baht to Mrs. Nongnoi Silaprarat. A loan amount of 45.00 million baht and another 1 rai, title deed no. 33772 in the area of Baan Rock Garden Bypass 6 project, the construction part 9 according to the contract agreed on October 7, 2005, worth approximately 1.32 million baht shall be paid for Mr. Saksom Jamonman. For the loan amount of 20.00 million baht as of December 31, 2015, the company has not paid interest by transferring the said land to both parties, but the company has made full repayment of the loan agreement to both parties on the November 30, 2006. Subsequently, on October 5, 2010, the two shareholders made a letter to transfer ownership of land of 5 rai to a committee who was the sole owner of such land without any compensation.
- 2) Vacant land awaiting development at Rattanakosinsomphod Road, Watcharaphon Alley, Bangkok: The Company has mortgaged the existing land and that will be in the future according to the land title deed No. 49609, with Mr. Virat Chinprapinporn and Mrs. Naowanit Silaprarat as a guarantor with Bank of Ayudhya Co., Ltd. Public Company Limited. As of December 31, 2022, the company has a total undrawn overdraft line of 10.00 million baht.

## Present Projects

**Table Existing Projects: BROCK's Current Real Estate (Houses and Land) Projects**

### 1) Samuthpra-karn

Projects	Locations	Property Types	Project Start Date	Opening Date	Investment Value (Bt. million)	Progress		Price Range (Bt.million)	Project Size (Rai)	Project Total		Remaining Units (As of Dec. 31, 2022)		Sold Units (As of Dec. 31, 2022)			
						Investment Paid	% Completion			Units	Sales Value (Bt. mil.)	Units	Sales Value (Bt. mil.)	Transferred		To be transferred	
														Units	Sales Value (Bt.mil)	Units	Sales Value (Bt.mi)
Baan Rock Garden Airport Phase 2	Onnuch-Ladkabang Road Amphur Bangsolthong	2-storey duplexes	June 2007	March 2008	213.60	213.60	100.00	2.90	17-3-14	102	416.49	-	-	102	286.06	-	-
		3.60						35		1		1.80	34	128.63	-	-	
		Total						137		416.49		1	1.80	136	414.69	-	-
Baan Rock Garden Airport Phase 3 (BR @ AERO)	Samuthprakarn	1-storey duplexes	June 2009	February 2017	438.10	403.06	92.00	2.50	40-2-24.6	48	748.13	1	2.50	47	119.96	-	-
		3.50						110		9		31.50	99	364.37	2	9.40	
		2.70						73		16		43.20	56	173.66	1	3.54	
		Total						231		748.13		26	77.20	202	657.99	3	12.94
Total										368	1,164.62	27	79.00	338	1,072.68	3	12.94

## 2) Phuket

Projects	Locations	Property Types	Project Start Date	Opening Date	Investment Value (Bt. million)	Progress		Price Range (Bt. mil.)	Project Size (Rai)	Project Total		Remaining Units (As of Dec. 31, 2022)		Sold Units (As of Dec. 31, 2022)			
						Investment Paid	% Completion			Units	Sales Value (Bt.mil.)	Units	Sales Value (Bt. mil.)	Transferred		To be transferred	
														Units	Sales Value (Bt.mil.)	Units	Sales Value (Bt.mil.)
Baan Rock Garden Bypass 4***	Phuket Bypass Road. (Baan Tung-Ka – Baan Sapum Road) near Chalermprakiat Road)	1-storey Duplexes	May. 2005	Jul. 2006	93.94	93.94	100.00	1.49-3.2	11-2-38.3	52	166.89	-	-	52	84.70	-	-
		1-storey detached								6		-	-	6	14.86	-	-
		2-storey detached								9		-	-	9	26.23	-	-
		2.5-storey home office								15		1	2.90	14	38.20	-	-
		Total								82		166.89	1	2.90	81	163.99	-
Baan Rock Garden Bypass 6/1	Amphur Muang Phuket	2-storey detached	Aug. 2008	Aug. 2009	175.28	175.28	100.00	4.29-5.20	29-2-10.22	49	219.49	-	-	49	219.49	-	-
		Total								49	219.49	-	-	49	219.49	-	-
รวม											386.38	1	2.90	130	383.48	-	-

\*\*\* Baan Rock Garden Bypass 4 home office value 1 unites .ti's location the office of Baan Rock Garden Pcl., Phuket

**3) Bangkok**

Projects	Locations	Property Types	Project Start Date	Opening Date	Investmen t Value (Bt. million)	Progress		Price Range (Bt.million)	Project Size (Rai)	Project Total		Remaining Units (As of Dec. 31, 2022)		Sold Units (As of Dec. 31, 2022)			
						Invest- ment Paid	% Comple- tion			Units	Sales Value (Bt. mil.)	Units	Sales Value (Bt. mil.)	Transferred		To be transferred	
														Units	Sales Value (Bt.mil)	Unit s	Sales Value (Bt.mi)
BR @ ARENA	Lam Sai Road, Khok Faet Sub-district, Nong Chok District, Bangkok	2-storey town houses	Sep- 2018	Nov- 2018	294.67	221.01	75.00	1.79	20-0-28.9	253	477.03	17	32.25	148	286.38	88	158.40
Total										253	477.03	17	32.25	148	286.38	88	158.40

### 3. The Company's Securities And Shareholders

#### 1. Ordinary Shares

	2019	2020	2021	2022
Authorized capital				
• Value (Baht)	1,231,099,916	1,231,099,916	1,231,099,916	1,231,099,916
• No. of Share (Shares)	1,231,099,916	1,231,099,916	1,231,099,916	1,231,099,916
Paid-up capital				
• Value (Baht)	1,025,000,181	1,025,000,181	1,025,000,181	1,025,000,181
• No. of Share (Shares)	1,025,000,181	1,025,000,181	1,025,000,181	1,025,000,181
- Par value (Baht / Shares)	1.00	1.00	1.00	1.00

\* On 11 April 2013 The company has registered the capital increase with the Ministry of Commerce 1,025,000,000 Baht (1,025,000,000 ordinary shares at 1.00 baht par) from the amount of 1,000,000,000 Baht to of 1,025,000,000 Baht or increase of 25,000,000 Baht to support the payment of dividend by allocating shares to shareholders whom have name on book closing date of the transfer of shares entitled to participate at the AGM 1/2013 and the right to receive dividends on 7 March 2013 and to collect a list under section 225 of the Securities and Exchange Act. Payable by the Register of Shareholders on 8 March 2013.

\* On 7 May 2013 The company has registered the paid-up capital increase with the Ministry of Commerce 1,024,999,930 Baht (1,024,999,930 ordinary shares at 1.00 baht par) from the amount of 1,000,000,000 Baht to of 1,024,999,930 Baht or increase of 24,999,930 Baht. As a result of the payment of dividend by allocating shares to shareholders whom have name on book closing date of the transfer of shares entitled to participate at the AGM 1/2013 and the right to receive dividends on 7 March 2013 and to collect a list under section 225 of the Securities and Exchange Act. Payable by the Register of Shareholders on 8 March 2013.

\* On 8 April 2015 The company has registered the capital decrease with the Ministry of Commerce 1,024,999,930 Baht (1,024,999,930 ordinary shares at 1.00 baht par) from the amount of 1,025,000,000 Baht to of 1,024,999,930 Baht or decrease of 70 Baht by cancelling 70 authorized but unissued shares at the par value of Baht 1 per share to support the issuance and allocation of BROCK-W1 Warrants in the number of up to 204,999,986 units to be allocated to the existing shareholders of the Company pro rata to their respective shareholding (Rights Offering). The Company therefore is required to increase the registered capital of the Company to accommodate the exercise of BROCK-W1 Warrants and to comply with Section 136 of the Pubic Company Limited Act B.E. 2535 (1992) (as amended), the Company would be required to decrease its registered capital of the Company.

\* On 9 April 2015 The company has registered the capital increase with the Ministry of Commerce 1,229,999,916 Baht (1,229,999,916 ordinary shares at 1.00 baht par) from the amount of 1,024,999,930 Baht to of 1,229,999,916 Baht or increase of 204,999,986 Baht to support the issuance and allocation of BROCK-W1 Warrants in the number of up to 204,999,986 units to be allocated to the existing shareholders of the Company pro rata to their respective shareholding (Rights Offering).

\* On 25 April 2016 The company has registered the capital increase with the Ministry of Commerce 1,231,099,916 Baht (1,231,099,916 ordinary shares at 1.00 baht par) from the amount of 1,229,999,916 Baht to of 1,231,099,916 Baht or increase of 1,100,000 Baht to support the adjustment of the dividend exceeds that specified in the Terms and Conditions of the BROCK-W1 Warrants with a par value of 1.00 baht per share.

\* On 11 June 2018 The company has registered the paid-up capital increase with the Ministry of Commerce 1,025,000,181 Baht (1,025,000,181 ordinary shares at 1.00 baht par) from the amount of 1,025,999,930 Baht to of 1,025,000,181 Baht or increase of 251 Baht. As a result of the exercise to purchase the newly issued ordinary shares

of Baan Rock Garden Public Company Limited according the last warrants (BROCK-W1) on 1 June 2018, amounting to 250 units, by converted into 251 ordinary shares with a par value of 1.00 baht per share. Exercise ratio of BROCK-W1 warrants 1 unit has the right to purchase new ordinary 1.0052 shares. The exercise price is 3.48 baht per 1 share and has started trading on the SET on 19 June 2018.

## 2. Shareholders

### Major Shareholders

As of 31 December 2022, the company's registered capital totaled 1,231,099,916 Baht (1,231,099,916 ordinary shares at 1.00 Baht par) while the paid-up capital totaled 1,025,000,181 Baht (1,025,000,181 ordinary shares at 1.00 Baht par) The book closing date on 21 December 2022, the lists of 10 major shareholders are as follows:

No.	Name of the person/ company	No. of shares (shares)	% of total shares
1	Mr.Virat Chinprapinporn	215,371,052	21.012%
2	Mr.Sompong Chonkadeedamrongkul	136,913,700	13.357%
3	Mrs.Nongnoi Silaparat	118,467,091	11.558%
4	Mrs.Naowanij Silaparat	83,719,950	8.168%
5	Mrs.Naowaratlailit Kasetuwan	82,972,293	8.095%
6	Ms.Naowaruji Brennan	81,800,000	7.980%
7	Ms.Naowarat Suthamjariya	78,882,000	7.696%
8	Mrs.Naowanart Jamornmarn	57,379,893	5.598%
9	Ms.Nantaya Chonkadeedamrongkul	17,447,200	1.702%
10	Ms.Khanittha Chonkadeedamrongkul	17,443,000	1.702%
<b>Total holding shares</b>		<b>890,396,179</b>	<b>86.868%</b>
<b>Total all stock</b>		<b>1,025,000,181</b>	

## 3. Other Securities

-No-

## 4. Dividend Policy

The Company had a policy to payment of annual dividend to the rate of not less than 30% of the Company's net profit. Less corporate income tax. The consideration factors for dividend payment must include the Company's performance and financial position, its liquidity, expansion plan and other factors relevant to the Company's management. The dividend payment must be approved by the resolution of the shareholder's meeting, as appropriately agreed by the Board of Directors.

Dividend payment for the operating results of the year 2022, The company has paid dividends according to the policy set by the company. The Board of Directors has considered appropriate, taking into account that the dividend payment must not significantly affect the normal operation of the company. Which will depend on the performance and financial position of the company. Company liquidity, business expansion, Other necessity and suitability in the future and other factors related to the management of the company.



**Comparison of the dividend rate of the proposed year and previous year**

<b>Details of dividend payment</b>	<b>2019 (proposed year 2020)</b>	<b>2020 (proposed year 2021)</b>	<b>2021 (proposed year 2022)</b>	<b>2022 (proposed year 2023)</b>
1. Retained Earnings to Unappropriated (Baht)	161,482,602.53	172,836,710.62	188,088,863.62	<b>200,252,174.75</b>
2. Net profit (Baht)	16,224,228.70	34,421,546.77	38,008,375.38	<b>23,870,726.98</b>
3. Total number of shares eligible for the annual dividend (Shares)	1,025,000,181	1,025,000,181	1,025,000,181	<b>1,025,000,181</b>
4. Annual dividend paid per share (Baht: Share)	0.02	0.02	0.01	<b>0.01</b>
5. Total dividends (Baht)	20,500,003.62	20,500,003.62	10,250,001.81	<b>10,250,001.81</b>
6. Benefits to other forms	-	-	-	-
7. Proportion of dividend to net profit	126.35%	59.56%	26.97%	<b>42.94%</b>
8. Proportion of retained earnings to unappropriated	12.69%	11.86%	5.45%	<b>5.12%</b>

## 4. Risk factors

Since the Company recognized the need for risk factors in the real estate business, the goal has been developed to manage risks within the scope that can be managed, so that the impact on the business is minimized or eliminated in future operations, as follows:

### **1. Risk from changes in laws and regulations of the country, institutions related to real estate business**

Regarding changes in laws and regulations related to real estate business operations, it is one factor that greatly influences business operations. Such changes may affect the planning of revenue recognition or sales of the Company. If the Company does not follow up to study new laws or regulations, it may affect the cost of management, such as changes regarding the Land Allocation Act, determination of the building area, determination of the common area, delivery of all common assets to the project juristic person, community regulations, assessment and preparation of the environmental impact reports, etc.

However, the Company has studied and keep track of changes in regulations and policies of government agencies that may occur in close detail to prepare for changes in the development of real estate projects in line with such changes that may occur. Therefore, the Company is confident in receiving information from relevant agencies from the impact that may occur.

### **2. Risk from the success of projects under development in future projects**

In the development of new projects in the future, there is a risk that the project development may affect the Company's performance in the future, depending on many factors such as whether it is attractive to customers, current market conditions, delays in construction, shortages of construction materials including construction workers, tax measures, fiscal, expansion of the public transport system. These things have an impact on new projects in the future as well as may affect construction costs or sales period or revenue recognition of the Company.

However, before the development of new projects the Company has studied and planned the implementation of various projects, including conducting on-the-ground investigations of market feasibility in nearby projects in order to understand the needs of consumers. There has been public relations for the project before implementation to know the impact of marketing or reviewing the project plan with the team carefully, as well as studying and following relevant news before implementation and in conjunction with development of the project according to the plan to achieve the set goal.

### **3. Risk of delay in transferring ownership of customers**

Normally, when trading with customers, when customers book a contract, there will be a plan to apply for credit with financial institutions, allowing customers to know the plan for transferring ownership to a certain extent. But in some cases, there is a delay in loans, causing the revenue or ownership transfer plan to not be in accordance with the plan from the loan with the financial institution not approving the credit limit or may not be enough to transfer ownership, causing the extension of the time for applying for a loan.

From the aforementioned problems, the Company has initially managed by requesting a check to inquire about financial status to analyze when applying for credit with many financial institutions to determine the ability to apply for preliminary credit. The process does not take long, then the results of considering the amount that will be approved will be known.

#### **4. Inventories**

The Company has determined the houses for sale according to the sales estimates that the Company has prepared and closely monitors the sales. However, sales operations may encounter economic conditions that are not as expected. The Company may be affected by some sales that are not as expected. This may lead to unsold homes and inventories that do not go according to plan.

However, the Company has always been careful in such matters by adjusting the construction plan to be in line with the actual sale by developing the project on a phase-by-phase basis to help manage the construction to be more efficient. In addition to performing sales according to the set goals, actual sales must be taken into account in order to be consistent and in the same direction to reduce inventories, including adjusting marketing strategies to stimulate sales in the future in order to release inventories to meet customer needs or have more incentives for customers to make decisions as well in order to minimize the impact on inventories.

#### **5. Risk from companies doing the same business in nearby areas**

The real estate business is highly competitive, especially in Bangkok, which is the area in which the Company has developed projects. Both large, small, new entrepreneurs start entering this type of business in limited areas. Every company competes in making projects to offer consumers and in many other ways to gain market share. There is competition in terms of price, project model, usable area, environment in various projects, customer service facilities to meet the needs of customers making purchasing decisions.

However, the Company has taken into account these situations in order to differentiate the product, the house style that looks different, the price that is tangible compared to the area and the price that consumers will get including home facilities, construction materials of the same standard throughout the project, free gifts and various promotions received.

#### **6. Risk of relying on contractors and construction workers**

The Company does not have its own contractors. As a result, the Company has a risk of relying on contractors and labor for construction, expertise in building houses according to the design project. If the contractor is unable to complete the construction for the Company as scheduled, it will result in the Company being unable to deliver the house to the buyer on time. However, the Company has reduced such risk by using an open bidding method from the Company's construction drawings as a model for selecting a contractor, where the price is set by the construction department of the Company's projects. and open to interested contractors to participate in fair bidding. From there, the project construction department of the Company will be responsible for examining the details of labor costs and construction materials offered by the contractors to consider the appropriateness of such costs to the construction costs of the Company's projects. In this regard, the Company has entered into contracts with all contractors and the Company can claim fines if the construction is delayed and claim any damages that may have from the contractors. In addition, the Company will collect the construction guarantee fee from those contractors to guarantee the quality of construction work. In the event that any contractor has abandoned the work, the Company will bring such guarantee money and/or unpaid contractor wages to that contractor to use in hiring a new contractor to complete the construction work.

In addition, the Company has diversified the risk of being dependent on any one contractor by diversifying more contractors and considering hiring contractors in the amount of work that is appropriate to the construction capability of each contractor, so that the contractor can do construction work for the Company to meet the specified quality. There is also a better division of work in order to provide contractors with more liquidity. There are regular meetings to follow up on work progress according to the construction plan, resulting in the Company being able to deliver the house to the buyer as per the schedule.

**7. Company financial risks**

The management of the Company's business in the past was in the form of management by using funds from shareholders and the Company's performance as working capital for management. This was the management's capital management policy during the initial development of the Company's real estate projects. However, the Company's future expansion, which requires a large amount of capital, may also expose the Company to risks in terms of financial costs and affect the Company in terms of liquidity as a result of the possibility that the Company will use loans from financial institutions in addition to funding sources that will come from the Company's operating cash flow to invest in various projects. That is, the Company may have a higher burden of interest on borrowing from any debt incurred in the future.

However, the Company has taken into account the financial structure as well as the amount of cash flow from the business that must be sufficient to pay the obligations that may occur. In addition, the Company has a financial plan for cash flow in investments, for example, in bringing investment from revenue recognition in each quarter to plan in accordance with the construction that has to pay for investment. Therefore, there should be no problems in terms of liquidity and financial costs to support the Company's future expansion.

**8. Recruitment risks**

Since the real estate business is a business that relies on knowledge, skills, experience in the work of personnel, along with the Company's operations in developing new projects in the future, real estate developers therefore focus on recruiting the personnel who have knowledge, ability and direct experience in real estate development. The Company has a risk of recruiting personnel to replace those who resign or retire. For the continuity of business operations, the Company may have a risk of recruiting new young people with insufficient experience and carelessness in work, causing delays in the process and not knowing how to work effectively; Therefore, it is very important and necessary in terms of resource management and recruitment.

However, the Company sees the importance of such matter in creating a new team to subcontract working with experienced personnel who can teach and transfer knowledge to new personnel. Therefore, there are measures to extend the contract with the personnel that are important to the organization so that they can continue without affecting in parallel with the training of personnel who are recruited from those interested in working with the Company so that the Company's operational plan has no impact and creates sustainability in the future.

## 5. Corporate Social Responsibility

Baan Rock Garden Public Company Limited is committed to code of conduct, good governance and social responsibilities. The Company therefore emphasizes on "Corporate Social Responsibility", as its main policy, together with business operation. The Company supported non-profit organizations and launched projects and activities benefiting the public.



### Community

Baan Rock Garden Public Company Limited has sent a representative of the company to provide financial support to a number to the Wang Thong Lang Police Station to bring as prizes and gifts to children at the Children's Day Fair which is regularly held every year.

And the company has cooperated with the Subdistrict Administration Organization Srisajorrakhenoi, donated bicycles for children to participate as prizes and gifts in Children's Day, Which the Subdistrict Administration Organization Srisajorrakhenoi has established.

In addition, the company has cooperated with the Nong Chok District Office. In the preparation of advertising boards about land and buildings tax in 2019 in order to publicize and campaign for the general public And also joined activities with Nong Chok District Office, whether it is road cleaning, walking street activity on Lam Sai Road, etc.



### Education

Baan Rock Garden PCL has recognized problems of visual impaired youth and children. To promote their learning, the Company grants scholarships, sport equipment and teaching materials to teachers and students of Thammik Wittaya School, Khaoyoi District, Petchaburi Province.





And the company also promotes knowledge and virtue for children With the belief that all religions teach good people, with giving financial support to Imarut Toadin School As expenses for the activities of mosques and schools.

### Environment

Baan Rock Garden PCL, has activities to benefit the society and the environment at Baan Pong Krai Community Moo 5 Baan Pong Krai Pong Yaeng, Mae Rim, Chiang Mai. It is a place to Vanda Coerulea conservation, the native plant species in the Baan Pong Krai community. The company cooperates with community leaders and community members, release Vanda Coerulea return to the forest. The company aims to raise awareness of the conservation of the native plant species of the community, and understand the benefits of conservation of the native plants species, as well as the campaign and promote or disseminate sustainable tourism.



## Volunteer Spirit

- **Blessing to His Majesty the King**

To express the royalty to His Majesty the King, this activity is a part of the celebrations in honor of His Majesty the King's birthday anniversary and the Father's Day.

- **Energy Saving and Resource Reservation Campaign**

The Company promoted staff awareness on energy saving and resource reservation starting from internal initiatives such as reuse, reduction, recycle. The Company also encouraged staff behaviors on energy saving i.e. water energy or electricity energy by turning off after use.

- **Management and Staff Participation in Social Sharing Activities**

Participation in Social Sharing Activities is part of the Company's corporate social responsibility policy. The management and staff participated in donation money, computer equipment, books, clothing, electrical equipment, and the use of good condition to The Mirror Foundation, Child Protection Foundation, World Vision Foundation of Thailand, Association of Persons with Physical Disability International etc. In addition the Company also participating in children's day event of the village Rock Garden Airport Phase 1, which has set up a legal entity village already.



- **Donate to fight the COVID-19**

In the situation of the COVID-19 epidemic, which is a situation that affects people of all classes Cooperation is important for Thai society. In which the company, There is a policy to support activities that are beneficial to society as a whole, and realize the impact of the COVID-19 epidemic. Company's executives have joined the donation hot water bottle to the Subdistrict Administration Organization Srisajorrakhenoi to be used within the waiting center for patients with COVID-19, as well as Company's executives also joined the donation High flow oxygen aerator, valued at 200,000.- baht for Taksin Hospital for use in the treatment of patients with COVID-19.





## 6. Management Discussion and Analysis (MD&A)

### **Business performance overview**

The year 2020, for the real estate sector, there is an overall impact on the business from the impact of the Coronavirus 2019. Which resulted in the economy of all sectors slowed down. But in the past year, various measures have been issued to support the economy, including the real estate business. Made in the past year the company recognized the revenue of 92 units. From Baan Rock Garden Airport 2 project 2 units, Baan Rock Garden Airport 3 project, 57 units. And the project of Baan Rock Garden Arena, total 33 units with the operating results as follows.

The year 2021, during the past period, the economy has slowed down from various conditions, including the corona virus. There are still new breeds being developed, resulting in the business sector, especially real estate, which has an impact as well as competition in the same business in the nearby areas. Property for 99 units from 45 units of Baan Rock Garden Airport 3 project and 54 units of Baan Rock Garden Arena project with results as follows.

For the year 2022, there are many factors in the real estate business to run the business successfully and get good sales. The company must have a strategy for marketing and sales together with publicizing the project to generate sales revenue. In the past year, the company recognized revenue from the sale of real estate of 89 units from the Baan Rock Garden Airport 3 project, totaling 34 units and Baan Rock Garden Arena, totaling 55 units. operates as follows:

### **Revenues**

The Company had the sales revenue of 249.01 million Baht, 248.54 million Baht and 218.98 million Baht in 2020, 2021 and 2022, respectively. The sales revenues from housing projects could be summarized as follows:

Sales Volume of Projects	2020		2021		2022	
	Units	Bt. Million	Units	Bt. Million	Units	Bt. Million
Baan Rock Garden Airport 2	2	4.97	-	-	-	-
Baan Rock Garden Airport 3	57	177.37	45	148.34	34	97.84
Baan Rock Garden Arena - Nong Chok	33	66.67	54	100.20	55	121.14
<b>Total</b>	<b>92</b>	<b>249.01</b>	<b>99</b>	<b>248.54</b>	<b>89</b>	<b>218.98</b>

The year 2020, the company has sales revenue of 249.01 million baht, an increase from the year 2019 by approximately 96.69 million baht Or an increase of 63.48%, With the main sales request from the Baan Rock Garden Airport 2 project and the airport project phase 3 and the project of Baan Rock Garden Arena-Nong Chok.

The year 2021, the company has sales revenue of 248.54 million baht, a decrease from the year 2020 by approximately 0.47 million baht Or a decrease of 0.19%, With the main sales request from the Baan Rock Garden Airport 3 project and the project of Baan Rock Garden Arena-Nong Chok.

For the year 2022, the company has sales revenue of 218.98 million baht, a decrease from the year 2021 by approximately 29.56 million baht Or a decrease of 11.89%, With the main sales request from the Baan Rock Garden Airport 3 project and the project of Baan Rock Garden Arena-Nong Chok.

The year 2020, the company has other income of 3.55 million baht. It consists of interest income of 1.04 million baht and other income approximately 2.51 million baht.

The year 2021, the company has other income of 2.68 million baht. It consists of interest income of 1.02 million baht and other income approximately 1.66 million baht.

For the year 2022, the company has other income of 5.17 million baht. It consists of interest income of 0.75 million baht and other income approximately 4.42 million baht.

### **Cost of sales and expenses**

#### **Cost of Sales**

The costs of sales are summarized in the table below.

(Unit: million Baht)

<b>Projects</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Baan Rock Garden Airport 2 :</b>			
Cost of land	0.26	-	-
Cost of project development	6.03	-	-
Cost of allocation of public properties in the project	0.42	-	-
<b>Baan Rock Garden Airport 3 :</b>			
Cost of land	15.86	13.27	10.03
Cost of project development	77.55	64.03	50.43
Cost of allocation of public properties in the project	8.85	7.88	5.95
<b>Baan Rock Garden Arena-Nong Chok :</b>			
Cost of land	4.17	6.72	6.29
Cost of project development	33.47	47.60	52.43
Cost of allocation of public properties in the project	5.54	8.59	8.32
<b>Total</b>	<b>152.15</b>	<b>148.09</b>	<b>133.45</b>

For cost of sales in 2020 amounted to 152.15 million baht, increasing from year 2019. Approximately 57.50 million baht, or 60.75%, has increased revenue recognition over the year 2019, resulting in cost increases proportionally.

For cost of sales in 2021 amounted to 148.09 million baht, decreasing from year 2020. Approximately 4.06 million baht, or 2.67%, The cost of sales has been controlled for more than 2020.

For cost of sales in 2022 amounted to 133.45 million baht, decreasing from year 2021. Approximately 14.64 million baht, or 9.89%. As a result of reduced sales, costs decreased proportionately.

**Selling and administrative expenses**

The year 2020, the company had the selling and administrative expenses of approximately 49.79 Million Baht, increased of approximately 7.88 Million Baht or 18.82% from the 2019 figure. The main cost in 2020 include (1) commission fee of approximately 11.47 Million Baht (2) marketing and advertising expenses of approximately 2.29 Million Baht (3) salaries of management and employees of approximately 7.44 Million Baht and (4) specific business tax of approximately 9.31 Million Baht.

The year 2021, the company had the selling and administrative expenses of approximately 48.44 Million Baht, decreased from of approximately 1.35 Million Baht or 2.71% from the 2020 figure. The main cost in 2021 include (1) commission fee of approximately 11.38 Million Baht (2) marketing and advertising expenses of approximately 1.74 Million Baht (3) salaries of management and employees of approximately 7.26 Million Baht and (4) specific business tax of approximately 9.92 Million Baht.

For the year 2022, the company had the selling and administrative expenses of approximately 52.93 Million Baht, increased from of approximately 4.49 Million Baht or 9.27% from the 2021 figure. The main cost in 2022 include (1) salaries of management and employees of approximately 7.26 Million Baht (2) other fees of approximately 2.11 Million Baht and (3) Land and building tax of approximately 2.70 Million Baht.

**Interest expenses**

In 2020, 2021 and 2022 the interest expense was recorded at 0.19 Million Baht, 0.19 Million Baht and 1.13 Million Baht respectively due to liabilities under financial lease agreement.

**Gross profit**

The year 2020, the Company's gross profit margin valued of approximately 96.86 Million Baht, increased of approximately 39.19 Million Baht from the 2019, or of approximately 67.95%, recognition of revenue increases from 2019 resulting in a gross profit margin as a proportion.

The year 2021, the Company's gross profit margin valued of approximately 100.45 Million Baht, increased of approximately 3.59 Million Baht from the 2020, or of approximately 3.71%, The cost of sales has been controlled for more than 2020.

For the year 2022, the Company's gross profit margin valued of approximately 85.53 Million Baht, decreased of approximately 14.92 Million Baht from the 2021, or of approximately 14.85%, Due to the decrease in sales revenue from the previous year.

**Operating profit and net profit**

The year 2020, the Company had the operating profit and the net profit by approximately 50.44 Million Baht and 34.42 Million Baht, respectively.

The year 2021, the Company had the operating profit and the net profit by approximately 54.50 Million Baht and 38.01 Million Baht, respectively.

For the year 2022, the Company had the operating profit and the net profit by approximately 36.64 Million Baht and 23.87 Million Baht, respectively.

**Return to shareholders**

The year 2020, the Company's return to equity ratio increase to 2.74% due to upper sales volume and net profit, compared to the 2019 figure.

The year 2021, the Company's return to equity ratio increase to 2.99% due to upper sales volume and net profit, compared to the 2020 figure.

For the year 2022, the Company's return to equity ratio increase to 1.86% due to lower sales volume and net profit, compared to the 2021 figure.

## Financial Statement Analysis

### Assets

The main components of the Company's assets in 2020, 2021 and 2022 were development costs and undeveloped-land costs, accounting for about 81.13%, 83.16% and 87.06% of the total assets, respectively. In 2022, the development costs and undeveloped land costs were at 10.82% and 76.26% of the total assets, respectively. The details of the aforementioned costs were summarized below:

(Unit: Bt. million)

<b>Costs of property development :</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
• Project under development – net: Baan Rock Garden Airport 2	2.56	2.56	2.56
• Project under development – net: Baan Rock Garden Airport 3	158.05	84.58	52.01
• Project under development – net: Baan Rock Garden Arena - Nong Chok	88.33	128.05	90.23
<b>Total</b>	<b>248.94</b>	<b>215.19</b>	<b>144.80</b>
<b>Undeveloped land :</b>			
• Vacant land: approximately 3.5 rais - Soi Vacharapol, Bangkok	38.40	38.18	38.18
• Vacant land: approximately 508 rais - Pa-Klog, Talang, Phuket	513.36	513.08	513.08
• Vacant land: approximately 212 rais – Ratsada, Muang, Phuket (Baan Rock Garden Bypass 6 Phase 2-10)	197.40	196.51	196.51
• Vacant land: approximately 104 rais - Baan Pae, Muang, Rayong	61.70	61.18	61.18
• Vacant land: approximately 31 rais- Lam Phak Chi ,Nong Chok, Bangkok	-	72.24	72.24
• Vacant land: approximately 33 rais- Krathum Rai ,Nong Chok, Bangkok	-	-	100.23
• Vacant land: approximately 2 rais- Tha Raeng, Bang Khen, Bangkok	-	-	38.65
<b>Total</b>	<b>810.86</b>	<b>881.19</b>	<b>1,020.07</b>

At the end of 2020, the Company's cost of the property development decreased to 248.94 million Baht, decreased 69.69 million Baht, or 21.79%. The Company Development of the property in the Baan Rock Garden Airport 3 and the Baan Rock Garden Arena-Nonk Chok project And recognize income continuously.

At the end of 2021, the Company's cost of the property development decreased to 215.19 million Baht, decreased 33.75 million Baht, or 13.56%. The Company Development of the property in the Baan Rock Garden Airport 3 and the Baan Rock Garden Arena-Nonk Chok project And recognize income continuously.

At the end of 2022, the Company's cost of the property development reduced to 144.80 million Baht, decreased 70.39 million Baht, or 32.71%. The Company Development of the property in the Baan Rock Garden Airport 3 and the Baan Rock Garden Arena-Nonk Chok project And recognize income continuously.

### Account receivables

The Company recognizes revenues after right transfer and making of sales agreements. First down payments and installments which are not counted as revenues will be recorded as deposits from properties sales. Therefore, the Company normally has no account receivable from properties sales.

**Cash flow and liquidity**

The year 2020, the Company had cash inflow from operating activities in an amount of 124.08 million Baht because the Company did not launch any new projects but continued to develop the existing ones, resulting in cash inflow in 2019.

The year 2021, the Company had cash inflow from operating activities in an amount of 131.47 million Baht because the Company did not launch any new projects but continued to develop the existing ones, resulting in cash inflow in 2020.

The year 2022, the Company had cash inflow from operating activities in an amount of 99.58 million Baht, and the company still continues to develop projects.

The year 2020, the Company's cash flow for investment activities was approximately (15.15) million Baht. The overall investment in 2020 covered, interest receipt of about 1.00 million Baht.

The year 2021, the Company's cash flow for investment activities was approximately (18.62) million Baht. The overall investment in 2021 covered, interest receipt of about 0.15 million Baht.

For the year 2022, the Company's cash flow for investment activities was approximately (23.81) million Baht. The overall investment in 2022 covered, buying land for investment of about 112.62 million Baht.

The year 2020, the Company had the liquidity ratio of 8.97 times, due to Current liabilities decreased from 2019.

The year 2021, the Company had the liquidity ratio of 8.29 times, due to Current liabilities decreased from 2020.

The year 2022, the Company had the liquidity ratio of 6.54 times, due to Current liabilities decreased from 2021.

**Sources of funds****-Liabilities-**

As of 31 December 2020, the Company had the total liabilities of 51.92 million Baht, increased by approximately 23.27 million Baht or increased 81.21% , could be summarized as follows.

- (1) Accounts payable of 26.73 million Baht (normal accounts payable or other parties)
- (2) Loan interest of approximately of 6.63 million Baht (The Company paid interest of long-term loans to creditors in a form of land.)

As of 31 December 2021, the Company had the total liabilities of 46.80 million Baht, decreased by approximately 5.11 million Baht or decreased 0.1% , could be summarized as follows.

- (1) Accounts payable of 24.83 million Baht (normal accounts payable or other parties)
- (2) Loan interest of approximately of 6.63 million Baht (The Company paid interest of long-term loans to creditors in a form of land.)

As of 31 December 2022, the Company had the total liabilities of 52.37 million Baht, increased by approximately 5.57 million Baht or increased 11.90% , could be summarized as follows.

- (1) Accounts payable of 31.40 million Baht (normal accounts payable or other parties)
- (2) Loan interest of approximately of 4.98 million Baht (The Company paid interest of long-term loans to creditors in a form of land.)

The year 2020, the Company had debt to equity ratio of 0.04 times, that the Company has risk of the ability is less repayment because of the Company's policy, financing investment in equity of shareholders more than creating liabilities in financing investment for operations.

The year 2021, the Company had debt to equity ratio of 0.04 times, that the Company has risk of the ability is less repayment because of the Company's policy, financing investment in equity of shareholders more than creating liabilities in financing investment for operations.

For the year 2022, the Company had debt to equity ratio of 0.03 times, that the Company has risk of the ability is less repayment because of the Company's policy, financing investment in equity of shareholders more than creating liabilities in financing investment for operations.

#### **- Shareholders' equity -**

As of 31 December 2020, the Company had the shareholders' equity of 1,254.36 million Baht, increased by approximately 13.35 million Baht, comprised the common stock of 1,025 million Baht, the surplus on common stocks of 32.12 million Baht, the surplus on adjustment on merger and acquisition of 1.15 million Baht, the legal reserves of 23.25 million Baht which increasing of 2.00 million Baht from the year 2019 and the retained earnings of 172.84 million Baht, respectively.

As of 31 December 2021, the Company had the shareholders' equity of 1,271.61 million Baht, increased by approximately 17.25 million Baht, comprised the common stock of 1,025 million Baht, the surplus on common stocks of 32.12 million Baht, the surplus on adjustment on merger and acquisition of 1.15 million Baht, the legal reserves of 25.25 million Baht which increasing of 2.00 million Baht from the year 2020 and the retained earnings of 188.09 million Baht, respectively.

As of 31 December 2022, the Company had the shareholders' equity of 1,285.28 million Baht, increased by approximately 13.67 million Baht, comprised the common stock of 1,025 million Baht, the surplus on common stocks of 32.12 million Baht, the surplus on adjustment on merger and acquisition of 1.15 million Baht, the legal reserves of 26.75 million Baht which increasing of 1.50 million Baht from the year 2020 and the retained earnings of 200.25 million Baht, respectively.

## 7. General Information

**Company Name** : **Baan Rock Garden Public Company Limited**  
**("BROCK" or "The Company")**

**Type of Business** : Real estate development, particularly townhouses, single detached houses and commercial buildings for sales

**Head Office** : 601 Soi Ramkhamhaeng 39, Pracha-utit Rd. Wang Thonglang, Wang Thonglang, Bangkok 10310

**Registration Number** : PCL – 0107548000200

**Homepage** : <http://www.rockgarden.co.th>

**Telephone** : 662-934-7000 , 662-934-7171 , 662-934-7172

**Fax** : 662-934-7171 ext. 211

### Other References

**The Securities Underwriter** : **Thailand Securities Depository Company Limited**  
The Stock Exchange of Thailand (Near The Chinese Embassy)  
93 Ratchadaphisek Road, Dindaeng,  
Bangkok 10400, Thailand

**Homepage** : <http://www.set.or.th/tsd>

**Telephone** : 662-009-9999 , 662-009-9378 - 9389

**Fax** : 662-009-9476

**The Auditor** : **Miss.Waraporn Inttharaprasit**  
Certified Public Accountant (Thailand) No. 7881  
CWWP Company Limited  
128/334-335 Phayatai Plaza Building, 31<sup>th</sup> Floor,  
Phayatai Road, Thungphayatai, Ratchatavee,  
Bangkok 10400 Thailand

**Telephone** : 662-216-2265 , 662-216-2268-9 , 662-216-2279

**Fax** : 662-216-2286

**Mobile** : 06-1858-5929

## **8. Legal Dispute**

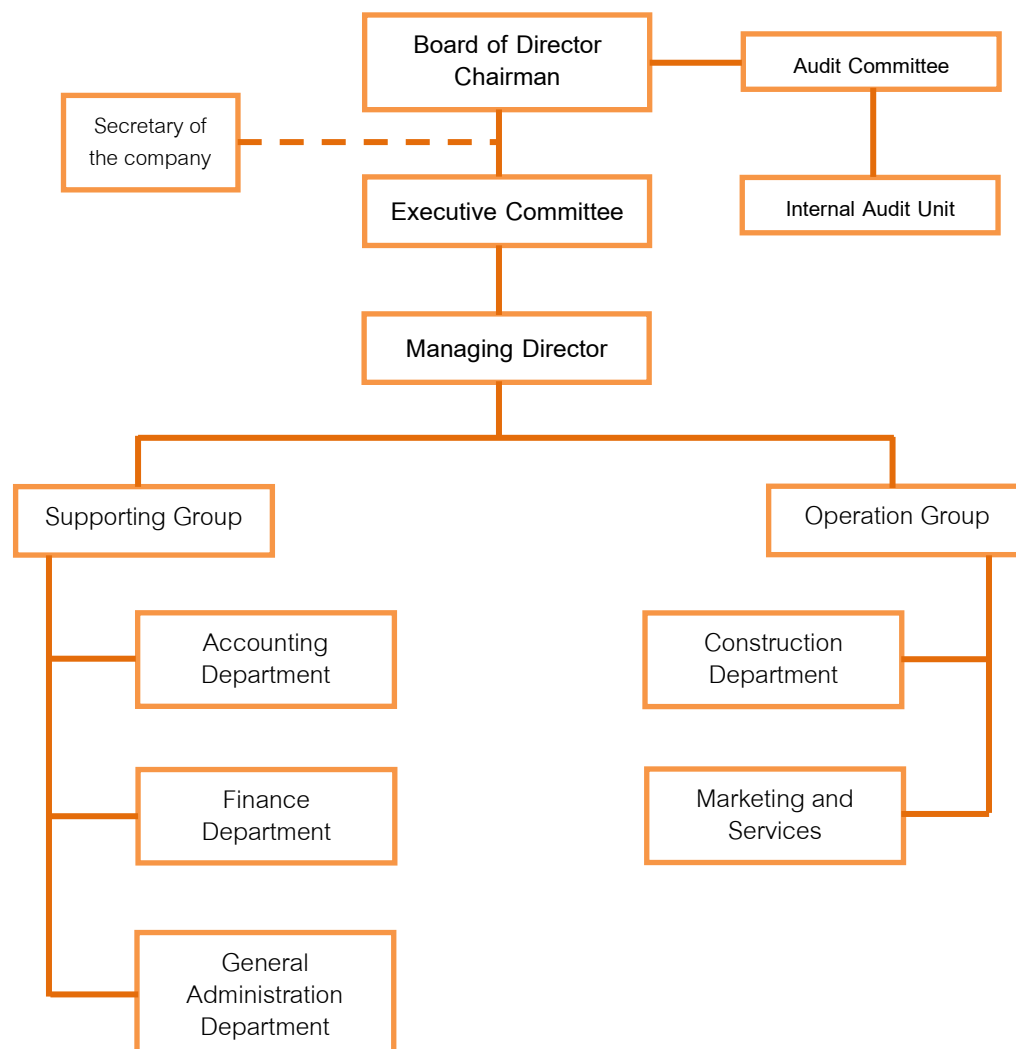
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## Section 2 : Corporate Governance

### 9. Management Structure

**Corporate Structure of Baan Rock Garden Public Company Limited**



#### The Company's Directors Structure

The Company's Directors structure consists of 3 committees, namely

- The Board of Directors 6 Persons
- The Executive Committee 3 Persons
- The Independent and Audit Committee 3 Persons

**A) The Board of Directors**

2022, The Board of Directors comprise of the following 6 persons :

No.	Board Members	Positions
1.	Mr. Virat Chinprapinporn	Chairman of the Board of Director
2.	Mr. Wanchai Mekasut*	Director / Independent and Chairman of Audit Committee
3.	Mr. Preecha Jenthanavijit	Director / Independent and Audit Committee
4.	Mr. Prasan Thumsanong**	Director / Independent and Audit Committee
5.	Mrs. Naowanit Silaprarat	Director and Managing Director
6.	Mrs. Naowarat Suthamjariya	Director

Remark :

- The Board of Directors' Meeting No. 2/2022 held on May 12, 2022 resolved unanimously as follows:
  - 1.1) Mr. Surapon Satimonont has submitted a letter of resignation from Director / Independent Director / Chairman of the Audit Committee on May 11, 2022 due to many responsibilities, effective from May 13, 2022 onwards.
  - 1.2) \*\*To approve the appointment of Mr. Prasan Thamsanong as Director / Independent Director / Audit Committee, effective from May 13, 2022 onwards.
  - 1.3) \*Modifications of position of Mr. Wanchai Mekasut from Audit Committee to Chairman of the Audit Committee, effect from 12 May 2022 onwards.
- Miss Jantamat Hankimhunt is Corporate Secretary to the Board of Director until 17 December 2014.

The total number of Board Meetings and the number of Board Meetings each Director attended during the years 2021 and 2022

No.	Board Members	2021	2022
		Number of Meetings attended / total number	Number of Meetings attended / total number
1.	Mr. Virat Chinprapinporn	4 / 4	4 / 4
2.	Mr. Surapol Satimanont*	4 / 4	2 / 2*
3.	Mr. Wanchai Mekasut	4 / 4	4 / 4
4.	Mr. Preecha Jenthanavijit	4 / 4	4 / 4
5.	Mr. Prasan Thumsanong**	-	2 / 2**
6.	Mrs. Naowanit Silaprarat	4 / 4	4 / 4
7.	Mrs. Naowarat Suthamjariya	4 / 4	4 / 4

Remark :

- The Board of Directors Meeting No. 1/2022 held on 18 February 2022 unanimously approved to appoint Mr. Surapol Satimanont and Mrs. Naowanit Silaprarat which was the Directors to retire by rotation at this time. To serve as the Company's directors for another term. And The Board of Directors proposes to the Annual General Meeting of Shareholders No. 1/2022 held on 8 April 2022 had considered and unanimously resolved to appoint two persons to serve as directors for another term.
- The Board of Directors' Meeting No. 2/2022 held on May 12, 2022 resolved unanimously as follows:

2.1) \* Mr. Surapon Satimonont has submitted a letter of resignation from Director / Independent Director / Chairman of the Audit Committee on May 11, 2022 due to many responsibilities, effective from May 13, 2022 onwards.

2.2) \*\* To approve the appointment of Mr. Prasan Thamsanong as Director / Independent Director / Audit Committee, effective from May 13, 2022 onwards.

### Authorized Directors

The Authorized Directors comprise

No.	Board Members	Positions
1.	Mr. Virat Chinprapinporn	Chairman of the Board
2.	Mrs. Naowanit Silaprarat	Director and Managing Director
3.	Mrs. Naowarat Suthamjariya	Director
4.	Mr. Preecha Jenthanavijit	Director / Independent and Audit Committee

Any two of the above may sign along with the Company's seal affixed.

The Company's Board of Directors perform the duties by taking into account integrity, transparency, fairness and maintenance of the Company's interest.

### Duties and Responsibilities of the Board

1. Supervise and manage the Company's business operations according to the laws, objectives, articles of association of the Company and regulations of concerned agencies as well as the resolutions of the shareholders' meeting, and maintain the interest of the Company according to the business good governance principles. The Board of Directors must also disclose information in sufficient, correct, complete, standardized and transparent manner to shareholders and all relating parties.
2. Set out vision, mission, directions and strategies of the Company, consider and review such vision, mission and strategies regularly and grant approval every year to be in accordance with the Company's business plan.
3. Grant approval to important strategies and policies including the objectives, financial goals and plans of the Company; monitor and supervise to ensure that the Company's strategies and plans have been implemented.
4. Authorize the Chief Executive Officer to have the power to carry out the business operations of the Company as well as the power to appoint and remove the employees of the Company and determine the remuneration for working according to the policies of the Board of Directors; and authorize the employees with the operational powers in accordance with the business condition.
5. Determination duties and responsibilities of the Executive and Management Committee clearly.
6. Organize the annual ordinary general meeting of shareholders within 4 months from the closing date of the accounting year of the Company, and organize the extraordinary meeting of shareholders when necessary.
7. Organize the meeting of the Board of Directors every quarter and there must be not less than one half of the number of Directors attending the meeting; the decision of the meeting must be made by a majority vote; if there is a tie of votes, the Chairman can have a casting vote.
8. The Board of Directors may appoint a number of Directors and/or Executives, as appropriate, to form an Executive Committee and assign them to manage the Company on their behalf. The Board of Directors will appoint one among the Executive Committee to be the Chief Executive Officer. The Board of Directors may

only empower the Executive Committee to manage the Company within their scope of authority and responsibilities, as stated by the law, and they must clearly specify the scope of authority and responsibilities of the Executive Committee.

9. The Directors may not initiate a business that directly competes with the Company. They also may not become partners in any ordinary partnerships, general partners in any limited partnerships, or directors of any companies that pose direct competition to the Company.
10. Arrange for disclosure of correct, clear, transparent, reliable and high standard information.
11. Arrange for a preparation of statements of financial position and income statements as at the ending date of the accounting year of the Company and the Board of Directors must arrange for an audit by the auditor before to be presented to the annual ordinary meeting of shareholders for approval.
12. Arrange for a report on important financial and general information to the shareholders in a correct, complete and sufficient manner; and confirm the verification of information reported.
13. The Board of Directors is responsible for the review and approval of the Company's periodical and annual financial statements, as well as ensuring that the financial statements are produced in accordance to the general accounting standard.
14. The Board of Directors must review the adequacy and appropriateness of the Company's internal control system and risk management procedures.
15. The Board of Directors must ensure that the Company's operation receive sufficient audition from the internal Auditor and external Certified Accountant.
16. The Board of Directors has the duty to propose remuneration for directors to be approved by the Annual Ordinary General Meeting of Shareholders.
17. The Board of Directors has the duty to evaluate the performance of Executive Management and set out remuneration in accordance with their performance.
18. The Company's directors have a duty to participate in a meeting of shareholders at all times, and shareholders can inquire the Chairman of the Board and the auditors of the Company on the issues involved.

To exercise their authority in the following Company's affairs, the Board of Directors must first receive the approval from the Board Meeting through the majority voting of attending Directors, and also from the Shareholder Meeting with the approval resolution produced by at least 75% of attending Shareholders with voices.

- (a) Sale or transfer of the entire or the significant portion of the Company's business to other parties.
- (b) Acquisition or transfer of other public or private company's business to become part of the Company's.
- (c) Amendments to the Company's Memorandum of Association or Articles of Association.
- (d) Increase or decrease of the Company's capitals, or issuance of debentures.
- (e) Corporate merger or dissolution.

### **Secretary of the Board**

The Board of Director passed a resolution to appoint Miss. Jantamat Hankimhunt to hold secretary office according to the meeting resolution of Board of Directors no.4/2014 on 13 November, 2014, has acted as the Company Secretary since December 17, 2014 to oversee Board activities and assist the Board and the Company in complying with related laws and regulations and in promoting good corporate governance, to oversee the organization of shareholders and Board meetings in conformity with laws and the Company's Articles of Association and procedures, and to oversee the preparation and storage of meeting support documents and follow up to ensure compliance with the shareholders' and Board resolutions. The Company has defined the Secretary's role, duties and

responsibilities in the Corporate Governance Policy Manual, as it envisions the importance and necessity of secretary role in the development of its corporate governance system. The Secretary can be reached at Jantamat@rockgarden.co.th , investor@rockgarden.co.th , jantamat.brock@gmail.com or phone number 662-934-7000 ext. 211

#### **Required Qualifications and Experience for Company Secretary**

1. Being knowledgeable in and having an understanding of the laws and regulations concerning the company and regulatory body in relation to the law on public limited companies and the law on securities and stock exchange; passing a training course on company secretary duty performance.

2. Being knowledgeable and having an understanding of good corporate governance and corporate governance best practices.

#### **Company Secretary's scope of duties and responsibilities:**

1. To produce and keep
  - Record of Directors,
  - Notice of Board of Directors meeting, minutes of Board of Directors meeting and company's annual report,
  - Notices and minutes of all shareholders' meetings.
2. To keep all interest or conflicts of interest report reported by directors or any members of management team.
3. To perform any other action as determined by Capital Market Supervisory Board.

#### **B) The Executive Committee**

The Executive Committee comprises the following 3 executive members:

<b>No.</b>	<b>Executive Members</b>	<b>Position</b>
1.	Mr. Virat Chinprapinporn	Chief Executive Officer
2.	Mrs. Naowanit Silaparat	Director and Managing Director
3.	Mr. Phisitsak Premprichayan	Department Head of Corporate Accounting
Mr. Phisitsak Premprichaya is the Department Head of Corporate Accounting until 13 November 2014.		

#### **Scope of Authority and Responsibilities of the Executive Committee**

1. The Executive Committee is responsible for the consideration of the annual budget allocation, proposed by the management team, before taking it to the Board of Directors for approval. The responsibilities also include the urgent review and approval of the amendments and the additions to the annual expense budget in the events of no scheduled Board Meeting. The executive decisions must, however, be informed to the Board of Directors in the soonest Board Meeting.
2. The Executive Committee is responsible for the consideration of the Company's policies, directions, strategies and management structure. The Executives must also set the guidelines for the operations that correspond to the circumstances of economy and market competition, as reported by the management team, before proposing them to the Board of Directors for approval.
3. The Executive Committee must ensure that the Company effectively operates in accordance with the policies and operational guidelines.

4. The Executive Committee has the authority to appoint the Managing Director, and to discharge personnel below the position of the Managing Director from their positions.
5. The Executive Committee is responsible for the allocation of gratuity, after the approval from the Board of Directors, to the employees, workers or anyone who act on the Company's best interest.
6. The Executive Committee is authorized, following the approval from the Board, to endorse the Company's financial transactions, such as account opening, loans, pledges, mortgages, as well as land trading and registration of land ownership, providing the transactions are in line with the Company's objective, and performed to promote the Company's benefits.
7. The Executive Committee is responsible for carrying out any other assignments the Board of Directors entrusts it with. Nevertheless, the empowerment of the Board of Directors to the Executive Committee must be within the legal scope of authority and responsibilities of the Executive Committee.

The Executive Committee is not authorized to conduct any of the following affairs, or related matters, without first proposing to the Audit Committee for its opinion, and proposing to the Board of Directors and / or the Shareholder Meeting for approval: (a) connected transactions; (b) trading transactions of Company's significant assets; and / or (c) transactions that involve parties who have potential conflicts of interest with the Company and its subsidiaries, (if any).

Furthermore, in conducting the connected transactions or trading transactions of Company's significant assets, as defined in the regulations of the Stock Exchange of Thailand, as well as the above transactions involving other listed companies, the Executive Committee must first obtain approval from the Shareholders in a Shareholder Meeting, or by any other mean possible, according to the regulations of the Stock Exchange of Thailand.

### C) The Independent and audit Committee

The Independent and audit Committee consists of the following 3 Directors

No.	Executive Members	Position
1.	Mr. Wanchai Mekasut*	Director / Independent and Chairman of Audit Committee
2.	Mr. Preecha Jenthanavijit	Director / Independent and Audit Committee
3.	Mr. Prasan Thumsanong**	Director / Independent and Audit Committee
Remark : 1. The Board of Directors' Meeting No. 2/2022 held on May 12, 2022 resolved unanimously as follows: 1.1) Mr. Surapon Satimonont has submitted a letter of resignation from Director / Independent Director / Chairman of the Audit Committee on May 11, 2022 due to many responsibilities, effective from May 13, 2022 onwards. 1.2) **To approve the appointment of Mr. Prasan Thamsanong as Director / Independent Director / Audit Committee, effective from May 13, 2022 onwards. 1.3) *Modifications of position of Mr. Wanchai Mekasut from Audit Committee to Chairman of the Audit Committee, effect from 12 May 2022 onwards. 2. Mr.Phisitsak Premprichayan is the Department Head of Corporate Accounting, is the Secretary to the Audit Committee until 13 November 2014.		

The total number of Independent and audit Committee Meetings and the number of Committee Meetings each Member of the Committee attended during the years 2021 and 2022

No.	Board Members	2021	2022
		Number of Meetings attended / total number	Number of Meetings attended / total number
1.	Mr. Surapol Satimanont*	4 / 4	2 / 2*
2.	Mr. Wanchai Mekasut	4 / 4	4 / 4
3.	Mr. Preecha Jenthanavijit	4 / 4	4 / 4
4.	Mr. Prasan Thumsanong**	-	2 / 2**

Remark :

- The Board of Directors Meeting No. 1/2022 held on 18 February 2022 unanimously approved to appoint Mr. Surapol Satimanont and Mrs. Naowanit Silaprarat which was the Directors to retire by rotation at this time. To serve as the Company's directors for another term. And The Board of Directors proposes to the Annual General Meeting of Shareholders No. 1/2022 held on 8 April 2022 had considered and unanimously resolved to appoint two persons to serve as directors for another term.
- The Board of Directors' Meeting No. 2/2022 held on May 12, 2022 resolved unanimously as follows:
  - \* Mr. Surapon Satimonont has submitted a letter of resignation from Director / Independent Director / Chairman of the Audit Committee on May 11, 2022 due to many responsibilities, effective from May 13, 2022 onwards.
  - \*\* To approve the appointment of Mr. Prasan Thamsanong as Director / Independent Director / Audit Committee, effective from May 13, 2022 onwards.

The Audit Committee is an independent party elected to join the Board of the Directors, with responsibilities to examine the financial information proposed to Shareholders and other related parties, to investigate the internal control system, to conduct internal audit processes, and to communicate with the Company's external auditor.

#### Scope of Authority and Responsibilities of the Independent and audit Committee

- The Audit Committee is responsible for investigating, in concert with the Company's external auditor, whether the Company's financial reports are accurately produced, with adequate disclosure. The Committee may voice its opinion to the Auditor, as well as review and investigate any transactions it sees fit.
- The Audit Committee is responsible for investigating, in concert with the Company's external auditor and internal auditor, whether the Company's internal control and internal audit processes are appropriately in place and effectively performed.
- The Audit Committee is to determine the scope of the investigation and the audit plans for the external auditor and internal auditor that are in accord, when investigating the financial transactions.
- The Audit Committee is responsible for the selection and proposal of the Company's auditor and his compensation to the Board of Directors. The decision for appointment must come from the Shareholder Meeting.
- The Audit Committee must consider the disclosure of corporate information regarding to related-party transactions or transactions inducing conflicts of interest with all due accuracy and completeness.



6. The Audit Committee is responsible for investigating whether the activities of the Company conform to all laws pertaining to securities and the stock exchange, the regulations of the Stock Exchange of Thailand, and the laws relevant to the Company's business.
7. The Audit Committee is responsible for other matters assigned to it by the Board of Directors and agreed by the Audit Committee itself. Examples include the reviews of financial management and risk management policies, the reviews of the Company's operation in accordance with the executive business ethics and the review, in concert with the Company's executive, of significant transactions that, as enforced by the laws, must be presented to the public, such as the executive reports and analyses.
8. The Audit Committee must organize a report on the activities of the Audit Committee, signed by the Chairman of the Audit Committee, which must be included in the Company's Annual Report. The contents of the report include the following:
  - (a) The Committee's opinions on the process of producing and information disclosure in the Company's financial reports, as to whether it is accurate, complete and reliable.
  - (b) The Committee's opinions on the adequacy of the Company's internal control system.
  - (c) The Committee's rationale for its confidence, such that it's appropriate to continue to appoint the current Company's auditor for another period.
  - (d) The Committee's opinions on the conformance of the Company's operations to all laws pertaining to securities and the stock exchange, the regulations of the Stock Exchange of Thailand, and the laws relevant to the Company's business.
  - (e) Any other matters that the Committee considers appropriate to inform the Shareholders and general investors, which do not exceed the scope of authority and responsibilities of the Committee assigned by the Board of Directors.

## **Nomination The Company's Directors , Audit and Independent Committee**

### **A) Nomination The Company's Directors**

The Company does not set up a Nomination Committee for the purpose of Board Member selection. Nevertheless, the Company has established guidelines and criteria for such selection process. The Board of Directors will determine qualified persons to become its members, based on their abilities, experiences, vision and reliability. The Company's Articles of Association state that one third of the Director positions must become vacant each year in the annual Shareholder General Meeting. In order to re-elect the Directors, whose terms have expired, the proposal must be approved in the Shareholder Meeting. The Articles also state the guidelines for the Shareholder Meeting to nominate the Company's Directors.

### **Criteria the appointment the Company's Directors**

1. The Board of Directors shall compose of at least five Directors, and at least half must be of Thai nationality. Persons appointed to the Board of Directors must possess qualifications as stated in article 68 of The Public Company Act of 1992 and guidelines as set forth by the Securities and Exchange Commission. The qualifications of each candidate are reviewed including their experiences, knowledge and capability for the business, and present the name list to the shareholders' meeting for the final selection.
2. At least one third of the Company's Board of Directors must be independent board members.

3. At every annual general shareholders' meeting, one third of the Directors has to retire. If the number of Directors cannot be divided exactly by three the number closest to one third shall be retired.
4. The election of Directors will be voted at the shareholders' meeting under the following conditions and procedures:
  - 4.1 The number of individual's vote equals to the number of shares s/he is holding.
  - 4.2 Each individual's vote can be cast to vote for one or more nominees but the vote cannot be divided to preferred nominees.
  - 4.3 After the vote, the nominated persons shall be ranked in descending order from the highest number of votes received to the lowest and shall be appointed as Directors in that order. The number of newly elected Directors must equal to the number of the vacating Directors. If two or more Directors are eligible for the same seat and earn the same number of votes, the Chairman has the power to make the final decision as to who will be elected.
5. In case of vacancy on the Board of Directors other than through retirement by rotation, the Board of Directors shall elect any person who is qualified and is not subject to prohibition under laws governing public companies as a substitute Director at the next Board meeting by a vote not less than three quarters of the number of Directors remaining, unless the remaining term of the said director is less than two months. The substitute director shall hold the position only for the remaining term of the director he replaces.
6. A resolution may be passed at the shareholders' meeting to remove directors from office prior to retirement by rotation, by a vote not less than three quarters of the number of shareholders attending the meeting who have the right to vote and who have shares totaling not less than half the number shares held by shareholders attending the meeting and having the right to vote.
7. According to Item 18 of the Regulation of the company, it is stated that in every Annual General Meeting of shareholders, one-third of the directors should be released from the post. If the number of the directors could not be equally divided into three parts, the number of directors left the post would be the nearest figure of one-third. For the first year and the second year after the registration of the company, directors would be released from the post by a luck draw. After that, directors with the longest period on the post shall be released from the post and such directors may be re-elected to the office.

#### **Qualifications the Company's Directors**

1. Each board member shall possess knowledge and capability, vision, honesty and integrity. Each member must possess high ethical standards, must possess a clean and transparent record of previous responsibilities and must have sufficient time to make meaningful contributions to the Company.
2. Each board member must possess the qualities and must not have been disqualified in relation to the guidelines set forth for publicly listed companies and/or any other applicable laws and regulations
3. Board members may serve as a board member for other Companies as long as such positions will not hamper the board member from fulfilling his/her duties as a member of the Company's board.

4. Board members must not operate, be partner in or be a shareholder in any business entity that operates in the same industry as that of the Company or is a competitor of the Company unless such position is disclosed to shareholders at the shareholders' meeting prior to the appointment to the Company's board.
5. The qualification of an independent director is similar to that of a member of the Audit Committee which complies with the Stock Exchange of Thailand's guidelines regarding the qualifications and responsibilities of members of the Audit Committee. The independent director's responsibility is to ensure that the interests of all shareholders are upheld. The independent directors are also to be allowed to freely provide thoughts and comments at Board meetings.
6. The Company provides for shareholders to nominate the names of directors advance.

## **B) Nomination The Audit and Independent Committee**

The Board of Directors is responsible for nominating at least 3 Directors to join the Audit Committee. The Committee members will be selected from the Company's Independent Directors with appropriate qualities, as guided by the laws pertaining to securities and stock exchanges, including the announcement, rules and regulations of the Stock Exchange of Thailand, mandating the qualities and scope of authority of the Audit Committee. In addition, at least one of the Audit Committee members must have background in accounting and finance.

In addition, the Audit Committee is appointed by the resolution from the Shareholder Meeting, with 2-year term. The Committee's member whose term of office has ended may be reinstated.

### **Selection criteria of Independent Director and Audit Committee Director**

- 1) Appointed by the Board of Directors or the shareholders of the Company to be the Audit Committee members and be independent directors.
- 2) Hold shares of not more than 1 percent of the voting shares of the Company, subsidiary companies, associated companies, or any juristic persons with potential conflict, including the shares held by related persons of such independent director and audit committee director.
- 3) Must not be nor have ever been a director with participation in management, a hired worker, an employee, an advisor with fixed salary, or a person with control over the Company, subsidiary companies, associated companies, or juristic persons with potential conflict, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director and audit committee director.
- 4) Must not be a person related by blood or by legal registration as father, mother, spouse, sibling, and offspring, including spouse of offspring of an executive or major shareholder, controlling person, or a person who will be nominated as executive or controlling person of the Company or subsidiary companies.
- 5) Must not have nor have ever had any business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts to the extent that may obstruct the using of his/her independent discretion, and is not nor ever have been a major shareholder, a non-independent director and audit committee director or an executive of those with business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, unless having been relieved from such title for not less than 2 years before the date of filing an application with the Office of the Securities and Exchange Commission.

- 6) Must not be nor have ever been an auditor of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, and is not a major shareholder, a non-independent director and audit committee director, an executive, or a managing partner of the audit firm where the auditors of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts are working for, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director and audit committee director.
- 7) Must not be nor have ever been a provider of any professional service, including a legal consultant or financial consultant, with remuneration in excess of Baht2 million per annum from the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts. Where the provider of professional service is a juristic person, it shall include the major shareholders, non-independent director and audit committee director, executives, or managing partners of such professional service provider, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director and audit committee director.
- 8) Must not be a director appointed as the representative of the Company directors, major shareholders, or any shareholders who are connected persons of the major shareholders of the Company.
- 9) Must not possess any other characteristics that will prevent the independent expression of opinions in respect of the operations of the Company.
- 10) The Independent Director and Audit Committee Director who are qualified according to 1 - 9 may be assigned by the Board of Directors to make decision on the operations of the Company, the operations of the subsidiaries, associated companies or juristic entities which may have a conflict. The decision could be made in the form of panel.

### **Setting up remuneration**

#### **A) Remunerations of the Company's Directors and Audit Committee**

The Company attaches importance to good corporate governance system, it therefore has set a transparent policy to compensate all the Directors with remunerations and other benefits that are fair for their responsibilities and contributions.

The Chairman of the Board authorized the remunerations to be paid to the Company's Directors and Audit Committee in 2022 to be no greater than 1.5 million Baht, to be same the 2021. The Remuneration has determined from the remuneration generally paid in the same industry and expansion of the business.

The directors' remunerations and Audit Committee have not been set by the Remuneration Committee since the company has not had the Remuneration Committee. The Remuneration Committee were approved by the Board of Directors.

The remuneration of Directors and Audit Committee must be approved by the shareholders at all times. The shareholders' meeting approved by at least two-third of the number of shareholders present and vote at the meeting.

## Remunerations of the Company's Directors

Board Members	Positions	Remunerations (Baht per year)	
		2021	2022
Mr. Virat Chinprapinporn	Chairman of the Board	80,000	80,000
Mr. Surapol Satimanont*	Director / Independent and Chairman of Audit Committee	80,000	40,000*
Mr. Wanchai Mekasut**	Director / Independent and Chairman of Audit Committee**	80,000	80,000
Mr. Preecha Jenthanavijit	Director / Independent and Audit Committee	80,000	80,000
Mr. Prasan Thumsanong***	Director / Independent and Audit Committee	-	40,000***
Mrs. Naowanit Silaparat	Director and Managing Director	80,000	80,000
Mrs. Naowarat Suthamjariya	Director	80,000	80,000

## Remark :

- The Board of Directors' Meeting No. 2/2022 held on May 12, 2022 resolved unanimously as follows:
  - \*Mr. Surapon Satimonont has submitted a letter of resignation from Director / Independent Director / Chairman of the Audit Committee on May 11, 2022 due to many responsibilities, effective from May 13, 2022 onwards.
  - \*\*\*To approve the appointment of Mr. Prasan Thamsanong as Director / Independent Director / Audit Committee, effective from May 13, 2022 onwards.
  - \*\*Modifications of position of Mr. Wanchai Mekasut from Audit Committee to Chairman of the Audit Committee, effect from 12 May 2022 onwards.

## Remunerations of Audit Committee Director

Board Members	Positions	Remunerations (Baht per year)	
		2021	2022
Mr. Surapol Satimanont*	Director / Independent and Chairman of Audit Committee	80,000	40,000*
Mr. Wanchai Mekasut**	Director / Independent and Chairman of Audit Committee**	80,000	80,000
Mr. Preecha Jenthanavijit	Director / Independent and Audit Committee	80,000	80,000
Mr. Prasan Thumsanong***	Director / Independent and Audit Committee	80,000	40,000***

## Remark :

- The Directors of company and the Directors of the Audit Committee were paid 15,000 Baht for every meeting they attended. The Annual General Meeting of Shareholders No. 1/2020 held on 17 Junly 2020, The Directors of company and the Directors of the Audit Committee were paid 20,000 Baht for every meeting they attended.
- The Board of Directors' Meeting No. 2/2022 held on May 12, 2022 resolved unanimously as follows:
  - \*Mr. Surapon Satimonont has submitted a letter of resignation from Director / Independent Director / Chairman of the Audit Committee on May 11, 2022 due to many responsibilities, effective from May 13, 2022 onwards.

2.2) \*\*\*To approve the appointment of Mr. Prasan Thamsanong as Director / Independent Director / Audit Committee, effective from May 13, 2022 onwards.

2.3) \*\*Modifications of position of Mr. Wanchai Mekasut from Audit Committee to Chairman of the Audit Committee, effect from 12 May 2022 onwards.

## **B) Remunerations to management, managing officers, and staff**

### **Monetary remunerations**

The company has set the criteria on the remunerations which include salary, living expenses, wages, allowances, provident fund and bonus. The company has compared its remuneration structure with those of the companies in the same industry and has developed the key performance indicators so that the remunerations can be fair and transparent including being good incentives.

### **Non-monetary remunerations**

The company has placed great emphasis on the human resource of the company. As such, the company has developed and encouraged the bond and good attitude of the staff toward the company. The company has offered the staff the accident insurance for those with operational risks, medical care (annual check up), provident fund, accommodation and public utility for those who work in the provincial areas.

### **Self-Assessment of the Board**

An self-assessment process has implemented for the Board of Directors. The assessment evaluates the performance of the Board of Directors, which enables to review the problems and obstacles encountered along with the progress made in the past year. Reflection of the review is used as reference and guideline for developing and modifying strategies and policies for the coming year.

In 2022, the Company arranged for all the directors to conduct 2 topics performance assessments, as follows:-

- 1) Self Assessment for the board of directors as a whole
- 2) Self Assessment of the board of directors and of committee members on an individual basis

### **Assessment Process and Criteria**

The Board's Self-Evaluation Form is a form used to evaluate the performance of the board of directors as a whole and individual basis. The evaluation guideline was adapted and adjusted from the Stock Exchange of Thailand to suit the characteristics and structure of the board. The evaluation result has an important role to develop the efficient and effective performance and operation of the board. Topics of evaluation are:

<b><u>Scores</u></b>	<b><u>Grade</u></b>
Over 90%	Excellent
Over 80%	Very good
Over 70%	Good
Over 60%	Fair
Below 60%	Improvement needed

Assessment results of each committee can be summarized as follows:-

- 1) Self Assessment for the board of directors as a whole, consisting of 6 sections, namely:-
  1. Board structure and qualifications
  2. Roles, duties and responsibilities of the board

3. The board meeting
4. Duties of directors
5. Relationship with management
6. Director's self improvement and management training

The summary of self assessment for the board of directors as a whole in 6 topics showed that most activities were good / the best appropriately. The average point at the excellent level, equivalent to 96.50%

- 2) Self Assessment of the board of directors and of committee members on an individual basis, consisting of 3 sections, namely:-

1. Board structure and qualifications
2. The board meeting
3. Roles, duties and responsibilities of the board

The summary of self assessment of the board of directors and of committee members on an individual basis in 3 topics showed that most activities were the best /the best appropriately. The average point at the excellent level, equivalent to 97.86%

### **Procedure**

The Company secretary submits the evaluation form for all directors to evaluate themselves at the end of each year. The secretary will also collect and report the summary of results to the board meeting for consideration, acknowledgement and discussion every year.

### **Board Board Meetings**

The Board of Directors has set a guideline for holding at least 6 meetings annually and calls for an extraordinary meeting when necessary. All members of the Board are required to attend meetings except in cases of emergency. The Chairperson and the Managing Director are responsible for determining the appropriate agendas and its sequence while allowing other Board Members to submit other agendas for consideration. The agenda of each Board meeting is clear and the Company sends agendas and related documents to the Board seven days prior to the meeting date so that Board members have sufficient time to study the issues beforehand. Additional information on each agenda can be sought from the Company's Secretariat.

The Chairman emphasizes due care and careful judgment and provides sufficient time for the thorough discussion and consideration of matters. The Company Secretary is charged with issuing invitations and supporting Board members with all necessary documentation in preparation for Board meetings. The minutes to all Board meetings are prepared by the Company Secretary, which must be approved by the Board of Directors prior to safekeeping and for future reference by stakeholders.

In 2022, the Board of Directors met in ordinary Board meeting total 4 times. Attendance record of Board members is disclosed in the "Management Structure".



## 10. Code of Conduct and Code of Business Ethics

### ► Conflicts of Interests

All staffs shall avoid any actions or any activities that could benefit themselves or other persons and could lead them to do or make any decisions that conflict the interests of the customers, the company and the shareholders.

### ► The benefit of the customer is always the first priority of all staffs

The company has the policy that the benefits of the customers are the first priority. As such, this is the reason that the company has gained the respects of the customers and continued to grow with sustainability.

### ► Relationships with external business organizations and institutions

The company does not encourage the staffs to involve in the business of the external business organizations in a way that this could cause any conflicts of interests or deteriorate the reputation and respect of the company. Therefore, the company has imposed the policy that all staffs shall avoid any actions that may cause a conflict of interest with the company.

### ► Awareness of the company's assets

The company has the policy to ensure that it has the effective internal controls in managing their assets by using the accounting control and register control. Such controls are adopted in order to ensure that any transactions to be withdrawn or disbursed shall have an approval according to the specified procedures and authorization limit (with a clear authorization and delegation). The staffs expenses e.g. travel, transportation and entertainment expenses in all levels shall also be controlled. Internal controls are to compliment the work conducted by the Certified Public Accountant and Audit Committee.

The company's assets to be controlled include office equipments, computers, machinery, information, strategic plan, product innovations, company's policy and customer list, etc.

The company has the policy that all staffs should be responsible in maintaining the assets of the company or of the customers with cautiousness and these assets shall be kept in the safe place. The staffs are not permitted to use the assets or information or strategic plan or product innovations or customer list or office equipments for their own benefits unless they have an approval from the authorized person.

### ► Relationships with government agencies

The company has the policy to encourage and promote the relationships with the government agencies in order to exchange opinions or provide cooperation in business operations that are in accordance with the rules and regulations of the laws, including promoting or supporting any activities of the government agencies.

### ► Any actions with benefits in return

The company does not encourage the staffs of the company to make any payments or contributions considering as bribery or make payments to obtain some benefits to their business or to obtain faster services from the government officers, related persons or any government agencies. This may be considered as illegal or fraud.

### ► Relationships between the staffs and the company

The company has the employment policy where all applicants shall be treated equally with no racial, religious, age and gender discriminations. The salary raise, bonus and any internal promotion shall be based on the performance of that person.

In case that the company has recruited any person who is blood-related, or direct or indirect relatives for the management or staff position, the employer or the person who makes the employment decision shall disclose their relationships in writing to the company.

The company has emphasized on the confidentiality of the staffs' information. It has the policy that personal private information of the staff which includes medical records, salary, incomes and fringe benefits, shall be safely stored, the same as the information of the company's customers. The abovementioned information of the staffs shall only be used as deemed necessary or requested by any related government agency.

The company has emphasized not only on the relationships with their customers or other parties but also on the relationships with their staffs. When recruiting the staffs, generally the company shall consider the loyalty, ethic, roles and responsibility and corporate social responsibility. The company has continued to provide the staffs by improving their fringe benefits, enhancing their healthy workplaces and working environment including good co-workers.

#### ► **Individual judgment**

When conducting any business, it is impossible to clearly specify all circumstances that relate to the code of conducts that shall be faced by the staffs. This manual is to remind and encourage the staffs' responsibility on the code of conducts in order to avoid certain actions in some situations. Staffs shall use their own judgments and commonsense in making decision on any matters that have not been mentioned. To ensure that whether any decisions made are in accordance with the ethical rules, we should ask ourselves the following questions.

- Whether or not such actions have improved the reputation of the company.
- Whether or not such actions are illegal.
- Whether or not such actions are in accordance with the policy of the company.
- Whether or not such actions have caused anyone any financial risk or induced an increase in inappropriate benefits.
- Whether or not you may lose face or feel embarrassed if your boss, colleagues, family and friends have known the whole story.
- Whether or not such actions shall clearly be specified as inappropriate actions or behaviors.
- How the other persons view this action after the disclosure.
- Whether or not these actions are in accordance with your ethic and whether you feel uncomfortable with these actions.

The company encourages each staff to conduct according to this code of business conduct and any business actions are performed with rational decision making. If we could do and respect towards what we have held onto, it is certain that the company shall gain loyalty and trust from all staffs.

## **DIRECTOR AND STAFF CODE OF CONDUCT**

#### ► **Introduction**

This code of conduct includes the foundation principle of the responsibilities of all directors and staffs of the Baan Rock Garden Public Company Limited.

Under the strong competition, in order for the company to remain the leader with its continuous success, the company does not emphasize only on the success outcomes but also on the approach/ process in order to achieve the success. The company shall not proceed or perform any actions that are illegal or against the code of conduct to achieve its success.

To sustain the business success of the company, this shall rely on the actions of all directors and staffs who are responsible for any actions specified in the rules and regulations of the company.

For a clear clarification and better understanding, under this code of conduct "we" shall refer to all directors and staffs and "the company" shall refer to Baan Rock Garden Public Company Limited and its business operations.

**► Core Value**

The Board of Directors has approved this code of conduct to be used by directors and staffs in performing any business operations of the company. There are 7 core values which can be summarized as follows:

**1. Integrity**

We determine to do the right things and conduct our business with loyalty and honest under the laws and regulations of the company. We shall adopt this code of conduct in all our decision making and activities of the company. We shall operate our business with integrity and consider the inherent risks that may affect the organization.

**2. Trust**

We have paid great respect to our colleagues, customers, partners, shareholders and government officers. We have treated such persons the same way as we would like them to treat us. We are confident that everyone shall work hard on their abilities and work their best on the foundation of trust.

**3. Confidentiality**

We shall protect the confidentiality of our business operations whereby this information shall be treated as our own information.

**4. Professional**

We shall always operate with skills, knowledge, capabilities and as professional.

**5. Human Resources**

We shall recruit the persons with knowledge and experiences that are in accordance with the need of the company. Any promotion and income shall be based on the performance of the staffs. We have faith and confident in everyone as we believe that everyone is the precious assets of the company.

**6. Leadership**

We use leadership to drive the company to achieve its success and have a clear vision including encouraging the staffs to have the leaderships, improving their knowledge and competency, and removing obstacles to staff developments.

**7. Compliance with rules and regulations**

We expect that any decisions made or business operations conducted by the staffs shall comply with the laws, relevant rules and regulations. Moreover, the staffs shall have moral behavior.

**► Code of Conduct Policy**

The company's policy is to legally conduct any businesses and have corporate social responsibility. The company expects that all staffs are aware of the company's policy and shall comply with the company's policy and any laws relating to their responsibilities. Moreover, the staffs shall follow all suggestions specified in this code of business conduct.

**► Human Resources**

The company has complied with the laws and regulations of recruitment and emphasized on its policy where everyone shall be equally entitled for the recruitment opportunity starting from candidate selection, hiring, recruitment, training, competency development, rotation, promotion and fringe benefits.

The human resource policy and plans are developed in order to help the company to achieve its business goal. All employees at any chain of command shall comply with this policy and we encourage the positive work atmosphere where different opinions are welcomed and everyone has respected one another.

**► Environment, Health and Safety**

When conducting any business and making any decisions, it is the company's responsibility to consider the environmental protections and to ensure that the products and business of the company are in accordance with the rules and regulations or any other standards.

We shall be alert for the safety and environmental situations. Moreover, we shall acknowledge of any laws of safety, health and environment, including the policies specified by the company as there are always amendments on the laws of safety, health and environment.

**► Conflict of Interests**

The main concept of "conflict of interest" is that all staffs shall avoid any activities, investments or other forms of benefits that may have a negative impact on the loyalty and good reputation of the company or the staffs.

**Conflicts of interests may have occurred if the staffs:**

1. personally grow increasingly wealthy due to the access of confidential information.
2. are hired to work for other organization whereby this work could affect their work and responsibility at the company.
3. accept any gifts or rewards from other persons without the permission from the company due to the services they have provided which is a company's business or to use their position to influence other persons to conduct in their own interests.
4. purchase or sell the shares of the company or subsidiaries or affiliated companies by using the inside information that has not been publicly disclosed.
5. disclose an inside information that has not been publicly disclosed to other persons.

**► Confidential Business Information**

We shall strictly conform to the policy, rules and regulations, including any guidelines set by the company on information security. We shall not disclose or use any information that is belonging to the company or the other's information received by the company as specified under the confidentiality agreement. Exceptions shall be applied as deemed necessary or only after the receipt of written approval from the company. The information of the company shall not be used or kept in the place where unauthorized persons may have seen or accessed.

**► Gathering business information of the competitors, production and technical information**

We shall comply with the guideline on gathering business information of the competitors, production and technical information. These guidelines have specified the proper procedures for the staffs who gather and use the information of business competition as the representative of the company. The company shall not adopt any illegal methods (e.g. stealing, bribery) or any methods that are against the code of conduct in order to access the information of the business competitor.

**► Financial Integrity**

Any accounting records of the company shall be reported to the management of the company, shareholders, creditors and other government agencies. As such, any accounting records of the company and reports of these accounting records shall be kept and presented according to the laws being enforced. The details of the assets, liabilities or obligations, incomes and expenses shall be true and correctly displayed.

We hold a joint responsibility to ensure that there is no records of incorrect information or distorted information on our accounting system of the company. All transactions shall have the document and details attached, including correctly recording the accounting transaction under the actual accounting period. We shall always comply with the Generally Accepted Accounting Principles and internal control system specified by the company.

**► Activities and political involvement**

The company has the foundation policy that it shall not contribute the money or human resources of the company for political support to any candidate politician or any political parties unless such support is approved by the laws or the support is generally for democracy.

The company has the policy that staffs shall not use the company's facilities or resources for political campaign or political fund raising or certain political party.

The company prohibits the immediate superior and staffs in all levels to give the order or persuade the staffs and the subordinates to participate in any political activities.

The decision made by the staff to participate in political activities during their own private time or contribute their own money or other assets for political campaign or political activities, such actions shall be recognized as the personal decision made by that staff.

**► Report on the staff code of conduct violations**

The company shall take the staff code of conduct violation very seriously. The staffs who violate this code of conduct shall be entitled to the disciplinary punishment whereby they may be terminated from the employment. Therefore, the staffs shall immediately report to their immediate superior when there is a violation or supposed to be a violation of this code of conduct.

The immediate superior is responsible for monitoring that the staffs act in accordance with this staff code of conduct and shall report to the Audit Committee, including recording any staff code of conduct violations.

**► Recommendation**

This code of conduct may not be able to specify any behavior actions in all situations. However, the company strongly believes and respects the decision made by each staff that after carefully considered, this decision is the right call and appropriate to the situation.

In case the staff cannot specify an appropriate action, the staffs should answer the following questions and if they have answered "yes" to these questions, they could proceed.

- Whether or not your actions are legal and in accordance with the rules and regulations of the company.
- Whether or not "this action is the right call" and you feel "this action is right".
- Whether or not this action is in accordance with the public's opinions.
- Whether or not this action can build up the confidence of the company as the moral company.

## 11. Corporate Governance Policy

Baan Rock Garden Public Company Limited provides priority that good corporate governance is the major factor that enables the organization to have efficient operation and supports sustainable growth. The Board of Directors set out the "Corporate Governance Policy Handbook", therefore, was drafted by Corporate Governance Committee which guided by the SET CG principle, and approved by the Board of Directors on 18 February 2016.

This policy was set in accordance with the SET CG principle which is divided into 5 categories;

### Section 1 Shareholders' Rights

The Board of Directors recognizes the right of shareholders own the company, controlling it by appointing the board of directors to act as their representatives. Shareholders are eligible to make decisions on any significant corporate changes. Therefore, the Board of Directors encourage shareholders to exercise their rights as basic shareholder rights include the right to 1) buy, sell, or transfer shares 2) share in the profit of the company 3) obtain relevant and adequate information on the company in a timely manner and on a regular basis. And Shareholders should be fully informed of the criteria and procedures governing shareholder meetings. Sufficient information regarding the issues to be decided in each agenda item should be provided in advance of the meeting. Shareholders should be able to query directors both in the meeting and by sending their questions in advance. They should also be allowed to propose agenda items and vote by proxy. Other than, The board of directors recognize shareholders rights and avoid any action that violates those rights. The guidelines are as follows:

- 1) The Company has appointed Thailand Securities Depository Co., Ltd. to perform the duty as its securities registrar to provide convenience to shareholders regarding securities registration matters of the Company.
- 2) The Company define publicly disclose policies to encourage all shareholders, including institutional ones, to attend the company's shareholders meeting.
- 3) The Company has to hold an AGM within four months of the end of its accounting period. And The Company may call for an EGM if, after an AGM has been held, there is another matter that requires the shareholders approval.
- 4) Notice of AGM The Company details on the agenda in its entirety. As follows:
  - 4.1) To consider and appoint of directors was listed full name, age, educational background, career history, a director of the company. Including attendance in recent years and the number of years that he served as the director of the company.
  - 4.2) To consider and appoint of auditors was listed named auditor, affiliated companies, licensed auditor and the services of an auditor. Clearly
  - 4.3) To consider of dividend payment has informed the company's dividend policy. The rate proposed dividend With reasons and supporting information.
  - 4.4) In the Notice of AGM was listed objectives and reasons of each agenda, include Board of Directors' opinion on each agenda item. Clearly
- 5) On the meeting date, the Company would have registration officers ready 2 hours before the meeting and until the end of the meeting to provide convenience to shareholders and proxies who attend the meeting. In addition, there has been an application of registration for the Annual General Meeting and voting results display beginning from the preparation of information for the members attending the meeting, printing of voting ballots and compiling of voting results according to the agendas and minutes of the meeting to facilitate the shareholders' meeting.

Before the meeting begins, the chairman would inform the meeting clearly of the voting and vote counting procedures for each agenda under the articles of association, as well as the requirement that the voting ballots

be used for every agenda in order for the shareholders to exercise their voting rights as may be deemed appropriate for each agenda.

**Explanation on voting procedures and vote counting are as follows :**

- 5.1) One share shall be counted one vote and the majority of votes shall be deemed resolution. In case of an equality of votes, the Chairman shall be entitled to a casting vote distinguishing from that he has in the capacity of shareholder.
- 5.2) Shareholders attending the Meeting in person can cast votes as they wish on the ballots handed to them at the time of registration. The proxy appointed by the shareholder can also cast votes as directed by the grantor specified in the Proxy Form, and deliver to the staff to be recorded together with the votes that the shareholders have in advance given proxy to the independent directors proposed by Company.
- 5.3) The chairman will inform the Meeting of all voting results in each agenda. The votes as counted will include all votes per directions of all shareholders that appointed proxies. Each agenda will use the latest number of shares under possession of shareholders present in the Meeting.

For the selection of directors, the vote would be cast individually to enable shareholders to elect the preferred directors, whereby the Company would nominate names to be voted one by one. For transparency of this agenda, every shareholder who either votes for, against or abstains, was required to vote by using ballots, which would be collected by the officers after all the votes have been cast. Each director who is elected must receive more than half of the entire votes cast by shareholders who attend the meeting and have the right to vote.

The Company attendees would also be given an opportunity to raise questions or to give opinions with reasonable time for discussion. The issues of the questions and answers would be recorded in the minutes of the meeting in order to inform the shareholders who had not attended the meeting, and the chairman would conduct the meeting according to the agendas and would not add any agenda without notifying the shareholders in advance.

In the meeting, the Chairman explained before the meeting began how to vote and how to count the votes, as well as the requirement to use voting ballots for every agenda. The chairman also asked for concurring opinion that for those who attended the meeting later, they would be considered as forming a quorum and given voting rights from the beginning agenda. To proceed with the meeting, the Chairman presented matters in the order of agendas and gave time for questions of each agenda. For other matters apart from the agendas, there was question time in the latter part, of which every shareholder had equal rights and was given reasonable time.

- 6) The meeting of shareholders will be facilitated by the Company, ensuring that it does not contain any complicated procedure or limit the opportunity of those who wish to study the information of the Company. In addition, the Company shall not perform in any way that creates barriers to or hinders effective communication among shareholders. The Company shall take into account the convenience of the participants by not organizing the meeting on traditional holidays or holidays of commercial banks. Also, it shall conduct the meeting during appropriate period, that is, during 8.30 - 17.00 hours and the venue to be which is in the area of Bangkok.
- 7) The Company had disclosed the resolutions of the ordinary shareholders' meeting with result of the vote in a letter to the Director and Manager of the Stock Exchange of Thailand and on the Company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th)) within 1 day after completion of the meeting, as well as the minute of the meeting with the votes for each agenda and important questions or suggestions fully recorded. The minutes of the meeting had been forwarded to the Stock Exchange of Thailand (SET), the SET's Board of Governors and relevant



agencies within 14 days from the date of the meeting, and also disseminated via the Company's website for distribution to interest shareholders.

- 8) In order for the shareholders to review meeting details within a reasonable time and to ensure equality for both Thai and foreign shareholders concerning access to the information, the Company has implemented a policy on distributing minutes of the shareholders' meeting in a comprehensive manner. Each agenda contains important information as follows:

- 8.1) Recorded explained the voting procedure. Prompted by way of voting and vote counting. The ballot includes how to display the score to shareholders prior to the meeting.
- 8.2) Recorded questions answers to opportunity for shareholders to ask questions. Or offer comments on the agenda of the meeting to allow shareholders who did not attend the meeting to get to know.
- 8.3) Recorded resolved to approve meeting, and recorded number of votes in each agenda clearly. Include agree, disagree, abstaining and bad card votes on every agenda.
- 8.4) Recorded the name and position of director attendance and the directors did not attendance in order to monitor the participation of directors in meetings of shareholders each.

The Company published resolved to approve meeting of shareholders on the news system of the SET and the company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th)) within the next business day, and the company published minute of AGM of Shareholders complete on the company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th)) within 14 day since of the AGM. Shareholders can review the data without having to wait until the next meeting.

- 9) The Company requires all directors have a duty to participate in a meeting of shareholders at all times, and shareholders can inquire the Chairman of the Board and the auditors of the Company on the issues involved.
- 10) The Company has disclosed business-related information on the news system of the Stock Exchange of Thailand while also posting important information and current updates on its website ([www.rockgarden.co.th](http://www.rockgarden.co.th)). Such an effort is considered the protection of shareholders' rights beyond their legal rights.
- 11) The Company has been considered remuneration's directors by taking into account the remuneration of similar groups of industry and expansion of the business. The Company has also proposed all forms of remuneration, i.e., monthly allowance, gratuity and meeting allowance, which will be proposed to the shareholders for approval at every annual ordinary shareholder's meeting. Neither cash nor other assets will be offered to the directors unless it is the remuneration as per the rights and entitlements on a normal basis for the position as directors of the Company (For details, see "Remuneration for Directors and Executives"). The remuneration payment shall be in accordance with the Public Limited Companies Act, Section 90, which stipulates that "the remuneration payment to directors must be in accordance with the resolutions of the general meeting of shareholders that consists of not less than two-third of the total votes of the shareholders present at the meeting. The Company has publicized such a policy on its website ([www.supalai.com](http://www.supalai.com)) for the acknowledgement of both shareholders and the general public.
- 12) The Company has set out agendas for the appointment of auditors and determination of audit fees for shareholders to approve at the general meeting of shareholders on an annual basis. Details on the proposed auditors and audit fees will be provided sufficiently to shareholders for consideration.

## **Section 2 Equitable Treatment of Shareholders**

The Company has complied with shareholders equally by placing emphasis on equality of both major and small shareholders, and attaching importance to their fundamental rights and encouraging them to exercise their rights as given by law. Information is provided completely and equally to make the shareholders feel confident in

making investments. Though shareholders are unable to attend the meeting because of any inconvenience, they are entitled to appoint a proxy to attend the meeting. For such purposes, the Company has publicized guidelines on the website of the Company ([www.rockgarden.co.th](http://www.rockgarden.co.th)) to inform the shareholders and the general public.

- 1) The Company facilitates the shareholders who are foreigners, the Company has prepared all relevant documents in two languages i.e. English and Thai for Thai and foreign shareholders such as in Thailand and overseas, such as the notice of the meeting, proxy instrument, minutes of the meeting, annual report etc., and developed the Company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th)) in two languages.
- 2) The Company has set out criteria in proposing agenda and nomination of persons for appointment as directors. This is to encourage small shareholders to participate in overseeing the Company and to select qualified directors, who can perform their duties effectively for the best interests of shareholders and all groups of stakeholders. The Company has published the criteria on both its [www.rockgarden.co.th](http://www.rockgarden.co.th) website under heading "Investor Relation" (<http://www.rockgarden.co.th/investor.html>) and that of the Stock Exchange of Thailand in order for shareholders to nominate persons to be elected as directors, propose agendas and inquire about the Company.
- 3) The shareholders have the opportunity to ask any questions on each agenda by contacting Miss Jantamat Harnkimhunt, secretary of the company, via her E-mail address: [jantamat@rockgarden.co.th](mailto:jantamat@rockgarden.co.th), or reaching her at 02-9347000 ext. 211 in advance 14 days before the commencement of the meeting whereby this should not be more than 7 days. Moreover, the shareholders could raise questions or express their opinions on any agenda during the meeting. The questions raised and the answers including the suggestions shall be recorded in the minute whereby this shall be published on the company's website at [www.rockgarden.co.th](http://www.rockgarden.co.th) in the form of video clip approximately 14 days after the commencement of the meeting. The company shall announce this information to the shareholders either directly or through the Stock Exchange of Thailand.
- 4) In the Annual General Meeting of Shareholder, with the important of the voting rights of the shareholders, the company has sent shareholders the invitation letter and the meeting document 14 days before the commencement of the meeting whereby these letters shall be sent by Thailand Securities Depository Co.,Ltd., the company's registrar. Moreover, the company has published the invitation letter and the meeting documents on the company's website at [www.rockgarden.co.th](http://www.rockgarden.co.th) approximately 30 days before the commencement of the meeting in order for the shareholders to study in advance. The annual report has also been published on the company's website approximately 14 days before the commencement of the meeting. The invitation letter to shareholders detailing its entirety, with the date, time, venue and all agenda items, with assign objective reasons and the Board of Directors on each agenda clearly.

In order to provide shareholders have been informed of the matter to be considered at the meeting and factors to be considered in deciding to attend. The shareholders have been informed decision prior to the meeting. The company avoid adding any other, which will be voted on at the meeting, that is not predefined in the AGM, this constitutes unfair to shareholders who did not attend the meeting.

- 5) At shareholders meetings, each agenda item will be strictly followed in the order published in the invitation letters. No additional agenda item shall be added without advance notice to the shareholders. The measure is to ensure that the shareholders have enough time to study relevant information before making decisions.
- 6) The Company proposes the names of all of its independent directors as an option for proxies. A shareholder may choose to be represented by any one of them. The proxy forms are also in line with the forms recommended by the Commerce Ministry, with the formats that allow the shareholders to dictate the direction of his votes. The measure is to encourage the shareholders to exercise their rights to attend the meetings and vote on each agenda item.

- 7) The Company promotes the use of voting tickets for all agenda items by printing them separately for each major issue. The shareholders can therefore vote as they deem appropriate. The voting tickets will be kept in the meeting rooms so that they may be counted and added to the votes cast in advance in the proxy forms before announcing the result of the voting in the meeting room.
- 8) Directors and executives are required to submit the list of their first securities holding and report on changes of securities holding including those of their spouses and minor children, as well as related persons. The submission and report shall be conducted in accordance with Section 59 of the Securities and Exchange Act 1992 (B.E. 2535) within 3 working days from the date of buying, selling, transferring or receiving the transfer of the securities. The directors and executives are also prohibited from buying and selling of the Company's securities during the period of one month prior to disclosure of financial statements to the public.
- 9) The Company determines directors and executives report on the change of securities holding to the Securities and Exchange Commission Thailand and submit the copy of the report to the Company on the same day they submit the report to the Securities and Exchange Commission Thailand.
- 10) The Company determines directors and executives know essential inside information that has influence on securities price must not buy or sell the Company's securities for one month prior to the disclosure of financial statement to the public and they shall not disclose such essential information to other people.
- 11) The directors, executives and employees shall not use inside information of the Company or business trading partners of the Company, that they know from performing duties, to purchase or sell or offer to purchase or sell. They shall not persuade others to purchase or sell or offer to purchase or sell securities of the Company or those of the Company's trading partners for personal gains or for the gains of others. In addition, they shall not engage in any business that competes with the Company as well as its related businesses even though their businesses do not cause the Company to lose benefits.

### **Section 3 Roles toward Stakeholders**

The Company attaches importance to the rights of every group of stakeholders, both internal and external such as shareholders, employees, trading partners, competitors, government agencies including the responsibilities toward the society and the environment. The Company has also set the Code of Conduct as ethical guidelines for business operations by taking into consideration the principle of fairness, human rights, legal respect, intellectual property rights.

#### **1) Human Rights Principles**

The Company regards human rights principle as common practice by taking into consideration human dignity, freedom and equality of individuals, and shall not do any act and nor encourage the violation of human rights. The Company shall not be involved with any agency, organization or individual that violates human rights in every case. The Company has provided a better understanding of human rights to employees in performing their duties, and has not supported any activity that violates human rights and all employees shall not do any act in the manner of sexual harassment, flirting, possessing pornographic pictures, using sexual language or touching the employees of the Company or outsiders who contact the Company.

The Company recognizes the importance of human rights and freedoms with non-discrimination by promoting equality of disadvantaged and disabled people, as well as the impartiality of opportunity between women and men. There is neither gender and racist discrimination, and there is no child labors in the Company.

#### **2) Principle of Law Compliance**

The Company recognizes the importance of law, and applies laws along with morality, ethics and integrity and business operations must be under the regulatory laws, therefore, there shall be no fraud or illegal act or making use of the gap of laws in its operation.

### **3) Intellectual Property**

The Company shall not install and use unlicensed computer software in the Company, shall not demand, accept or use business information acquired illegally or immorally, and shall not to infringe the copyrights, patents and trademarks of others.

### **4) Role of Stakeholders**

The Company divides stakeholders into groups which are shareholders, customers, employees, trading partners, competitors, communities, the society, environment, and related government agencies. The Company has realized that the supports from these stakeholders help to enhance its competitiveness and profitability which are instrumental in its long-term success.

#### **4.1) Shareholders**

The Company places emphasis on the quality and sustainable business growth. Thus, it has conducted business with integrity, transparency, aiming to provide good services for customers' satisfaction, which will result in value adding and maximum returns to its shareholders in the long run. The Company complies with a policy on equal treatment of both major and small shareholders by respecting their rights, and treat all of them equally, while operating business with honesty, integrity and transparency, while disclosing information to shareholders appropriately, completely with standards under legal framework, ethical principles and good corporate governance practice.

#### **4.2) Customers**

The Company has committed to comply with the policy on treatment of customers, with such policy in order to focus on the development of customer's satisfaction and confidence and is committed to treat customers with integrity, honesty and fairness on the basis of a fair return to both parties, while delivering a quality product at a fair price. The Company also controls and ensures that its product has the quality that is up to the standards and requirements of the Consumer Protection Act or other relevant laws, and also provides effective after- sales service to the customers.

The Company has taken good care of and acted responsibly toward its customers. It has produced quality and standard products, maintained their confidentiality and set up a unit exclusively to deal with them. The company has also listened to recommendations and opinions provided by its customers. As such, the customer relations unit has been established in order to provide the after sales service to the company's customers.

#### **4.3) Employees**

The Company is fully aware that employees at all levels are valuable resource of the Company, which is a factor for success and achievement of the goals of the Company. Accordingly, it shall provide care and fair treatment in terms of opportunity, returns, appointment, transfer and trainings for the employees as well as encouraging them to show their potential in order to be part of a sustainable development of the organization. The Company is well aware of the importance of all employees regardless of which section or department they are working in without any discrimination, and focuses on creating a good working environment, safety, with appropriate remuneration for their work. Such remuneration has been considered to be paid at similar rates of the same group of industry and according to the operational results of the Company and the Company is fully aware that employees are valuable assets. Therefore, it

always emphasizes development of knowledge and ability for all employees in order for them to grow sustainably along with the organization.

The Company has treated its employees fairly and paid them appropriately. Moreover, the company has offered various kinds of fringe benefits. These include the uniforms to all employees whereby the patterns shall be changed every 2 years, accident insurance for employees with operations risk, annual check-up, provident fund, accommodation with facilities for employees who work in provincial areas. For the human resource development, the company has trained several employees in order to enhance their knowledge and capability. The trainings include the use of some computer software, joint –seminar with the Stock Exchange of Thailand, Finance and Accounting training, etc.

#### **4.4) For Trading Partners**

The Company has committed to comply with the policy on Treatment of Trading Partners, it has the policy to treat its contractors, trading partners, vendors equally with fairness, by taking into account the best interests of the Company, while focusing on fair returns to both parties by avoiding situations that cause a conflict of interest. It shall also comply with contractual obligations by providing accurate information and correct reports. Any negotiation to solve problems and find solutions shall be based on the business relationship. The Company has supported the construction contractors on a continual basis to boost the morale and to encourage them to create quality work products.

#### **4.5) Competitors**

The Company's the business operations shall be conducted under the free and fair competition framework and shall not seek trade secret of the competitors by fraudulent, dishonest, inappropriate, immoral or illegal acts, regarding its competitors, the Company shall not do any act to cause damage to the reputation of the competitors by accusing, defaming or using any tactics without grounds; and shall not do any act to violate intellectual property rights and copyrighted works of others or competitors; and shall not conduct monopoly with its trading partners or suppliers. The Company has never had any dispute regarding trading competitors.

#### **4.6) Community, Society, Environment**

The Company has committed to operate business while giving back to the society on a regular basis. The Company recognizes the importance to the creation of good environment for the community, focus on the provision of knowledge because knowledge can be a base for developing and improving the quality of life for personal and family benefits as well as the benefits for the society in general.

The Company focuses on raising awareness of the employees to make the most effective, in order to achieve effective utilization of resources. In addition, The Company is committed to comply with all the laws relating to environmental protection and all the laws relating to health and safety, and therefore requires that all employees do the same.

The Company acts responsibly toward the environment of communities and the society by complying with any environmental law in order to avoid impacts towards the company, its community and any relating parties. The company has also paid great attention to the current environmental situation. Therefore, the company has regularly organized the activities to stop global warming annually.

#### **4.7) Related Government Agencies**

The Company has complied with the laws and strictly reported on such compliance, be it the tax payment and other expenses according to the regulations and rules prescribed by the state sector, and provided cooperation and support in implementing the state policies for the benefits of the country.

Regarding the stakeholders' contributions, the stakeholders can file the complaints; give any clue on the misbehavior of the company's employees or behaviors that could bring a disgrace to the company by sending the letter to the Managing Director at 601 Soi Ramkhamhange 39, Prachauthit Road, Wangtonglang District, Bangkok 10310. After received the letter, the company shall consider only the complaint letter or suggestion made by the stakeholders who have provided their name, contact address, telephone number and E-mail address (if any) and have relation with the company. This information shall be kept confidential.

If the company has conducted the inspection and found some evident, the company shall proceed according to the laws and relevant rules and regulation, including report to the Board for justice and transparency so that all departments have been informed.

#### **Section 4** Information Disclosure and Transparency

The Company has a policy to disclose the information to the investors and all groups of stakeholders on an equally basis by disclosing accurate, complete and transparent information in a timely manner. So that stakeholders take decisions, and a mechanism to monitor the implementation of the company, emphasize of the disclosure, and try to add a channel to provide information at all times. The details are as follows:

- 1) The Board of Directors of the Company has duty to treat all shareholders equally by ensuring that the disclosure, both financial and non-financial information, is made correctly, fully, adequately, reliably and in a timely manner in order for the shareholders to receive information on an equitable basis as required by laws, relevant organizations and government agencies. The Company publishes its important information on the website of the Company ([www.rockgarden.co.th](http://www.rockgarden.co.th)), the website of the Stock Exchange of Thailand (SET) and of the Security and Exchange Commission (SEC) according to the criteria laid down by the SET and SEC.
- 2) The company has established the investor relations unit (Tel: 02-9347000 ext. 211 or E-mail address: [pornyamon@rockgarden.co.th](mailto:pornyamon@rockgarden.co.th) , [jantamat@rockgarden.co.th](mailto:jantamat@rockgarden.co.th) , [jantamat.brock@gmail.com](mailto:jantamat.brock@gmail.com) as a communication channel for the shareholders, investors and persons who are interested to learn more about the company can make inquiries regarding the company. The information that has been made public and informed to stakeholders is made available at the Company's website at [www.rockgarden.co.th](http://www.rockgarden.co.th) and updates are made regularly to ensure users can have convenient access to timely news and information in their best interests.
- 3) The Company disclosure of key information, by done via various channels on consistency basis to enable its shareholders and stakeholders to be informed entirely. The channels for dissemination are as follows:
  - 3.1 The Stock Exchange of Thailand
    - \* Annual Report
    - \* Financial Statement
    - \* Operational Results Report on a quarterly basis
    - \* Resolution of the Board and others
  - 3.2 The Securities and Exchange Commission
  - 3.3 Ministry of Commerce
  - 3.4 Newspaper
  - 3.5 Investor Relation (contact 02-934-7000 Ext.211 or e-mail address : [pornyamon@rockgarden.co.th](mailto:pornyamon@rockgarden.co.th) , [jantamat@rockgarden.co.th](mailto:jantamat@rockgarden.co.th) , [jantamat.brock@gmail.com](mailto:jantamat.brock@gmail.com))
  - 3.6 The Company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th))
  - 3.7 Document delivery notify shareholders by mail
- 4) Directors and executives submit the list of their securities holding including those of their spouses, children who are minors and related persons and report on changes of the list to the Office of the Securities and Exchange

Commission within 3 day from the date of purchase, selling, transferring or receiving the transfer of the securities. This is to comply with Section 59 of the Securities and Exchange Act 1992. The directors and executives are also prohibited from buying and selling of the Company's securities during the period of one month prior to disclosure of financial statements to the public and forward the report on selling and buying of Company's shares to the Company Secretary to keep as evidence.

- 5) The Company has committed to comply with the policy on Vested Interest, set requirements that the directors and executives report to the Company on their own or their related person's vested interest relating to the management of business of the Company pursuant to Section 89/14 of the Securities and Exchange Act B.E. 2535 (1992) amended by the Securities and Exchange Act (No. 4) B.E. 2551 (2008). Such report shall constitute information to support the Company's operations according to the requirement regarding related party transaction, which are transactions that may cause conflict of interest and lead to the siphoning of interest of the Company as follow:

- 5.1 The directors and the executives are required to report to the company their own stake, or those of their related persons in case of stake related to the management of business of the company filling in Form for Reporting on Stake of Directors and Executives as follows:

- \* First report: It should be done by the 15th of the following month from the on which there is transaction of stake.
- \* Report on changes of information on stake: It should be made without delay, that is, within 3 business days from the date on which the information has changed by specifying the orderly number of such change.

- 5.2 The directors and executives shall submit report form of having their own stake or those of their related persons to the Company's Secretary for acknowledgement immediately or within the specified date. The Board of Directors has required that the basic reporting form "Report of Interest" of the Listed Companies Association.

- 5.3 The Company Secretary shall do as follows:

- \* Submit a copy of the report on stake according to Section 89/14 to the Chief Executive Officer of the Company and the Chairman of the Audit Committee within 7 business days from the date on which the Company receives such report.
- \* Maintain reports on stake reported to the Company by directors and executives.
- \* Disclose the information on stake of directors and executives in the annual report (Form 56-2) and the annual registration statement (Form 56-1).

## **Section 5 Board Responsibilities**

The Company is well aware of the importance of board Responsibilities with corporate governance for the best interests of the company. The board have leadership, vision, knowledge, ability, experiences and independence in making decisions for the best interests of the company and all shareholders.

### **1) Leadership and Visions**

The Company has set the vision and mission through consideration from the Board of Directors. Which will be reviewed every 2 years to be used as a guideline for business operations and development for sustainable growth. By taking into account all groups of stakeholders. Also taking into account social and environmental responsibility.



**Vision**

To ensure housing development shall meet good quality and customer demands by means of modern and creative design. Every process is controlled and monitored. Appropriate innovation is developed. Emphasis is placed on services provided to customers with responsibility to stakeholders on the basis of environmentally and socially friendly approach.

**Mission**

1. Emphasis is placed on outstanding housing and environmental designs, suitable for the era and quality of life.
2. Building confidence and trust among consumers on the basis of transparency, clarity, sincerity, and honesty.
3. Promoting corporate brands to be widely known.
4. Develop employee strength, team working skills with commitment, diligence, dedication, honesty, earnestness to be ready for creating quality projects.
5. Applying and managing internal organization with good governance and flexibility for enabling to cope with changing situations.

**2) Nomination the company's Directors , Audit , Independent****2.1) The Company's Directors**

The Company does not set up a Nomination Committee for the purpose of Board Member selection. Nevertheless, the Company has established guidelines and criteria for such selection process. The Board of Directors will determine qualified persons to become its members, based on their abilities, experiences, vision and reliability. The Company's Articles of Association state that one third of the Director positions must become vacant each year in the annual Shareholder General Meeting. In order to re-elect the Directors, whose terms have expired, the proposal must be approved in the Shareholder Meeting. The Articles also state the guidelines for the Shareholder Meeting to nominate the Company's Directors.

**Criteria the appointment the Company's Directors**

1. The Board of Directors shall compose of at least five Directors, and at least half must be of Thai nationality. Persons appointed to the Board of Directors must possess qualifications as stated in article 68 of The Public Company Act of 1992 and guidelines as set forth by the Securities and Exchange Commission. The qualifications of each candidate are reviewed including their experiences, knowledge and capability for the business, and present the name list to the shareholders' meeting for the final selection.
2. At least one third of the Company's Board of Directors must be independent board members.
3. At every annual general shareholders' meeting, one third of the Directors has to retire. If the number of Directors cannot be divided exactly by three the number closest to one third shall be retired.
4. The election of Directors will be voted at the shareholders' meeting under the following conditions and procedures:
  - 4.1 The number of individual's vote equals to the number of shares s/he is holding.
  - 4.2 Each individual's vote can be cast to vote for one or more nominees but the vote cannot be divided to preferred nominees.
  - 4.3 After the vote, the nominated persons shall be ranked in descending order from the highest number of votes received to the lowest and shall be appointed as Directors in that order. The number of newly elected Directors must equal to the number of the vacating Directors. If two or



more Directors are eligible for the same seat and earn the same number of votes, the Chairman has the power to make the final decision as to who will be elected.

5. In case of vacancy on the Board of Directors other than through retirement by rotation, the Board of Directors shall elect any person who is qualified and is not subject to prohibition under laws governing public companies as a substitute Director at the next Board meeting by a vote not less than three quarters of the number of Directors remaining, unless the remaining term of the said director is less than two months. The substitute director shall hold the position only for the remaining term of the director he replaces.
6. A resolution may be passed at the shareholders' meeting to remove directors from office prior to retirement by rotation, by a vote not less than three quarters of the number of shareholders attending the meeting who have the right to vote and who have shares totaling not less than half the number shares held by shareholders attending the meeting and having the right to vote.
7. According to Item 18 of the Regulation of the company, it is stated that in every Annual General Meeting of shareholders, one-third of the directors should be released from the post. If the number of the directors could not be equally divided into three parts, the number of directors left the post would be the nearest figure of one-third. For the first year and the second year after the registration of the company, directors would be released from the post by a luck draw. After that, directors with the longest period on the post shall be released from the post and such directors may be re-elected to the office.

#### **Qualifications the Company's Directors**

1. Each board member shall possess knowledge and capability, vision, honesty and integrity. Each member must possess high ethical standards, must possess a clean and transparent record of previous responsibilities and must have sufficient time to make meaningful contributions to the Company.
2. Each board member must possess the qualities and must not have been disqualified in relation to the guidelines set forth for publicly listed companies and/or any other applicable laws and regulations
3. Board members may serve as a board member for other Companies as long as such positions will not hamper the board member from fulfilling his/her duties as a member of the Company's board.
4. Board members must not operate, be partner in or be a shareholder in any business entity that operates in the same industry as that of the Company or is a competitor of the Company unless such position is disclosed to shareholders at the shareholders' meeting prior to the appointment to the Company's board.
5. The qualification of an independent director is similar to that of a member of the Audit Committee which complies with the Stock Exchange of Thailand's guidelines regarding the qualifications and responsibilities of members of the Audit Committee. The independent director's responsibility is to ensure that the interests of all shareholders are upheld. The independent directors are also to be allowed to freely provide thoughts and comments at Board meetings.
6. The Company provides for shareholders to nominate the names of directors advance.

#### **2.2) The Audit Committee**

The Board of Directors is responsible for nominating at least 3 Directors to join the Audit Committee. The Committee members will be selected from the Company's Independent Directors with appropriate qualities, as guided by the laws pertaining to securities and stock exchanges, including the announcement, rules and regulations of the Stock Exchange of Thailand, mandating the qualities and scope of authority of the Audit

Committee. In addition, at least one of the Audit Committee members must have background in accounting and finance.

In addition, the Audit Committee is appointed by the resolution from the Shareholder Meeting, with 2-year term. The Committee's member whose term of office has ended may be reinstated.

**Selection criteria of Independent Director and Audit Committee Director**

- 1) Appointed by the Board of Directors or the shareholders of the Company to be the Audit Committee members and be independent directors.
- 2) Hold shares of not more than 1 percent of the voting shares of the Company, subsidiary companies, associated companies, or any juristic persons with potential conflict, including the shares held by related persons of such independent director and audit committee director.
- 3) Must not be nor have ever been a director with participation in management, a hired worker, an employee, an advisor with fixed salary, or a person with control over the Company, subsidiary companies, associated companies, or juristic persons with potential conflict, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director and audit committee director.
- 4) Must not be a person related by blood or by legal registration as father, mother, spouse, sibling, and offspring, including spouse of offspring of an executive or major shareholder, controlling person, or a person who will be nominated as executive or controlling person of the Company or subsidiary companies.
- 5) Must not have nor have ever had any business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts to the extent that may obstruct the using of his/her independent discretion, and is not nor ever have been a major shareholder, a non-independent director and audit committee director or an executive of those with business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, unless having been relieved from such title for not less than 2 years before the date of filing an application with the Office of the Securities and Exchange Commission.
- 6) Must not be nor have ever been an auditor of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, and is not a major shareholder, a non-independent director and audit committee director, an executive, or a managing partner of the audit firm where the auditors of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts are working for, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director and audit committee director.
- 7) Must not be nor have ever been a provider of any professional service, including a legal consultant or financial consultant, with remuneration in excess of Baht2 million per annum from the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts. Where the provider of professional service is a juristic person, it shall include the major shareholders, non-independent director and audit committee director, executives, or managing partners of such professional service provider, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director and audit committee director.
- 8) Must not be a director appointed as the representative of the Company directors, major shareholders, or any shareholders who are connected persons of the major shareholders of the Company.

- 9) Must not possess any other characteristics that will prevent the independent expression of opinions in respect of the operations of the Company.
- 10) The Independent Director and Audit Committee Director who are qualified according to 1 - 9 may be assigned by the Board of Directors to make decision on the operations of the Company, the operations of the subsidiaries, associated companies or juristic entities which may have a conflict. The decision could be made in the form of panel.

### 3) The Company's Directors Structure

With the understanding of the importance of Policies on Corporate Governance, the Company's Board of Directors has set the policies focusing on the transparency of business operation, investigation and disclosure of information to the public and shareholders on a regular basis. We also give the attention to the internal control and auditing system including the effort to closely manage and control and the risks by taking into consideration the ethics of fair business operation to the customers, shareholders and stakeholders. The structure of the Company's directors is as follows:

- |                                       |   |         |
|---------------------------------------|---|---------|
| • The Board of Directors              | 6 | Persons |
| • The Independent and Audit Committee | 3 | Persons |
| • The Executive Committee             | 3 | Persons |

The Board of Director has been elected by the company whereby each director shall have the term of 2 years. In order to enhance the management efficiency, the check and balance has been clearly put in place. As such, no employee shall have solely authority to sign or make decision. Moreover, a clear line of authority and segregation of function have been established. The structure of the management has been written in the annual report in order to be accordance with the good corporate governance of the Stock Exchange of Thailand. For more detail, please see "Management Structure".

#### 3.1) The Board of Directors

The Company's Board of Directors perform the duties by taking into account integrity, transparency, fairness and maintenance of the Company's interest.

#### The duties and responsibilities of the Board of Directors

1. Supervise and manage the Company's business operations according to the laws, objectives, articles of association of the Company and regulations of concerned agencies as well as the resolutions of the shareholders' meeting, and maintain the interest of the Company according to the business good governance principles. The Board of Directors must also disclose information in sufficient, correct, complete, standardized and transparent manner to shareholders and all relating parties.
2. Set out vision, mission, directions and strategies of the Company, consider and review such vision, mission and strategies regularly and grant approval every year to be in accordance with the Company's business plan.
3. Grant approval to important strategies and policies including the objectives, financial goals and plans of the Company; monitor and supervise to ensure that the Company's strategies and plans have been implemented.
4. Authorize the Chief Executive Officer to have the power to carry out the business operations of the Company as well as the power to appoint and remove the employees of the Company and determine the remuneration for working according to the policies of the Board of Directors; and authorize the employees with the operational powers in accordance with the business condition.

5. Determination duties and responsibilities of the Executive and Management Committee clearly.
6. Organize the annual ordinary general meeting of shareholders within 4 months from the closing date of the accounting year of the Company, and organize the extraordinary meeting of shareholders when necessary.
7. Organize the meeting of the Board of Directors every quarter and there must be not less than one half of the number of Directors attending the meeting; the decision of the meeting must be made by a majority vote; if there is a tie of votes, the Chairman can have a casting vote.
8. The Board of Directors may appoint a number of Directors and/or Executives, as appropriate, to form an Executive Committee and assign them to manage the Company on their behalf. The Board of Directors will appoint one among the Executive Committee to be the Chief Executive Officer. The Board of Directors may only empower the Executive Committee to manage the Company within their scope of authority and responsibilities, as stated by the law, and they must clearly specify the scope of authority and responsibilities of the Executive Committee.
9. The Directors may not initiate a business that directly competes with the Company. They also may not become partners in any ordinary partnerships, general partners in any limited partnerships, or directors of any companies that pose direct competition to the Company.
10. Arrange for disclosure of correct, clear, transparent, reliable and high standard information.
11. Arrange for a preparation of statements of financial position and income statements as at the ending date of the accounting year of the Company and the Board of Directors must arrange for an audit by the auditor before to be presented to the annual ordinary meeting of shareholders for approval.
12. Arrange for a report on important financial and general information to the shareholders in a correct, complete and sufficient manner; and confirm the verification of information reported.
13. The Board of Directors is responsible for the review and approval of the Company's periodical and annual financial statements, as well as ensuring that the financial statements are produced in accordance to the general accounting standard.
14. The Board of Directors must review the adequacy and appropriateness of the Company's internal control system and risk management procedures.
15. The Board of Directors must ensure that the Company's operation receive sufficient audition from the internal Auditor and external Certified Accountant.
16. The Board of Directors has the duty to propose remuneration for directors to be approved by the Annual Ordinary General Meeting of Shareholders.
17. The Board of Directors has the duty to evaluate the performance of Executive Management and set out remuneration in accordance with their performance.
18. The Company's directors have a duty to participate in a meeting of shareholders at all times, and shareholders can inquire the Chairman of the Board and the auditors of the Company on the issues involved.

To exercise their authority in the following Company's affairs, the Board of Directors must first receive the approval from the Board Meeting through the majority voting of attending Directors, and also from the Shareholder Meeting with the approval resolution produced by at least 75% of attending Shareholders with voices.

- (a) Sale or transfer of the entire or the significant portion of the Company's business to other parties.
- (b) Acquisition or transfer of other public or private company's business to become part of the Company's.

- (c) Amendments to the Company's Memorandum of Association or Articles of Association.
- (d) Increase or decrease of the Company's capitals, or issuance of debentures.
- (e) Corporate merger or dissolution.

### **Secretary of the Board**

The Board of Director passed a resolution to appoint Miss.Jantamat Hankimhunt to hold secretary office according to the meeting resolution of Board of Directors no.4/2014 on 13 November, 2014, has acted as the Company Secretary since December 17, 2014 to oversee Board activities and assist the Board and the Company in complying with related laws and regulations and in promoting good corporate governance, to oversee the organization of shareholders and Board meetings in conformity with laws and the Company's Articles of Association and procedures, and to oversee the preparation and storage of meeting support documents and follow up to ensure compliance with the shareholders' and Board resolutions. The Company has defined the Secretary's role, duties and responsibilities in the Corporate Governance Policy Manual, as it envisions the importance and necessity of secretary role in the development of its corporate governance system. The Secretary can be reached at [jantamat@rockgarden.co.th](mailto:jantamat@rockgarden.co.th) , [investor@rockgarden.co.th](mailto:investor@rockgarden.co.th) , [jantamat.brock@gmail.com](mailto:jantamat.brock@gmail.com) or phone number 02-934-7000 ext. 211

### **Required Qualifications and Experience for Company Secretary**

1. Being knowledgeable in and having an understanding of the laws and regulations concerning the company and regulatory body in relation to the law on public limited companies and the law on securities and stock exchange; passing a training course on company secretary duty performance.
2. Being knowledgeable and having an understanding of good corporate governance and corporate governance best practices.

### **Company Secretary's scope of duties and responsibilities:**

1. To produce and keep
  - Record of Directors,
  - Notice of Board of Directors meeting, minutes of Board of Directors meeting and company's annual report,
  - Notices and minutes of all shareholders' meetings.
2. To keep all interest or conflicts of interest report reported by directors or any members of management team.
3. To perform any other action as determined by Capital Market Supervisory Board.

## **3.2) The Executive Committee**

### **Scope of Authority and Responsibilities of the Executive Committee**

1. The Executive Committee is responsible for the consideration of the annual budget allocation, proposed by the management team, before taking it to the Board of Directors for approval. The responsibilities also include the urgent review and approval of the amendments and the additions to the annual expense budget in the events of no scheduled Board Meeting. The executive decisions must, however, be informed to the Board of Directors in the soonest Board Meeting.
2. The Executive Committee is responsible for the consideration of the Company's policies, directions, strategies and management structure. The Executives must also set the guidelines for the operations that correspond to the circumstances of economy and market competition, as reported by the management team, before proposing them to the Board of Directors for approval.

3. The Executive Committee must ensure that the Company effectively operates in accordance with the policies and operational guidelines.
4. The Executive Committee has the authority to appoint the Managing Director, and to discharge personnel below the position of the Managing Director from their positions.
5. The Executive Committee is responsible for the allocation of gratuity, after the approval from the Board of Directors, to the employees, workers or anyone who act on the Company's best interest.
6. The Executive Committee is authorized, following the approval from the Board, to endorse the Company's financial transactions, such as account opening, loans, pledges, mortgages, as well as land trading and registration of land ownership, providing the transactions are in line with the Company's objective, and performed to promote the Company's benefits.
7. The Executive Committee is responsible for carrying out any other assignments the Board of Directors entrusts it with. Nevertheless, the empowerment of the Board of Directors to the Executive Committee must be within the legal scope of authority and responsibilities of the Executive Committee.

The Executive Committee is not authorized to conduct any of the following affairs, or related matters, without first proposing to the Audit Committee for its opinion, and proposing to the Board of Directors and / or the Shareholder Meeting for approval: (a) connected transactions; (b) trading transactions of Company's significant assets; and / or (c) transactions that involve parties who have potential conflicts of interest with the Company and its subsidiaries, (if any).

Furthermore, in conducting the connected transactions or trading transactions of Company's significant assets, as defined in the regulations of the Stock Exchange of Thailand, as well as the above transactions involving other listed companies, the Executive Committee must first obtain approval from the Shareholders in a Shareholder Meeting, or by any other mean possible, according to the regulations of the Stock Exchange of Thailand.

### **3.3) The Audit Committee**

The Audit Committee is an independent party elected to join the Board of the Directors, with responsibilities to examine the financial information proposed to Shareholders and other related parties, to investigate the internal control system, to conduct internal audit processes, and to communicate with the Company's external auditor.

#### **Scope of Authority and Responsibilities of the Audit Committee**

1. The Audit Committee is responsible for investigating, in concert with the Company's external auditor, whether the Company's financial reports are accurately produced, with adequate disclosure. The Committee may voice its opinion to the Auditor, as well as review and investigate any transactions it sees fit.
2. The Audit Committee is responsible for investigating, in concert with the Company's external auditor and internal auditor, whether the Company's internal control and internal audit processes are appropriately in place and effectively performed.
3. The Audit Committee is to determine the scope of the investigation and the audit plans for the external auditor and internal auditor that are in accord, when investigating the financial transactions.
4. The Audit Committee is responsible for the selection and proposal of the Company's auditor and his compensation to the Board of Directors. The decision for appointment must come from the Shareholder Meeting.
5. The Audit Committee must consider the disclosure of corporate information regarding to related-party transactions or transactions inducing conflicts of interest with all due accuracy and completeness.

6. The Audit Committee is responsible for investigating whether the activities of the Company conform to all laws pertaining to securities and the stock exchange, the regulations of the Stock Exchange of Thailand, and the laws relevant to the Company's business.

7. The Audit Committee is responsible for other matters assigned to it by the Board of Directors and agreed by the Audit Committee itself. Examples include the reviews of financial management and risk management policies, the reviews of the Company's operation in accordance with the executive business ethics and the review, in concert with the Company's executive, of significant transactions that, as enforced by the laws, must be presented to the public, such as the executive reports and analyses.

8. The Audit Committee must organize a report on the activities of the Audit Committee, signed by the Chairman of the Audit Committee, which must be included in the Company's Annual Report. The contents of the report include the following:

- (a) The Committee's opinions on the process of producing and information disclosure in the Company's financial reports, as to whether it is accurate, complete and reliable.
- (b) The Committee's opinions on the adequacy of the Company's internal control system.
- (c) The Committee's rationale for its confidence, such that it's appropriate to continue to appoint the current Company's auditor for another period.
- (d) The Committee's opinions on the conformance of the Company's operations to all laws pertaining to securities and the stock exchange, the regulations of the Stock Exchange of Thailand, and the laws relevant to the Company's business.
- (e) Any other matters that the Committee considers appropriate to inform the Shareholders and general investors, which do not exceed the scope of authority and responsibilities of the Committee assigned by the Board of Directors.

#### **4) Setting up remuneration**

##### **4.1) Remunerations of the Company's Directors and Audit Committee Director**

The Company attaches importance to good corporate governance system, it therefore has set a transparent policy to compensate all the Directors with remunerations and other benefits that are fair for their responsibilities and contributions.

The Chairman of the Board authorized the remunerations to be paid to the Company's Directors and Audit Committee in 2022 to be no greater than 1.5 million Baht, to be same the 2021. The Remuneration has determined from the remuneration generally paid in the same industry and expansion of the business.

The directors' remunerations and Audit Committee have not been set by the Remuneration Committee since the company has not had the Remuneration Committee. The Remuneration Committee were approved by the Board of Directors.

The remuneration of Directors and Audit Committee must be approved by the shareholders at all times. The shareholders' meeting approved by at least two-third of the number of shareholders present and vote at the meeting.

##### **4.2) Remunerations to management, managing officers, and staff**

###### **Monetary remunerations**

The company has set the criteria on the remunerations which include salary, living expenses, wages, allowances, provident fund and bonus. The company has compared its remuneration structure with

those of the companies in the same industry and has developed the key performance indicators so that the remunerations can be fair and transparent including being good incentives.

#### **Non-monetary remunerations**

The company has placed great emphasis on the human resource of the company. As such, the company has developed and encouraged the bond and good attitude of the staff toward the company. The company has offered the staff the accident insurance for those with operational risks, medical care (annual check up), provident fund, accommodation and public utility for those who work in the provincial areas.

### **5) Training and Development for Directors and the Management**

It is a company's policy to encourage all members of the Board to undertake some training courses from Thai Institute of Directors (IOD) which are relating to their positions and responsibilities in order to enhance their knowledge and capability to efficiently govern the company. For the directors who have just been elected, each director shall be informed of the information of the company, rules and regulations, business model of the company, which is relevant to their duties. Moreover, various trainings shall be provided to such directors in order to continually enhance their knowledge. The training information shall be published on 56-1 and the annual report. For more details, please see "Directors' profile"

### **6) Conflicts of Interests**

The Company has the policy to eliminate the conflicts of interest by allowing the audit committee to consider and approve the transactions. The audit committee will bring all issues to the Board of Directors' meeting for consideration where the stakeholders of the particular issue will be required not to vote for justice and best company's benefit purposes. The Company always operates the business according to the rules of the Stock Exchange of Thailand, and discloses details, value, contracts and other necessities in the annual report and Form 56-1. For the usage of inside information, the Company's policy indicates that the management must follow Section 59 of Stock & Stock Market Act, B.E.1992 and are not allowed to use inside information for personal benefits

### **7) Business Ethics**

The Company's Board of Directors and management promote the employee's honesty and responsibility to the stakeholders, shareholders and all parties concerned. This is important in order to build an organizational culture with social responsibility. The Company has required that the executive board conform the Best Code of Practices based on SET's guidelines.



## 12. Anti-Corruption Policy

Baan Rock Garden Public Company Limited "The Company" has operate business with integrity and fairness with all groups as well as abide to laws and Code of Business Ethics that are transparent and the principles of good corporate governance and be responsible for society and environment and be responsible for the best interests of its stakeholders. The Company shall be able to develop and become sustainable organization as a result, the company participates in "Private Sector Collective Action Coalition against Corruption" in order to express intention and commitment of the company on anticorruption in all kinds.

The business operations of the company may risk in corruption and deliberately corruption. The company has carefully considered and treated. The Company agreed to establish "Anti-Corruption Policy" written up for to be clear guidelines on business operations and the development of corporate sustainability.

### Definition

Corruption means bribery, exploitation of position and responsibilities and/or using information given or received from performing corporate affairs to offer, promise, give, agree to give, demand or accept money, assets or other inappropriate benefits from the government officers, government agencies and private sectors or responsible units/persons whether direct or indirect action, including any action that conflicts with the Company's business ethnics. Exception shall be applied in case of laws, regulations, statements , standards, customers or business transactions enable to do so.

### Anti-Corruption Policy

All directors, executives, and employees of the company are prohibited from performing any action or accepting or providing any support, fraud and corruption in all kinds directly or indirectly to related individuals or organizations including offering, promising, soliciting, demanding, giving or accepting bribes, or having any behavior implying to fraud or corruption. Covers to every business and every relevant department, the Anti-Corruption Policy shall be reviewed regularly, including a possible revision of such policy and implementation provision in order to accord with business changes, regulations, standards and applicable laws.

### Duty and Responsibility

1. The Board of Directors is responsibilities establish and govern policies to have an efficient system promoting anticorruption in order to ensure that all company's personnel realize and emphasize on anti-corruption. The company behaves as the good model by expressing honesty and commitment on anticorruption in all kinds. The company builds and fosters organizational culture on good corporate governance in order to prevent and suppress fraud. The company supports some independent organizations to perform their operation on anticorruption including Audit Committee.
2. The Audit Committee is responsibilities verify Anti-Corruption Policy established by executives to be appropriate with business model, environment, and organizational culture of the company. Revision of financial and accounting reports, internal audit function and risk management promoting corruption that may pose potential risks to Company's financial stability and operations that are compliant with global standards in terms of conciseness, appropriateness and efficiency. The Audit Committee is also responsible for setting up a corruption reporting center for possible corruption clues and complaints against employee, investigating all informed trace of fraud, corruption and other improper practices, as well as proposing the on-going issues to the Board of Directors for amendment and punishment.
3. Top Executives shall behave themselves according to and promote ethics and conduct as the models of employees, establish system, promote and support AntiCorruption Policy for communicating to employees

and related persons in all departments, revise appropriateness of systems and measures in order to be in accordance with business changes, regulations, standards and applicable laws.

4. Internal Audit Director is responsibilities for auditing and reviewing business transactions whether they are to comply with internal audit policies, guidelines, rules, regulations and applicable laws in order to ensure the appropriateness and adequacy of the internal controls for probable risks in corruption. This shall be directly reported to the Audit Committee.
5. Employees shall comply with policies, rules, regulations, and orders of the company on anticorruption as well as ethics and conduct of employees. Support and give cooperation on preventing and suppressing fraud and corruption. Build organizational culture with no corruption as well as value compliance according to principles of integrity and ethics.

### **Practices guideline**

1. All directors, executives, and employees of the company shall comply with Anti-Corruption Policy, Code of Business Ethics, Director and Employee Code of Conduct, and Good Corporate Governance Policy, related regulations and Practice manual of the company, as well as other practices defined by the company.
2. Top Executives and Employees shall avoid any action or behavior to be constructed as receiving or offering bribe to anyone, directly or indirectly, for personal benefits. They shall not be negligent or ignorant in any suspicious incidence of fraud, corruption or other malpractices involved directly to the Company and shall timely report to the supervisor or a responsible unit/personnel and shall cooperate in investigation. In case that the persons have doubts or questions, they must consult with the supervisor or a person responsible for monitoring ethical conducts of the Company through various channels provided.
3. The company shall give fair treatment and protect employees who deny or inform any fraud or corruption related to the company and such employees shall be protected without any punishment, unfair transfer or persecution. In addition, the company shall appoint some personnel to investigate all informed traces.
4. A person who commits fraud, corruption and other improper practices is equivalent to misconduct in the Company Code of Conduct. This means such person is needed to consider discipline followed by the Company standards. Conviction on laws may be applied in case such action violates the applicable laws.
5. Provision or acceptance of any grant-in-aid shall be in accordance with company's policies and shall be correct and transparent with evidences and recorded accounts. Such grant-in-aid shall be controlled and audited in order to ensure that such grant-in-aid is not fraud or corruption. The procedures of approval and spending of grant-in-aid shall be consistent with internal controls process.
6. The Company shall donate to charity in the form of monetary contributions or support in other forms as a part of Corporate Social Responsibility's activities as well as an opportunity to publicize and reinforce good image of the company without any purpose on business reward.
7. The Company concerns the importance of dissemination, knowledge sharing, and communications with other people who involve or affect the Company so that those parties shall conform effectively to the anti-corruption guideline.
8. The Company strives to create and sustain organization's culture representing that corruption is unacceptable in every business transaction dealing with both public and private sectors.

### **Operational Provisions**

1. This Anti-Corruption Policy shall cover the process of human resource management commenced from recruitment to personnel selection, promotion, training and development, performance evaluation, and rewards. All superiors in all levels shall communicate and make understanding with their subordinates to comply with these practices and control this compliance to be performed efficiently.

2. Any action performed upon Anti-Corruption Policy shall be under provisions defined in Code of Business Ethics, Director and Employee Code of Conduct, Good Corporate Governance Policy, Internal Controls and Risk Management, No Gift Policy, and other work regulations defined by the company.

**Risk Management and Assessment**

For clearly illustrate the operation highly prone to corruption, the Board of Directors, the Management Team and Employee in all levels be through and careful when engaging in the following matters :

1. Gifts, hospitality and other expenses must be done in the manner inconsistent with those specified in the policies provided.
2. Expenses for business entertainment and other payment as required by business agreement are permissible, but such payment must be reasonable and traceable.
3. Charitable contribution or aid must be done in alignment with guideline set forth as follows :
  - The use of money or assets of the Company for charity donations must be openly conducted on behalf of the Company only. The donation must be made for any social contribution and non-profit organization, such as foundations, public charitable organizations, temples, hospitals, medical centers and so on. In this regard, reliable and traceable receipts must be issued and the donation procedure must be reviewed and approved subject to the Company's regulations.
  - Personal donation shall be done. In this regard, the procedure must not have involvement with or cause doubts that fall in to fraud or corruption with an aim for any benefit.
  - The use of money or assets of the Company for sponsorships must be openly conducted on behalf of the Company only, and be approved by authorized persons of the Company. The sponsorships must be provided for business purpose to enhance image or reputation of the Company. In this regard, reliable and traceable donation receipts which clearly specify the objective and receiver must be issued.
4. The procurement process must strictly comply with the company's procedure, as well as being transparent and traceable.

The Anti-Corruption Policy has been in effect on 9 November 2016 with the consideration and approval of the Board of Director on the 5/2016 meeting held on 9 November 2016.

### 13. Internal Control and Risk Management

At the meeting of the Board of Directors of Baan Rock Garden Public Company Limited No. 1/2022 on April 8, 2022, with all three audit committee members attending the meeting, the committee evaluated the control system by asking questions from the management and the committee evaluated the internal control system in 5 parts, namely:

1. Organization and environment
2. Risk management
3. Management operational control
4. Information systems and data communications
5. Tracking system

According to the Committee's opinions, Baan Rock Garden Public Company Limited has an adequate internal control system that is insufficient to protect the Company's assets from misuse or unauthorized use by management, especially operational control by the management. The Company has policies, measures and operational procedures covering the control of transactions with major shareholders, directors, executives or persons related to such persons to prevent conflicts of interest between them and to maintain the Company's best interest adequately as well.

In addition, the committee had additional comments which can be briefly summarized as follows.

**Organization and environment:** As the Company has applied the principles of good corporate governance within the organization, it shows the system that the Company has organized to have processes and structures for leadership and control of the Company's business to be responsible according to their duties with transparency and create competitiveness to preserve capital and increase long-term shareholder value within the framework of good ethics taking into account other stakeholders and society as a whole. In addition, policies and operational plans are taken into account for fairness to business partners and for the long-term benefits of the Company.

**Risk management:** The Company holds a monthly executive meeting to summarize the operating results and problems that occurred in the past month and to assess the general business trend and assess the risks that may arise in the future.

**Management Operational Controls:** In the past, the Company's directors participated in the approval of transactions that may have conflicts of interest because at that time, the Company still had the status of a limited company and there were no regulations regarding such type of transaction in the regulations. However, if there is such a transaction, the Company will present to the Audit Committee for their opinion first and present to the Board of Directors for consideration.

**Information systems and data communications:** The Board of Directors proposes that at the next Board of Directors' Meeting, the Company must take notes on questions, comments or remarks of the Directors so that the shareholders can examine the suitability of the director's performance of duties.

**Tracking system:** The Company's Board of Directors has an internal audit unit as an internal person of the Company who reports directly to the Audit Committee to report progress on improving the observations found on a regular basis to monitor performance and report to Managing Director

**Joint policy between the Company and relevant companies**

Because other companies that are major shareholders of Baan Rock Garden Public Company Limited have ownership of land bank in many plots, both in Bangkok and other provinces, which may possessed for a long time; However, it is possible that in the future, the Company will purchase some or all of the land in the form of one-time purchase or gradual purchase as appropriate and business feasibility of the Company will be in the nature of a related party transaction, which may lead to doubts on the part of Conflict Of Interest. Therefore, the Company has a policy to enter into related party transactions with companies whose major shareholders are major shareholders and directors of the Company as per the table below;

<b>Transaction Type</b>	<b>Policy</b>
Transactions of purchase and sale of goods and services between the Company and other companies in which the major shareholders of Baan Rock Garden Public Company Limited hold ownership of several plots of land bank both in Bangkok and other provinces	1) In the event that the Company purchases land from other companies that the major shareholders of Baan Rock Garden Public Company Limited hold ownership of several plots of land Bank both in Bangkok and other provinces, Baan Rock Garden Public Company Limited must refer to the purchase price with the appraisal price appraised by an appraiser approved by the Office. However, such appraisal will not exceed a period of 1 year from the date the Company enters into the sale and purchase agreement. The purchase of such land must go through the approval process according to the related party transaction notification of the Stock Exchange of Thailand.
	2) In addition, other companies that major shareholders of Baan Rock Garden Public Company Limited hold ownership of land banks in many plots both in Bangkok and other provinces must enter into memorandums of agreement with the Company stating that they will not purchase additional land from the portion they currently held and will not have a policy to conduct real estate project development business competing with the Company. If such other companies which hold ownership of many plots of land banks both in Bangkok and other provinces, and foresee the possibility of developing real estate projects on their land, Baan Rock Garden Public Company Limited will be the sole operator. The contract giver will not conduct any business that competes with the business of the contractor.
	3) In the event that the land owned by such company is to be sold, the Company will have the right to consider purchasing before offering to other persons.
	In this regard, the Board of Directors must ensure that the Company complies with the Securities and Exchange Act and regulations, announcements, orders or requirements of the Stock Exchange of Thailand, including compliance with the disclosure of information on related party transactions and the acquisition or disposal of important assets of the Company or its subsidiaries. In addition, the Company will disclose related party transactions in the notes to the financial statements that have been audited by the Company's auditor in accordance with the accounting standards set by the Institute of Certified Accountants and Auditors of Thailand.

Moreover, other companies that operate real estate business and/or occupy land banks with directors and executives of Baan Rock Garden Public Company Limited serving as directors and/or being major shareholders, which may lead to doubts on the part of Conflict of Interest in terms of the future business of these companies, and there may be an action between Baan Rock Garden Public Company Limited and that company. which will be related to the nature of the transaction; The other companies included here are listed below;

<b>Company</b>	<b>Type of business</b>
1. Baan Rock Garden Public Company Limited	Construction services, real estate trading
2. C & C N GROUP CO., LTD.	Real estate trading
3. KUI LIN PANGNGA CO., LTD.	Real estate trading
4. CHOOCHEEP HOUSINGLAND CO., LTD.	Real estate trading
5. CHALERMCHEEP CO., LTD.	Real estate trading
6. CHOOCHEEP NORTHERN GROUP CO., LTD.	Real estate trading
7. C.H. REAL ESTATE CO., LTD.	Real estate trading
8. PHUKAO HAU CHANG PUNGNGA CO., LTD.	Real estate trading, land sales
9. NICENA PROPERTY CO., LTD.	Real estate trading
10. N.V. REAL ESTATE CO., LTD.	Real estate trading

Therefore, in order to eliminate the aforementioned doubts, Baan Rock Garden Public Company Limited has determined that the aforementioned companies must make a memorandum of agreement with the Company as follows:

- 1) Any of the aforementioned companies will not purchase additional land from their current holdings.
- 2) In case Baan Rock Garden Public Company Limited purchases land from any of the aforementioned companies, the Company must refer the purchase price to the appraisal price appraised by an approved appraiser from the office. However, such appraisal will not exceed 1 year from the date the Company enters into the sale and purchase agreement and the purchase of such land must go through the approval process according to the Related Party Transaction Notifications of the Stock Exchange of Thailand.
- 3) In the event that the land owned by any of the above-mentioned companies is to be sold, Baan Rock Garden Public Company Limited will have the right to consider purchasing prior to offering to other persons.

Any of the aforementioned companies will not have a policy to develop real estate projects to compete with Baan Rock Garden Public Company Limited, and if any of the aforementioned companies has ownership of many plots of land banks both in Bangkok and other provinces and foreseeing the possibility of developing real estate projects on their land, Baan Rock Garden Public Company Limited will be the sole operator. The contract giver will not conduct any business that competes with the business of the contractor.

**14.Details of Related Transaction****Details of Related Transaction at the end of December 31, 2021 and December 31, 2022**

Related Parties (Person / Juristic Person) with Potential Conflicts	Nature of Relationship	Transactions / Agreement	(Million Baht)		Pricing and Conditions	Necessity and Rational of Transactions
			Dec 31, 2021	Dec 31, 2022		
A) Baan Rock Garden, Plc., Ltd. (BROCK) and Rock Garden Group, Co., Ltd. (ROCK GROUP)	- ROCK GROUP is an associate company of BROCK and its subsidiaries, with common Executives and Major Shareholders. - <u>Common Executives and Major Shareholders:</u> 1. Mr. Virat Chinprapinporn: Holding 122,500 shares of ROCK GROUP (0.61% of paid-up registered capital) 2. Mrs. Naowanit Silaprarat: Holding 5,573,480 shares of ROCK GROUP (46.20% of paid-up registered capital) 3. Mrs. Naowarat Suthamjariya: Holding 3,525,004 shares of ROCK GROUP (16.76% of paid-up registered capital)	1. Office rental				
		1.1 Office rental for Head Office	1.36	1.60	- Currently, the company rents 4 floors, namely, 6th floor, area 267.92 sq.m., rental rate 330.- baht/sq.m./month, floor 5,7 contract rental rate 25,000 baht/month from 1 Feb.2022 until 31 Jan.2023. - At present, the company has increased the rental of space on the 2nd floor with an area of 142.68 sq.m. The rental rate is 330.- baht/sq.m./month from 1 Aug. 2022 until 31 Jan. 2023.	- Current rental rate 330.- baht/sq.m./month increased and paid to Rock Garden Group Co., Ltd. It is a rental rate that includes the rental of office equipment (office improvement). when compared to the rent at Rock Garden Group Co., Ltd. Let other companies rent together office furnishings in the same building and compare with office buildings in the same area found that they are similar.  - The service fee is 117.70 baht/sq.m./month, which is a similar rate to office buildings in the same area. (Up from last year's contract at 32.10 baht/sq.m./0 month).  - Electricity charges are charged according to the actual items incurred. which is the same as other tenants in the same building and at similar rates.  * The Audit Committee approved the transaction, and Has of the opinion that the office rental fee, service fee and electricity fee are charged at a reasonable price, and approve the transaction.
		1.2 Service charge	0.64	0.71	-Water bill, security fee and other services.	
		1.3 Electricity charge	0.20	0.23	- Rock garden group Installed and charged 7.- baht/unit/month (excluding tax).	

Related Parties (Person / Juristic Person) with Potential Conflicts	Nature of Relationship	Transactions / Agreement	(Million Baht)		Pricing and Conditions	Necessity and Rational of Transactions
			Dec 31, 2021	Dec 31, 2022		
B) Baan Rock Garden, Plc., Ltd. (BROCK) and Executives/ Shareholders/ Other persons with potential conflict of interest	- The person with potential conflict of interest is hereby identified as Mr. Virat Chinprapinporn.	1. Estimated accrued interest on this loan	6.62	6.62	- BROCK was not to pay for the cost of this fund in cash. Instead, a vacant land of equal value had to be transferred to the lender by November 30, 2006. Hence the Company must transfer its land of 5 rai in size, located in T. Koh-Kaew, A. Muang, Phuket, valued at 6.62 million Baht, to person with potential conflict. The land was equal in value to the loan interest rate of 2.21% and 3.93% per year.	- The Company required such loan from Mr. Saksom Jamornmarn and Mrs. Nongnoi Silaprarat to use as its working capital. The transaction was considered to be beneficial to the Company's financial status, as the cost of fund was equivalent to an interest rate of 2.21% and 3.93% per year. October 5, 2010 Mr. Saksom Jamornmarn and Mrs. Nongnoi Silaprarat get make a book transfer the right in right of real estate ownership modifies aforementioned to Mr. Virat Chinprapinporn . The loan was paid in full amount as of December 31, 2021.And end of December 31, 2022 The Company has not transferred the land to the lender.  * The Audit Committee perceived that the loan transaction provided the Company with financial advantage, compared to loans that the Company would, otherwise, have borrowed from elsewhere. The transfer of its land as repayment had no effect on sales of the Company's projects. Hence the transaction was necessary and sensible.



Related Parties (Person / Juristic Person) with Potential Conflicts	Nature of Relationship	Transactions / Agreement	(Million Baht)		Pricing and Conditions	Necessity and Rational of Transactions
			Dec 31, 2021	Dec 31, 2022		
C) Baan Rock Garden, Plc., Ltd. (BROCK) and Executives/ Shareholders/ Other persons with potential conflict of interest	- Persons who may have conflicts of interest herein include : Mrs.Naowanit Silparat, a director, Mr.Navanart Chamornman, Mr.Naowalunlalit Kasetsuwan, which the shareholders.	1.Purchase of land title deed no. 136906, Bang Khen District, bangkok, area 2 rai 1 ngan 30.5 sq. wa.	-	-	- Land price 40,000 baht/sq. wa, total price 37.22 million baht, ehere all fees and tawes are paid by the company. The payment terms are divided into a deposit of 7.5 million baht, the rest of 29.72 million baht, due within 6 months of the date of birth. The company pays interest at the rate of 3.00% per annum every mont until the full amount is paid.  * The company has paid the remaining amount of 29.72 million baht and the ownership has been transferred successfully on 29 Dec. 2022.	- The Company has a need to purchase land for new project development by selecting the location and the price at which the Company has the potential to buy the land has been offered for sale. From Khun Naowanit Silpaarat, Ms. Naowanat Chamornman, and Ms.Naowalunlalit kasetsuwan for a new project around Soi Watcharaphon. In order to create sales and revenues of the company.  * The Audit Committee perceived that the loan transaction provided the Company with financial advantage, compared to loans that the Company would, otherwise, have borrowed from elsewhere. The transfer of its land as repayment had no effect on sales of the Company's projects. Hence the transaction was necessary and sensible.

## **Section 3 : Financial Report**

### **15. Certified Public Accountant's Report**

(TRANSLATION)  
**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders and Board of Directors of BAAN ROCK GARDEN PUBLIC COMPANY LIMITED

#### **Opinion**

I have audited the accompanying financial statements of BAAN ROCK GARDEN PUBLIC COMPANY LIMITED (“the Company”), which comprise the statement of financial position as at 31 December 2022, the statement of comprehensive income, the statement of changes in shareholders’ equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BAAN ROCK GARDEN PUBLIC COMPANY LIMITED as at 31 December 2022, its financial performance and its 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 Company 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 judgment, 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.

Revenue recognition from sales of real estate

The Company recognises the revenues from sales of real estate is disclosed per the accounting policy in Note 4.14 to the financial statements. Revenue from sales of real estate is significant transaction and affects to the operation of the Company. In addition, the Company has entered into sale and purchase agreement for allotted land with construction with a large number of customers and there are a variety of conditions, pertaining to matters such as sales promotions and offering special discounts to boost sales. I therefore identified the revenue recognition from sales of real estate as a key audit matter and focused on the occurrence, amount and timing of the revenue recognition.

I have examined the revenue recognition from sales of real estate, included

- Assessing and testing the effectiveness of the Company's IT general controls and internal controls with respect to the cycle of revenue from sales of real estate by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Examining sales transactions for actual sales transactions occurring during the year and near the end of the accounting period, to check the sale and purchase agreement for allotted land with construction, supporting documents of sales transactions and ownership transfer document to assess whether the revenue recognition was consistent with the conditions of the relevant agreements, and whether it was in compliance with the Company's policy.
- Examining sales promotions and providing discount whether the accounting record is corresponded with Thai Financial Reporting Standards.
- Performing analytical procedures of each project to detect possible irregularities in sales transactions of revenue from sale throughout the period.

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon, which 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, 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 Company's ability to continue as a going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's the 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 judgment 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 Company 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.

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 if 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 information.

(Miss Waraporn Intaraprasit)

Certified Public Accountant Registration No. 7881

CWWP Company Limited

Bangkok,

21 February 2023

**BAAN ROCK GARDEN PUBLIC COMPANY LIMITED****STATEMENT OF FINANCIAL POSITION****As at 31 December 2022****(Unit : Baht)**

	<b>Notes</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5	99,584,581.13	131,472,595.65
Other Current Receivables	6	973,790.91	1,401,063.43
Inventories	7	144,799,818.89	215,187,726.82
Other Current Financial Assets	8	44,858,554.49	-
<b>TOTAL CURRENT ASSETS</b>		<b>290,216,745.42</b>	<b>348,061,385.90</b>
<b>NON-CURRENT ASSETS</b>			
Land Held for Development	9	1,020,067,969.36	881,191,576.14
Investment Property	10	9,392,458.69	9,755,836.70
Property, Plant and Equipment	11	3,542,285.47	2,787,770.34
Right-of-Use Assets	12.1	11,841,398.75	3,970,836.87
Intangible Assets		11,041.23	15,749.23
Deferred Tax Assets	13	2,083,633.80	2,268,385.72
Deposit at Bank used as Collateral	14	-	53,429,786.91
Other Non-Current Assets	15	487,429.99	16,933,435.12
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,047,426,217.29</b>	<b>970,353,377.03</b>
<b>TOTAL ASSETS</b>		<b>1,337,642,962.71</b>	<b>1,318,414,762.93</b>

Notes to the financial statements are an integral part of this financial statements.

**BAAN ROCK GARDEN PUBLIC COMPANY LIMITED****STATEMENT OF FINANCIAL POSITION****As at 31 December 2022****(Unit : Baht)**

	<b>Notes</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Current Payables	16	31,396,630.58	25,591,556.72
Lease Liabilities - Current Portion	12.2	2,512,644.83	744,871.16
Current Income Tax Payable		3,850,856.12	9,027,314.88
Provision-Accrued Interest	28.3	6,627,996.31	6,627,996.31
<b>TOTAL CURRENT LIABILITIES</b>		<b>44,388,127.84</b>	<b>41,991,739.07</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease Liabilities	12.2	4,984,028.70	1,941,140.30
Deferred Tax Liabilities	13	-	2,017.08
Non-Current Provisions for Employee Benefit	17	1,015,472.88	1,055,508.06
Other Non-Current Liabilities		1,979,803.16	1,812,139.42
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7,979,304.74</b>	<b>4,810,804.86</b>
<b>TOTAL LIABILITIES</b>		<b>52,367,432.58</b>	<b>46,802,543.93</b>

Notes to the financial statements are an integral part of this financial statements.



**BAAN ROCK GARDEN PUBLIC COMPANY LIMITED****STATEMENT OF FINANCIAL POSITION****As at 31 December 2022****(Unit : Baht)**

	<b>Notes</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share Capital	18		
Authorized Share Capital			
1,231,099,916 Ordinary Shares @ Baht 1.00		1,231,099,916.00	1,231,099,916.00
Issued and Paid-Up Share Capital			
1,025,000,181 Ordinary Shares @ Baht 1.00		1,025,000,181.00	1,025,000,181.00
Share Premium on Ordinary Shares		32,123,707.55	32,123,707.55
Retained Earnings			
Appropriated			
Legal Reserve		26,750,000.00	25,250,000.00
Unappropriated		200,252,174.75	188,088,863.62
Other Components of Shareholder's Equity		1,149,466.83	1,149,466.83
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>1,285,275,530.13</b>	<b>1,271,612,219.00</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,337,642,962.71</b>	<b>1,318,414,762.93</b>

Notes to the financial statements are an integral part of this financial statements.

**BAAN ROCK GARDEN PUBLIC COMPANY LIMITED****STATEMENT OF COMPREHENSIVE INCOME****For the year ended 31 December 2022**

		<b>(Unit : Baht)</b>	
	<b>Notes</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
Revenue from Sales		218,977,904.00	248,539,411.00
Costs of Sales		(133,449,918.02)	(148,091,139.14)
<b>GROSS PROFIT</b>		<b>85,527,985.98</b>	<b>100,448,271.86</b>
Other Incomes		5,170,057.69	2,682,826.14
Distribution Costs		(20,889,763.03)	(23,130,022.57)
Administrative Expenses		(32,036,885.31)	(25,312,015.12)
Finance Costs		(1,126,726.21)	(185,625.96)
<b>PROFIT BEFORE INCOME TAX</b>		<b>36,644,669.12</b>	<b>54,503,434.35</b>
Tax (Expense) Income	22.1	(12,773,942.14)	(16,495,058.97)
<b>PROFIT FOR THE YEAR</b>		<b>23,870,726.98</b>	<b>38,008,375.38</b>
<b>OTHER COMPREHENSIVE INCOME (EXPENSE)</b>			
<b>ITEMS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO</b>			
<b>PROFIT OR LOSS</b>			
Gain (loss) on Remeasurements of Defined Benefit Plans - Net of Tax	22.2	41,920.24	(256,218.76)
<b>TOTAL ITEMS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO</b>			
<b>PROFIT OR LOSS - NET OF TAX</b>			
		<b>41,920.24</b>	<b>(256,218.76)</b>
<b>TOTAL OTHER COMPREHENSIVE INCOME (EXPENSE) - NET OF TAX</b>		<b>41,920.24</b>	<b>(256,218.76)</b>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>		<b>23,912,647.22</b>	<b>37,752,156.62</b>
BASIC EARNINGS PER SHARE		0.02	0.04

Notes to the financial statements are an integral part of this financial statements.

**BAAN ROCK GARDEN PUBLIC COMPANY LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

For the year ended 31 December 2022

(Unit : Baht)

	Notes	Issued and Paid-up Share Capital	Share Premium on Ordinary Shares	Retained Earnings		Other Components of Shareholder's Equity	Total
				Appropriated Legal Reserve	Unappropriated	Surplus from Change in Shareholders Structure	
<b>Balance as at 1 January 2021</b>		<b>1,025,000,181.00</b>	<b>32,123,707.55</b>	<b>23,250,000.00</b>	<b>172,836,710.62</b>	<b>1,149,466.83</b>	<b>1,254,360,066.00</b>
<b>Changes in Shareholder's Equity</b>							
Appropriated Legal Reserve	19	-	-	2,000,000.00	(2,000,000.00)	-	-
Dividend Payment	21.1	-	-	-	(20,500,003.62)	-	(20,500,003.62)
Profit for the Year		-	-	-	38,008,375.38	-	38,008,375.38
Other Comprehensive Income (Expense)		-	-	-	(256,218.76)	-	(256,218.76)
<b>Total Changes in Shareholder's Equity</b>		<b>-</b>	<b>-</b>	<b>2,000,000.00</b>	<b>15,252,153.00</b>	<b>-</b>	<b>17,252,153.00</b>
<b>Balance as at 31 December 2021</b>		<b>1,025,000,181.00</b>	<b>32,123,707.55</b>	<b>25,250,000.00</b>	<b>188,088,863.62</b>	<b>1,149,466.83</b>	<b>1,271,612,219.00</b>
<b>Balance as at 1 January 2022</b>		<b>1,025,000,181.00</b>	<b>32,123,707.55</b>	<b>25,250,000.00</b>	<b>188,088,863.62</b>	<b>1,149,466.83</b>	<b>1,271,612,219.00</b>
<b>Changes in Shareholder's Equity</b>							
Appropriated Legal Reserve	19	-	-	1,500,000.00	(1,500,000.00)	-	-
Dividend Payment	21.2	-	-	-	(10,249,336.09)	-	(10,249,336.09)
Profit for the Year		-	-	-	23,870,726.98	-	23,870,726.98
Other Comprehensive Income (Expense)		-	-	-	41,920.24	-	41,920.24
<b>Total Changes in Shareholder's Equity</b>		<b>-</b>	<b>-</b>	<b>1,500,000.00</b>	<b>12,163,311.13</b>	<b>-</b>	<b>13,663,311.13</b>
<b>Balance as at 31 December 2022</b>		<b>1,025,000,181.00</b>	<b>32,123,707.55</b>	<b>26,750,000.00</b>	<b>200,252,174.75</b>	<b>1,149,466.83</b>	<b>1,285,275,530.13</b>

Notes to the financial statements are an integral part of this financial statements.

**BAAN ROCK GARDEN PUBLIC COMPANY LIMITED****STATEMENT OF CASH FLOWS****For the year ended 31 December 2022****(Unit : Baht)**

	Notes	31 December 2022	31 December 2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the Year		23,870,726.98	38,008,375.38
Adjustment			
Adjusted Tax Expense		12,773,942.14	16,495,058.97
Adjusted Interest Income		(747,821.22)	(1,018,130.30)
Adjusted Finance Costs		1,126,726.21	185,625.96
Depreciation and Amortization		3,729,616.17	2,895,023.72
Adjusted with Loss on Decline in Value of Inventories		606,596.52	-
Adjusted Provisions for Employee Benefit		253,865.12	160,764.00
Adjusted with (Gain) Loss on Sales of Property, Plant and Equipment		(895,193.48)	-
Adjusted with (Gain) Loss on Sales of Right-of-Use Assets		(313,345.97)	-
Adjusted with (Gain) on Sales of Other Current Financial Assets		-	(62,865.30)
Adjusted with (Gain) on Written-off of Trade and Other Current Payables		-	(30,931.83)
Adjusted Other Current Receivables (Increase) Decrease		285,950.76	451,027.98
Adjusted Inventories (Increase) Decrease		(63,062,010.09)	(114,337,246.36)
Cash Paid for Purchase of Land Held for Development		(112,623,158.22)	(70,325,233.31)
Cash Paid for Deposit of Land Held for Development		-	(16,500,000.00)
Adjusted Other Non-Current Assets (Increase) Decrease		(87,229.87)	(63,249.74)
Adjusted Trade and Other Current Payables Increase (Decrease)		(2,081,603.71)	(3,994,188.21)
Cash Paid for Provisions for Employee Benefit		(1,850,000.00)	-
Adjusted Other Non-Current Liabilities Increase (Decrease)		167,663.74	479,998.99
Adjusted Inventories Reduced to be Costs of Sales		132,843,321.50	148,091,139.14
<b>NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES</b>		<b>(6,001,953.42)</b>	<b>435,169.09</b>
Interest Income		857,787.37	547,564.06
Interest Expense		(890,110.67)	-
Income Tax		(17,778,146.12)	(19,030,689.14)
<b>NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES</b>		<b>(23,812,422.84)</b>	<b>(18,047,955.99)</b>

Notes to the financial statements are an integral part of this financial statements.

**BAAN ROCK GARDEN PUBLIC COMPANY LIMITED****STATEMENT OF CASH FLOWS****For the year ended 31 December 2022****(Unit : Baht)**

	<b>Notes</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash Paid in Other Current Financial Assets - Financial Institution Deposits - Fixed Accounts		(44,858,554.49)	-
Cash Received from Sales of Other Current Financial Assets - Investments in Opened-end Mutual Fund		-	70,170,045.49
Cash Received from Sales of Property, Plant and Equipment		1,471,962.61	-
Cash Paid for Purchase of Property, Plant and Equipment		(2,112,916.23)	(4,001,488.22)
Cash Paid for Payables for Assets		(182,000.00)	-
Cash Received from Sales of Right-of-Use Assets		800,000.00	-
Cash Paid for Purchase of Right-of-Use Assets		(4,000,000.00)	-
Cash Received from Deposit at Bank used as Collateral		53,429,786.91	1,885,483.54
Cash Received from Interest Income		31,355.61	154,258.96
<b>NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES</b>		<b>4,579,634.41</b>	<b>68,208,299.77</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash Paid for Lease Liabilities		(2,405,890.00)	(2,709,888.00)
Cash Paid for Dividends		(10,249,336.09)	(20,500,003.62)
<b>NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES</b>		<b>(12,655,226.09)</b>	<b>(23,209,891.62)</b>
<b>NET CASH AND CASH EQUIVALENTS INCREASE (DECREASE)</b>		<b>(31,888,014.52)</b>	<b>26,950,452.16</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>131,472,595.65</b>	<b>104,522,143.49</b>
<b>CASH AND CASH EQUIVALENTS AT ENDING OF THE YEAR</b>	<b>5</b>	<b>99,584,581.13</b>	<b>131,472,595.65</b>

Notes to the financial statements are an integral part of this financial statements.

## **17. Notes to financial statements**

### **BAAN ROCK GARDEN PUBLIC COMPANY LIMITED**

#### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2022**

##### **1. General Information**

Baan Rock Garden Public Company Limited (“the Company”) is a public limited company and is incorporated in Thailand. The Company is listed on Stock Exchange of Thailand. The address of the Company’s registered office is 601 Ramkhamheang 39 Pracha-Uthit Road, Wangthonglang, Bangkok Thailand.

The Company’s major shareholder is the Chinprapinporn family is a shareholder, holding 21.01% Silaprarat family, holding 19.73% and Chonecadeedumrongkul family is a shareholder, holding 16.50% of the issued and paid-up share capital.

The principal activities of the Company involve the business of real estate development in type of allotted houses so as for disposal while there is the project of completed development and being development in progress at Bangkok, Phuket, Rayong and Samutprakran.

##### **2. Basis of Preparation of Financial Statements**

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission and The Stock Exchange of Thailand.
- 2.2 The financial statements were presented in compliance with the notification of Department of Business Development regarding of brief particulars must be contained in financial statements.
- 2.3 In order to prepare the financial statements to comply with financial reporting standards, the Company’s management had to make some estimates and assumptions which may have an effect on the amount shown for revenues, expenses, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ from the estimated amount.
- 2.4 The financial report in Thai language is the official statutory financial report of the Company. The financial report in English language has been translated from the financial report in Thai language.

### **3. Financial Reporting Standards**

#### **3.1 Financial Reporting Standards that became Effective in the Current Year**

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal periods 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 Company'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, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company assessed that the amendments to this financial reporting standards does not have any significant impact on the Company's financial statements.

### **4. Significant Accounting Policies**

#### **4.1 Measurements bases used in the Preparation of Financial Statements**

Measurement bases used in the preparation of financial statements are historical cost measurement basis and combination of variety measurement bases used. Some assets and liabilities that use other measurement bases have been disclosed the measurement bases used in the particular accounting policies.

#### **4.2 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less and free from restrictions.

#### 4.3 Other Current Receivables

Other Current receivables are stated at cost net of allowance for expected credit losses.

In determining the expected credit losses are based on the payment profiles and the corresponding historical credit losses. The impairment losses are recognised in profit or loss within administrative expenses.

#### 4.4 Inventories

Inventories consisted of cost of real estate development for sale and under development are reflected according to the cost price or net realizable value whichever is lower. Cost price is composed of cost of land acquisition, land development, project construction, cost to public utility system and direct other expenses.

#### 4.5 Financial Instruments

##### Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are subsequently measured in the following categories:

- Financial assets measured subsequently at amortised cost.
- Financial assets measured subsequently at fair value through profit or loss or through other comprehensive income.
- Financial assets at amortised cost

The Company 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 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.



### Classification and measurement of financial liabilities

At initial recognition, the Company measures financial liabilities at fair value and reclassifies all financial liabilities as subsequently measured at amortised cost.

At initial recognition, the Company measures a financial asset and liabilities at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset and liabilities. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

### 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 Company has transferred substantially all the risks and rewards of the asset, or the Company 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 amount is recognised in the statement of profit or loss.

### Impairment of financial assets

For trade receivables, the Company applies a simplified approach in calculating ECLs. and 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.

## 4.6 Land Held for Development

Land held for development means the land the Company aims to hold for the future benefit and recorded as non-current asset by reflecting according to the cost price which may adjust by allowance for asset impairment. The cost price is composed by land cost and other related expense so as to acquire the land.

#### 4.7 Investment Property

Investment property is land and building which the Company held for purpose to earn rental income or for asset appreciation, is stated at initial cost deducted by the accumulated depreciation and the accumulated impairment loss (if any).

Depreciation is calculated on a straight-line method over the approximate useful lives as follows:

Building	20 years
----------	----------

There is no depreciation for land.

On disposal of investment property, 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 Property, Plant and Equipment

Land is recorded at initial cost. Plant and equipment are recorded at initial cost after deduction of accumulated depreciation, accumulated loss on impairment (if any) and calculated depreciation on a straight-line method over their approximate useful lives are as follows:

Building	20 years
Fixture and building improvements	10 years
Vehicles	5 years
Office equipment	5 years

Replacement cost will be capitalized as a part of carrying amount of assets when it is probable that the Company will obtain the future economic benefits from that transaction and able to measure the cost of that transaction reliably. Replacement cost will be depreciated by the basis of approximate useful lives. Repair and maintenance expenses are recognized as expense in profit or loss for the period that they incurred.

Gain or loss on disposal of property, plant and equipment is computed from discrepancy between net proceed and carrying amount and recognized as revenue or expense in the profit or loss when incurred.

#### 4.9 Leases

- Leases - where the Company is the lessee

At inception of a contract, the Company assesses whether the 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 Company recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Company uses the Company incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed payments including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price, under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period; and
- payments of penalties for early termination of a lease if the Company is reasonably certain to terminate early.

To apply a cost model, the Company measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful lives of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the ROU asset reflects that the Company will exercise a purchase option, the Company depreciates the ROU asset from the commencement date to the end of the useful lives of the underlying asset. The useful lives of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following items:

- a change in an index or a rate used to determine those payments.
- a change in the Company's estimate of the amount expected to be payable under a residual value guarantee.
- the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured to reflect changes to the lease payments, the Company recognises the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in profit or loss.

#### Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### 4.10 Intangible Assets

##### Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives 5 years.

#### 4.11 Impairment of Non-financial Assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. 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, reflects the amount that the Company 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 if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company 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.

#### 4.12 Employees Benefit

##### Short-term Employee Benefits

Salaries, wages, bonus and contributions to the social security fund are recognized as expenses when incurred.

##### Post-employment Benefits

###### - Defined Contribution Plan

The Company operates a provident fund which is funded by payments from employees and by the Company. The fund's asset of the provident fund is separated from the Company's asset and has been managed by a fund manager. Contributions to the provident fund are recognized as expense in profit or loss in the period in which they are incurred.

###### - Defined Benefit Plan

The Company has the employee benefit obligation in case of retirement or termination under the labor law by an actuary to calculate on an actuarial technique the said employee benefit obligation. The said employee benefit obligation is discounted using the projected unit credit method and presents as non-current liabilities. Hereby, the costs associated with employee benefits will be recognized as expense in profit or loss so as to spread the cost over the employment period. All actuarial gains and losses are recognized in other comprehensive income.

#### 4.13 Provision

The Company is recognized provision when it is probable that there is a present legal or constructive obligation as a result of past events and an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. The reimbursement is recognized as a separate asset when, and only when, the reimbursement is virtually certain after the provision is settled.

#### 4.14 Recognition of Revenues

- Revenues from sales of real estate

Revenue from sales of land and houses are recognised at the point in time when control of the real estate is transferred to the customer, generally upon transfer of the legal ownership. 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

- Costs to obtain a contract

The Company is recognized commission paid to obtain a customer contract as an asset and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognized to the extent that the carrying amount of an asset recognized exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

- Interest income is recognized on the effective interest rate.

#### 4.15 Recognition of Cost of Real Estate Sales

Cost of land and houses sold consist of cost of land, land improvement, design fees, construction, public utilities and other related cost.

In determining the costs of land and houses sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses on the basis of the saleable area and recognised as cost of real estate sales in percentage of sold area of each project.

Promotion expenses specified in the contracts with customers are given to customers when they register the transfer of houses, including free of charge items are component parts of houses, which are the main performance obligations under the contracts. Therefore, the Company is to record these costs as costs of sales when the customers register the transfer of houses.

Selling expenses directly associated with projects, such as specific business tax and transfer fee are recognized when sale incurred.

#### 4.16 Recognition of Expenses

- Expenses are recognized on accrual basis.

#### 4.17 Income Taxes

Income tax comprises current tax and deferred tax. Income tax is recognized in the profit or loss except to the extent that related to items recognized in other comprehensive income or recognized directly in the shareholders' equity which will recognize in other comprehensive income or recognized directly in equity as same as that item.

##### Current Tax

The Company is recognized current tax at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation, using the tax rates enacted at the end of reporting period.

##### Deferred Tax

The Company is recognized deferred tax which calculated from 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 reporting period.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which such deduction temporary difference can be utilized. At the end of each reporting period, deferred tax assets are reduced to the extent that the related tax benefit will be realized.

#### 4.18 Earnings per Share

Basic earnings per share is calculated by dividing profit for the year by the weighted average number of ordinary shares held by outside shareholders outstanding during the year and diluted earnings per share is calculated by dividing profit for the year adjustment with the effect of item related to diluted ordinary shares by the weighted average number of already issued and fully paid shares during the year plus number of ordinary shares which may be issued in order to convert all diluted ordinary shares to ordinary shares.

#### 4.19 Appropriation of Retained Earnings

The appropriation of retained earnings is attributable to the Public Company Act B.E. 2535. The Company will appropriate the retained earnings when it is approved at the board of directors meeting which will be reported to the shareholders' meeting.



#### 4.20 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 market participants at the measurement date. The Company apply a quoted market price in an active market to measure the 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 Company will measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs 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 categorized within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 inputs are quoted prices in active market for identical assets or liabilities that the Company can access at the measurement date.

Level 2 input are other observable inputs either directly and indirectly, for the assets or liabilities, other than quoted price included within Level 1 inputs.

Level 3 input are unobservable inputs for the assets and liabilities.

At the end of each reporting period, the Company will determine the necessary of any transfers 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.

#### 4.21 Significant Accounting Judgments for Estimates Used

In order to prepare the financial statements to comply with financial reporting standards, the Company's management had to make some judgment and estimates which may have an effect on the amount shown in financial statements and notes to the financial statements, therefore the actual result may differ from the estimated amount. Significant judgments and estimates used are as follows:

##### **Allowance for Diminution in Value of Inventories**

The Company treats inventories as devaluation when a significant decline in the fair value is noted. The management determines the devaluation based on net realisable value. The determination of what is "significant" and the amount of devaluation requires the management to exercise judgement.

**Project Development Costs Estimation**

In calculating cost of land and houses sold, the Company have to estimate all project development costs, comprising land and land improvement costs, design and construction costs, public utility costs and other related costs. The management estimates these costs based on their business experience and revisit the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

**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 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 losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

**Allowance for Impairment of Land Held for Development**

The Company treat land held for development as impaired when the management judges that there has been a significant decline in the fair value below their cost. The management determines the devaluation of land held for development based on net recognized value. The determination of what is “significant” and such devaluation requires the management to exercise judgement.

**Deferred Tax Assets**

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences 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.

**Post-Employment Benefits Under Defined Benefit Plans**

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, turnover rate and other demographic factors etc. However, actual post-employment benefits that may be different from those estimated.

**5. Cash and Cash Equivalents**

Consist of:

	(Unit : Baht)	
	As at	As at
	31 December 2022	31 December 2021
Cash	28,733.50	31,311.75
Saving Deposit Accounts	93,976,104.24	130,398,292.61
Current Deposit Accounts	5,579,743.39	1,042,991.29
Total	<u>99,584,581.13</u>	<u>131,472,595.65</u>

**6. Other Current Receivables**

Consist of:

	(Unit : Baht)	
	As at	As at
	31 December 2022	31 December 2021
Other Receivables	57,951.27	30,545.32
Advance-Subcontractor	2,454,553.61	2,454,553.61
Advance-Staff	25,545.00	57,749.52
Prepaid Expense	631,840.43	911,992.62
Accrued Interest	253,454.21	394,775.97
Contract Assets	5,000.00	6,000.00
Total	<u>3,428,344.52</u>	<u>3,855,617.04</u>
<u>Less</u> Allowance for Expected Credit Losses-		
Other Receivables	<u>(2,454,553.61)</u>	<u>(2,454,553.61)</u>
Net	<u>973,790.91</u>	<u>1,401,063.43</u>

For the year ended 31 December 2022 and 2021, allowance for expected credit losses have the movement as follows:

	(Unit : Baht)	
	For the year ended 31 December 2022	For the year ended 31 December 2021
Beginning Balance	(2,454,553.61)	(2,454,553.61)
Increased during the Year	-	-
Ending Balance	<u>(2,454,553.61)</u>	<u>(2,454,553.61)</u>

## 7. Inventories

Consist of:

	(Unit : Baht)	
	As at 31 December 2022	As at 31 December 2021
Cost of Real Estate Development for Sale		
Demonstration Land and Houses	10,331,667.87	15,585,037.26
Land and Houses	107,577,679.37	77,131,098.11
Cost of Real Estate Under Development		
Land	6,930,000.00	26,221,097.73
Construction in Progress	11,667,813.98	68,976,322.76
Deferred Utilities	9,948,213.44	28,323,130.21
Total	<u>146,455,374.66</u>	<u>216,236,686.07</u>
<u>Less Allowance for Decline in Value of Inventories</u>	<u>(1,655,555.77)</u>	<u>(1,048,959.25)</u>
Net	<u>144,799,818.89</u>	<u>215,187,726.82</u>

For the year ended 31 December 2022 and 2021, allowance for decline in value of inventories have the movement as follows:

	(Unit : Baht)	
	For the year ended 31 December 2022	For the year ended 31 December 2021
Beginning Balance	(1,048,959.25)	(1,048,959.25)
Increased during the Year	(606,596.52)	-
Ending Balance	<u>(1,655,555.77)</u>	<u>(1,048,959.25)</u>

#### 8. Other Current Financial Assets

As at 31 December 2022, the whole amount of other current financial assets is financial institution deposits fixed accounts 6 – 12 months, the interest rate of 0.40% – 2.00% per annum.

#### 9. Land Held for Development

For the year ended 31 December 2022 and 2021, land held for development have the movement as follows:

	(Unit : Baht)	
	For the year ended 31 December 2022	For the year ended 31 December 2021
Beginning Balance	881,191,576.14	810,866,342.83
Purchase during the Year	122,343,158.22	70,325,233.31
Transfer in during the Year	16,533,235.00	-
Ending Balance	<u>1,020,067,969.36</u>	<u>881,191,576.14</u>

As at 31 December 2022 and 2021, the Company has the land held for development with cost of Baht 38.18 million equally for both years, which is mortgaged as collateral for credit facilities of bank overdraft, borrowings and letter of guarantee from bank. (2021, two directors of the Company have guaranteed in full amount of credit line).

In year 2004, the Company borrows loan from two shareholders while the contract is agreed to repay the interest by transferring land after development in number of 5 Rais to such borrowers on 30 November 2006 (date which is due for loan repayment). Moreover, on 5 October 2010, two shareholders have prepared letter of land ownership transfer in number of 5 Rais to one director who is solely ownership in such land without any remuneration fee. Such land carried the value of Baht 6.63 million equally for both years, which the land pending development has not been transferred to the director. However, the Company has estimated the accrued interest in amount of Baht 6.63 million as in Note 28.3.

## 10. Investment Property

Consist of:

	(Unit : Baht)		
	Land	Building	Total
<b>Cost</b>			
As at 1 January 2021	-	-	-
Transfer from Property, Plant and Equipment	2,550,000.00	7,267,561.18	9,817,561.18
As at 31 December 2021	2,550,000.00	7,267,561.18	9,817,561.18
Purchase of Assets	-	-	-
As at 31 December 2022	2,550,000.00	7,267,561.18	9,817,561.18
<b>Accumulated Depreciation</b>			
As at 1 January 2021	-	-	-
Depreciation Charged in the Profit or Loss for the Year	-	(61,724.48)	(61,724.48)
As at 31 December 2021	-	(61,724.48)	(61,724.48)
Depreciation Charged in the Profit or Loss for the Year	-	(363,378.01)	(363,378.01)
As at 31 December 2022	-	(425,102.49)	(425,102.49)
<b>Carrying Amount</b>			
As at 31 December 2021	2,550,000.00	7,205,836.70	9,755,836.70
As at 31 December 2022	2,550,000.00	6,842,458.69	9,392,458.69
Depreciation for the year ended 31 December 2021 (Included in Administrative Expenses)			61,724.48
Depreciation for the year ended 31 December 2022 (Included in Administrative Expenses)			363,378.01

As at 31 December 2022, the investment property had the fair value of Baht 9.54 million. Nevertheless, the Company has measured the fair value from the appraisal result by the independence appraiser with cost approach method as report dated 27 December 2022, which is Level 3 inputs.

As at 31 December 2021, the investment property had the fair value of Baht 9.76 million. Nevertheless, the Company has not yet performed the fair value evaluation for the investment property by an independent appraiser because the construction of the said building has recently been completed on 31 October 2021; therefore, the management has considered the fair value of the said investment property to be comparable to its carrying amount.

**11. Property, Plant and Equipment**

Consist of:

							(Unit : Baht)
	Land	Building	Office Equipment	Fixture and Building Improvements	Vehicles	Work in Progress	Total
<b>Cost</b>							
As at 1 January 2021	2,642,836.04	2,629,352.57	2,197,373.80	655,057.10	6,918,685.82	3,315,455.26	18,358,760.59
Purchase of Assets	-	-	220,125.30	32,441.00	-	3,952,105.92	4,204,672.22
Transfer In	-	7,267,561.18	-	-	4,265,600.00	-	11,533,161.18
Transfer Out	(2,550,000.00)	(7,267,561.18)	-	-	-	(7,267,561.18)	(17,085,122.36)
As at 31 December 2021	92,836.04	2,629,352.57	2,417,499.10	687,498.10	11,184,285.82	-	17,011,471.63
<b>Accumulated Depreciation</b>							
As at 1 January 2021	-	(1,641,438.99)	(1,570,509.99)	(314,397.71)	(5,665,644.98)	-	(9,191,991.67)
Depreciation Charged in the Profit or Loss for the Year	-	(163,149.02)	(231,633.10)	(91,242.50)	(280,086.00)	-	(766,110.62)
Accumulated Depreciation for Transfer In	-	-	-	-	(4,265,599.00)	-	(4,265,599.00)
As at 31 December 2021	-	(1,804,588.01)	(1,802,143.09)	(405,640.21)	(10,211,329.98)	-	(14,223,701.29)
<b>Carrying Amount</b>							
As at 31 December 2021	92,836.04	824,764.56	615,356.01	281,857.89	972,955.84	-	2,787,770.34
Depreciation for the year ended 31 December 2021 (Included in Administrative Expenses)							766,110.62



						(Unit : Baht)
	Land	Building	Office Equipment	Fixture and Building Improvements	Vehicles	Total
<b>Cost</b>						
As at 1 January 2022	92,836.04	2,629,352.57	2,417,499.10	687,498.10	11,184,285.82	17,011,471.63
Purchase of Assets	-	-	398,818.73	-	1,747,000.00	2,145,818.73
Disposal of Assets	-	-	-	-	(7,264,600.00)	(7,264,600.00)
As at 31 December 2022	92,836.04	2,629,352.57	2,816,317.83	687,498.10	5,666,685.82	11,892,690.36
<b>Accumulated Depreciation</b>						
As at 1 January 2022	-	(1,804,588.01)	(1,802,143.09)	(405,640.21)	(10,211,329.98)	(14,223,701.29)
Depreciation Charged in the Profit or Loss for the Year	-	(88,888.25)	(255,139.18)	(92,394.99)	(378,112.05)	(814,534.47)
Accumulated Depreciation for Disposal	-	-	-	-	6,687,830.87	6,687,830.87
As at 31 December 2022	-	(1,893,476.26)	(2,057,282.27)	(498,035.20)	(3,901,611.16)	(8,350,404.89)
<b>Carrying Amount</b>						
As at 31 December 2022	92,836.04	735,876.31	759,035.56	189,462.90	1,765,074.66	3,542,285.47
Depreciation for the year ended 31 December 2022 (Included in Administrative Expenses)						814,534.47

As at 31 December 2022 and 2021, a part of plant and equipment has been fully depreciated but still in use has the cost before deducting accumulated depreciation of above assets in amount of Baht 6.13 million and Baht 13.24 million respectively.

## 12. Right-of-Use Assets and Lease Liabilities

### 12.1 Right-of-Use Assets

Consist of:

			(Unit : Baht)
	Building	Vehicles	Total
<b>Cost</b>			
As at 1 January 2021	2,544,101.48	6,135,600.00	8,679,701.48
Increased	-	2,800,000.00	2,800,000.00
Transfer Out	-	(4,265,600.00)	(4,265,600.00)
As at 31 December 2021	2,544,101.48	4,670,000.00	7,214,101.48
Increased	5,359,218.33	6,000,000.00	11,359,218.33
Disposal	-	(1,870,000.00)	(1,870,000.00)
Transfer Out	(2,544,101.48)	-	(2,544,101.48)
As at 31 December 2022	5,359,218.33	8,800,000.00	14,159,218.33
<b>Accumulated Depreciation</b>			
As at 1 January 2021	(1,226,033.38)	(4,220,349.61)	(5,446,382.99)
Depreciation Charged in the Profit or Loss for the Year	(1,216,678.20)	(845,802.42)	(2,062,480.62)
Accumulated Depreciation for Transfer Out	-	4,265,599.00	4,265,599.00
As at 31 December 2021	(2,442,711.58)	(800,553.03)	(3,243,264.61)
Depreciation Charged in the Profit or Loss for the Year	(1,524,305.65)	(1,022,690.04)	(2,546,995.69)
Accumulated Depreciation for Disposal	-	928,339.24	928,339.24
Accumulated Depreciation for Transfer Out	2,544,101.48	-	2,544,101.48
As at 31 December 2022	(1,422,915.75)	(894,903.83)	(2,317,819.58)
<b>Carrying Amount</b>			
As at 31 December 2021	101,389.90	3,869,446.97	3,970,836.87
As at 31 December 2022	3,936,302.58	7,905,096.17	11,841,398.75
Depreciation for the year ended 31 December 2021 (Included in Administrative Expenses)			2,062,480.62
Depreciation for the year ended 31 December 2022 (Included in Administrative Expenses)			2,546,995.69

## 12.2 Lease Liabilities

Consist of:

	(Unit : Baht)	
	As at	As at
	31 December 2022	31 December 2021
Lease Liabilities		
Current	2,512,644.83	744,871.16
Non-Current	4,984,028.70	1,941,140.30
Total Lease Liabilities	<u>7,496,673.53</u>	<u>2,686,011.46</u>

The following are the amounts recognized in profit or loss:

	(Unit : Baht)	
	For the year ended	For the year ended
	31 December 2022	31 December 2021
Depreciation of Right-of-Use Assets	2,546,995.69	2,062,480.62
Interest Expense on Lease Liabilities	<u>312,340.47</u>	<u>109,901.03</u>
Total	<u>2,859,336.16</u>	<u>2,172,381.65</u>

**13. Deferred Tax**

Consist of:

	(Unit : Baht)			
	As at 1 January 2022	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	As at 31 December 2022
<u>Deferred Tax Assets</u>				
Inventories	209,791.85	121,319.30	-	331,111.15
Right-of-Use Assets	-	23,635.81	-	23,635.81
Provision-Accrued Interest	1,325,599.26	-	-	1,325,599.26
Estimate from Prosecuted Cases	151,893.00	-	-	151,893.00
Non-Current Provisions for				
Employee Benefit	581,101.61	(319,226.97)	(10,480.06)	251,394.58
Total	<u>2,268,385.72</u>	<u>(174,271.86)</u>	<u>(10,480.06)</u>	<u>2,083,633.80</u>
<u>Deferred Tax Liabilities</u>				
Right-of-Use Assets	(2,017.08)	2,017.08	-	-
Total	<u>(2,017.08)</u>	<u>2,017.08</u>	<u>-</u>	<u>-</u>

	(Unit : Baht)			
	As at 1 January 2021	Recognized in the Profit (Loss)	Recognized in the Other Comprehensive Income (Expense)	As at 31 December 2021
<u>Deferred Tax Assets</u>				
Inventories	209,791.85	-	-	209,791.85
Right-of-Use Assets	23,992.60	(23,992.60)	-	-
Provision-Accrued Interest	1,325,599.26	-	-	1,325,599.26
Estimate from Prosecuted Cases	151,893.00	-	-	151,893.00
Non-Current Provisions for				
Employee Benefit	484,894.11	32,152.79	64,054.71	581,101.61
Total	<u>2,196,170.82</u>	<u>8,160.19</u>	<u>64,054.71</u>	<u>2,268,385.72</u>
<u>Deferred Tax Liabilities</u>				
Other Current Financial Assets	(21,436.04)	21,436.04	-	-
Right-of-Use Assets	-	(2,017.08)	-	(2,017.08)
Total	<u>(21,436.04)</u>	<u>19,418.96</u>	<u>-</u>	<u>(2,017.08)</u>

**14. Deposit at Bank used as Collateral**

As at 31 December 2021, the Company constitutes fixed deposit with a commercial bank in amount of Baht 53.43 million, as collateral maintenance fees for public utilities or public services.

**15. Other Non-Current Assets**

Consist of:

	(Unit : Baht)	
	As at	As at
	31 December 2022	31 December 2021
Deposit of Land	-	16,533,235.00
Other	487,429.99	400,200.12
Total	<u>487,429.99</u>	<u>16,933,435.12</u>

**16. Trade and Other Current Payables**

Consist of:

	(Unit : Baht)	
	As at	As at
	31 December 2022	31 December 2021
Trade Payables	5,091,007.67	3,429,234.82
Other Current Payables	26,305,622.91	22,162,321.90
Total	<u>31,396,630.58</u>	<u>25,591,556.72</u>

Other Current Payables consist of:

	(Unit : Baht)	
	As at	As at
	31 December 2022	31 December 2021
Retention form Building Contractor	10,645,104.40	13,094,445.64
Estimate form Prosecuted Cases	759,465.00	759,465.00
Advances Received from Customers	181,988.00	175,983.00
Prepaid Cheque	903,421.04	1,408,737.87
Accrued Expenses	2,415,798.86	5,300,074.41
Assets Payable	9,752,902.50	182,000.00
Other Payables	1,646,943.11	1,241,615.98
Total	<u>26,305,622.91</u>	<u>22,162,321.90</u>

As at 31 December 2022 and 2021, the Company has estimate from prosecuted case of the damage incurred from the inconvenience in usage of the common roads in outstanding court fees and legal counsel fee at approximately Baht 0.76 million equal for both years.

## 17. Non-Current Provisions for Employee Benefits

Non-Current Provisions for Employee Benefits has detail as follows:

	(Unit : Baht)	
	For the year ended	For the year ended
	31 December 2022	31 December 2021
Provisions for Employee Benefits at Beginning of Year		
Non-Current	1,055,508.06	2,424,470.59
Current	1,850,000.00	-
Included in Profit or Loss:		
Current Service Cost	204,723.40	118,068.00
Interest Expenses	49,141.72	42,696.00
Included in Other Comprehensive Income:		
(Gain) Loss on Remeasurement of Defined Benefit Plans		
Financial Assumptions Changes	(52,400.30)	320,273.47
Employee Benefits Paid During the Year	(1,850,000.00)	-
Current Provisions for Employee Benefits	<u>(241,500.00)</u>	<u>(1,850,000.00)</u>
Non-Current Provisions for Employee Benefits at End of Year	<u>1,015,472.88</u>	<u>1,055,508.06</u>

The above expenses which are recognized in the profit or loss are included in the items as follows:

	(Unit : Baht)	
	For the year ended	For the year ended
	31 December 2022	31 December 2021
Administrative Expenses	253,865.12	160,764.00

As at 31 December 2022 and 2021, the weighted average duration of the non-current provisions for employee benefits is 6 years and 7 years respectively.

For the year ended 31 December 2022 and 2021, the key assumptions used for the purposes of the actuarial valuation are summarized as follows:

	(Unit : % per annum)	
	For the year ended	For the year ended
	31 December 2022	31 December 2021
Discount Rate	1.58	1.58
Average Salary increase Rate	3.59	3.59
Proportion of Employees Opting for Early Retirement	0.00 – 18.00	0.00 – 18.00

#### Sensitivity Analysis

Reasonably possible changes to each relevant actuarial assumption, holding other assumptions constant, would have affected non-current provisions for employee benefit which are summarized as follows:

	(Unit : Baht)	
	As at	As at
	31 December 2022	31 December 2021
Discount Rate		
Rate increase 0.5%	(18,349.05)	(66,476.24)
Rate decrease 0.5%	19,022.95	69,042.76
Average Salary increase Rate		
Rate increase 0.5%	23,670.95	67,796.76
Rate decrease 0.5%	(23,003.05)	(65,910.24)
Turnover Rate		
Rate increase 1%	(52,386.05)	(150,145.24)
Rate decrease 1%	55,920.95	160,132.76

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

## 18. Share Capital

Consist of:

	For the year ended 31 December 2022			For the year ended 31 December 2021		
	Par Value	Number of Share	Amount	Par Value	Number of Share	Amount
	Baht	Share	Baht	Baht	Share	Baht
Authorized Share Capital						
Beginning Ordinary Shares	1.00	1,231,099,916	1,231,099,916.00	1.00	1,231,099,916	1,231,099,916.00
Ending Ordinary Shares	1.00	1,231,099,916	1,231,099,916.00	1.00	1,231,099,916	1,231,099,916.00
Issued and Paid-up Share Capital						
Beginning Ordinary Shares	1.00	1,025,000,181	1,025,000,181.00	1.00	1,025,000,181	1,025,000,181.00
Ending Ordinary Shares	1.00	1,025,000,181	1,025,000,181.00	1.00	1,025,000,181	1,025,000,181.00

## 19. Legal Reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company has to appropriate the legal reserve at least 5% of net profit, after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of its registered share capital. This shall not be distributed as dividend.

For the year ended 31 December 2022 and 2021, according to the board of directors' meeting of the Company held No. 1/2023 on 21 February 2023, the Company has appropriated net profit amounting to Baht 1.50 million, and according to the board of directors' meeting of the Company held No. 1/2022 on 18 February 2022, amount of Baht 2.00 million, to the legal reserve.

## 20. Capital Management

The objectives of the Company's capital management are to maintain its ability to continue as a going concern and to maintain an appropriate capital structure.

As at 31 December 2022 and 2021, the debt to equity ratio in 0.04:1 equally for both years.



**21. Dividend Payment**

21.1 In accordance with the Annual General Meeting of Shareholders No.1/2021, on 2 April 2021, has resolved to approve the dividend payment from operation for the year ended 31 December 2020 at Baht 0.02 per share, equivalent to dividend in the amount of Baht 20.50 million.

21.2 In accordance with the Annual General Meeting of Shareholders No.1/2022, on 8 April 2022, has resolved to approve the dividend payment for operation for the year ended 31 December 2021 at Baht 0.01 per share, equivalent to dividend in the amount of Baht 10.25 million.

**22. Tax (Expense) Income**

22.1 Tax (Expense) Income is recognized in the profit (loss) for the year, consist of:

	(Unit : Baht)	
	For the year ended 31 December 2022	For the year ended 31 December 2021
Current Income Tax		
Tax (Expense) Income for Current Year	(12,601,687.36)	(16,522,638.12)
Deferred Tax		
Deferred Tax (Expense) Income	(172,254.78)	27,579.15
Tax (Expense) Income Recognized in Profit for the Year	<u>(12,773,942.14)</u>	<u>(16,495,058.97)</u>

The difference between tax (expense) income which was calculated from accounting profit at the tax rate for the year ended 31 December 2021 and 2020, in 20%, can be presented as follows:

	(Unit : Baht)	
	For the year ended 31 December 2022	For the year ended 31 December 2021
Profit before Income Tax	36,644,669.12	54,503,434.35
Tax (Expense) Income by Tax Rate at 20%	(7,328,933.82)	(10,900,686.87)
Expenses that are not Deductible for Income Tax	(5,467,414.97)	(5,631,632.88)
Revenues that are Exempted	11,400.00	23,400.00
Reverse Temporary Differences	11,006.65	13,860.78
Tax (Expense) Income Recognized in Profit for the Year	<u>(12,773,942.14)</u>	<u>(16,495,058.97)</u>

22.2 Tax (Expense) Income which is recognized in other comprehensive income (expense) consist of:

	(Unit : Baht)		
	Amount	Tax	Amount
	Before Tax	(Expense) Income	Net Tax
For the year ended 31 December 2022			
Gain (Loss) on Remeasurements of Defined			
Benefit Plans	52,400.30	(10,480.06)	41,920.24
For the year ended 31 December 2021			
Gain (Loss) on Remeasurements of Defined			
Benefit Plans	(320,273.47)	64,054.71	(256,218.76)

### 23. Provident Fund

The Company established a contributory registered provident fund in accordance with the Provident Fund Act.B.E. 2530, which comprise of the employees' contribution to the fund minimum 3% of their basic salary and the Company also contribute to the fund at 3% for the employees with less than 1 year of service and 5% for the employees with more than 1 year of service. The provident fund is managed Provident Fund. The benefit will be paid to the employees whom retire in accordance to the fund's regulations.

For the year ended 31 December 2022 and 2021, the Company has paid contribution to provident fund in amount of Baht 0.36 million and Baht 0.29 million, respectively.

**24. Expenses by Nature**

Consist of:

	(Unit : Baht)	
	For the year ended 31 December 2022	For the year ended 31 December 2021
Construction Materials and Construction Fee	63,062,010.09	114,337,246.36
Change in Cost of Real Estate Development for		
Sale and Under Development	69,781,311.41	33,753,892.78
Loss for Decline in Value of Inventories	606,596.52	-
Depreciation and Amortization	3,729,616.17	2,895,023.72
Employee Benefit Expenses	7,591,766.31	5,609,403.12
Management's Remuneration	5,688,730.32	5,393,345.60
Sales Compensation and Advertising	11,447,660.73	13,120,806.13
Specific Business Tax	8,312,574.00	9,292,155.00
Other	16,156,300.81	12,131,304.12
Total	<u>186,376,566.36</u>	<u>196,533,176.83</u>

**25. Segment Information**

The Company operates in only one main sector, namely business of real estate development in type of allotted house for sale and operate in one geographic which is Thailand. Thus all income profit and assets as shown on the financial statements were related to the business sector and geographical area as already said and for the year ended 31 December 2022 and 2021, the Company have no major customer with revenue of 10% or more of the Company's revenue.

## 26. Financial Instruments

### 26.1 Financial Risk Management Policies

The Company's financial instruments principally comprise cash and cash equivalents, other receivables, trade and other payables and lease liabilities. The financial risks associates with these financial instruments and how they are managed as follows:

#### Credit Risk

The Company constitutes low risk from credit provision since given the sale of property is sale which determined that liability from customers is fully repayable before the delivery of property is fulfilled.

#### Foreign Exchange Rate Risk

The Company is not exposed to any risk from foreign currencies exchange rate fluctuations because its main business transactions are conducted with domestic vendors.

#### Interest Rates Risk

The Company' exposure to interest rate risk relate primarily to their deposits at banks, and lease liabilities. The significant financial assets and liabilities are classified by type of interest rate as follows:

	(Unit : Baht)				
	As at 31 December 2022				
	Floating Interest Rate	Fixed Interest Rate	Non-interest bearing	Total	Interest Rate (%)
<u>Financial Assets</u>					
Cash and Cash Equivalents	98,817,221.11	-	767,360.02	99,584,581.13	0.10 – 0.80
Other Current Financial Assets	-	44,858,554.49	-	44,858,554.49	0.40 – 2.00
<u>Financial Liabilities</u>					
Lease Liabilities	-	7,496,673.53	-	7,496,673.53	4.82 – 6.29
	(Unit : Baht)				
	As at 31 December 2021				
	Floating Interest Rate	Fixed Interest Rate	Non-interest bearing	Total	Interest Rate (%)
<u>Financial Assets</u>					
Cash and Cash Equivalents	130,407,995.61	-	1,064,600.04	131,472,595.65	0.125 – 0.40
Deposit at Bank used as Collateral	-	53,429,786.91	-	53,429,786.91	0.125 – 0.25
<u>Financial Liabilities</u>					
Lease Liabilities	-	2,686,011.46	-	2,686,011.46	4.99 – 6.29

Liquidity risk

The Company has assessed liquidity risk to be low. The Company has access to a sufficient variety of sources of funding.

## 26.2 Fair Value of Financial Instruments

Due to financial assets and financial liabilities which consists of cash and cash equivalents, trade and other current payables, lease liabilities have a short maturity period or bearing interest rate closely to market rate, the Company's management believes that the fair value of those financial assets and financial liabilities dose not materially differ from their carrying value.

The carrying value and fair value of financial assets and financial liabilities as at 31 December 2022 and 2021 are presented below:

	As at 31 December 2022		As at 31 December 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	Amortised Cost		Amortised Cost	
<b>Financial Assets</b>				
Cash and Cash Equivalents	99,584,581.13	99,584,581.13	131,472,595.65	131,472,595.65
Other Current Receivables	973,790.91	973,790.91	1,401,063.43	1,401,063.43
Other Current Financial Assets	44,858,554.49	44,858,554.49	-	-
Deposit at Bank used as Collateral	-	-	53,429,786.91	53,429,786.91
<b>Total Financial Assets</b>	<b>145,416,926.53</b>	<b>145,416,926.53</b>	<b>186,303,445.99</b>	<b>186,303,445.99</b>
<b>Financial Liabilities</b>				
Trade and Other Current Payables	31,396,630.58	31,396,630.58	25,591,556.72	25,591,556.72
Lease Liabilities - Current Portion	2,512,644.83	2,512,644.83	744,871.16	744,871.16
Lease Liabilities	4,984,028.70	4,984,028.70	1,941,140.30	1,941,140.30
<b>Total Financial Liabilities</b>	<b>38,893,304.11</b>	<b>38,893,304.11</b>	<b>28,277,568.18</b>	<b>28,277,568.18</b>

(Unit : Baht)

**27. Fair Value Hierarchy**

As at 31 December 2022 and 2021, the Company do not have financial assets and financial liabilities that are recognized at fair value or disclosed fair value, classified according to the hierarchy of fair value.

**28. Transactions with Related Persons and Parties**

The Company had significant business transactions with related persons and parties. Such transactions, which have been concluded on commercial terms and bases, agreed upon between the Company, and related persons and parties and are in ordinary course of business are summarized below:

**28.1 Relationship with the Company**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors or officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related person and party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company's major shareholder is the Chinrapinporn family is a shareholder, holding 21.01% Silaprarat family, holding 19.73% and Chonecadeedumrongkul family, holding 16.50% of the issued and paid-up share capital of the Company. Transactions related to companies in which the Chinrapinporn family, Silaprarat family and Chonecadeedumrongkul family are the principal shareholders or directors are recognized as related parties to the Company.

<u>Name of Related Persons and Parties</u>	<u>Relationship</u>
Ratchthani Leasing Public Co., Ltd.	Common directors and some shareholders
Rock Garden Group Co., Ltd.	Common directors and some shareholders
Khun Virat Chinrapinporn	Directors of the Company and Shareholder
Khun Naowanit Silaprarat	Directors of the Company and Shareholder
Khun Naowanart Jamornmarn	Shareholder

## 28.2 Inter-Transactions

		(Unit : Baht)	
		For the year ended	For the year ended
Pricing Policies		31 December 2022	31 December 2021
<b>Inter-Transaction with Related Companies</b>			
Service Fee	Contract Price	704,928.89	606,848.95
Electricity Expense	Contract Price	206,064.88	234,877.31
Purchase of Fixed Assets	Mutually Agreed Price	6,900.00	-
<b>Inter-Transaction with Related Persons</b>			
Interest Expense	Annual Interest Rate at 3.00% per annum	814,385.74	75,724.93
Purchase of Fixed Assets	Mutually Agreed Price	37,220,000.00	-
Disposal of Fixed Assets	Mutually Agreed Price	1,550,000.00	-

## 28.3 Inter-Outstanding Balances

		(Unit : Baht)	
		As at	As at
		31 December 2022	31 December 2021
Deposit of Land			
Related Person		-	7,500,000.00
Assets Payable			
Related Person		9,720,000.00	21,184.00
Accrued Expenses			
Related Person		255,623.91	404,035.79
Accrued Interest Expense			
Related Person		-	75,724.93
Provision-Accrued Interest			
Related Person		6,627,996.31	6,627,996.31
Lease Liabilities			
Related Companies			
Ratchthani Leasing Public Co., Ltd.		3,976,480.00	2,859,267.00
Rock Garden Group Co., Ltd.		4,012,460.00	113,414.00
Total		<u>7,988,940.00</u>	<u>2,972,681.00</u>

Provision-accrued interest, the Company estimates this provision base on the loans from shareholders as in Note 9.

#### 28.4 Commitments with Related Party

As at 31 December 2022 and 2021, the Company has entered into service agreement with one related company for 1 year with options to renew. The Company constitutes obligation commitment that has to repay for service fee under these agreement amounting to approximately Baht 0.07 million and Baht 0.05 million, respectively.

#### 28.5 Commitments with Related Person

As at 31 December 2021, the Company has land purchase and sale contract with a related person. The obligation to pay under the agreement value in amount of Baht 29.72 million and require payment of the remaining land to the seller within 30 November 2021. If unable to pay the Company consent the seller to charge interest at the rate 3% per annum, since 1 December 2021 onwards. On 29 December 2022, the Company has payment of the remaining land and ownership of the land has been transferred to the Company.

#### 28.6 Key Management Personnel Remuneration

	(Unit : Baht)	
	For the year ended 31 December 2022	For the year ended 31 December 2021
Short-term Employee Benefits	5,461,000.00	5,198,800.00
Post-Employment Benefits		
- Defined Contribution Plans	108,000.00	88,000.00
- Defined Benefit Plans	119,730.32	106,545.60
Total	<u>5,688,730.32</u>	<u>5,393,345.60</u>



**29. Cash Flow Information****29.1 Non-Cash Transactions**

Consist of:

	For the year ended 31 December 2022	For the year ended 31 December 2021
	(Unit : Baht)	
Right-of-Use Assets increase from Lease Agreements	7,359,218.33	2,800,000.00
Purchase of Fixed Assets in Credit	32,902.50	203,184.00
Purchase of Land Held for Development in Credit	9,720,000.00	-
Transfer Deposit of Land to Land Held for Development	16,533,235.00	-
Lease Liabilities decreased from		
Disposal of Right-of-Use Assets	455,006.73	-
Gain (Loss) on Remeasurements of		
Defined Benefit Plans	52,400.30	(320,273.47)

**29.2 Changes in Liabilities arising from Financing Activities**

For the year ended 31 December 2022 and 2021, changes in liabilities arising from financing activities have the movement as follows:

	(Unit : Baht)			
	As at 1 January 2022	For the year ended 31 December 2022 Changes from Financing Cash Flows	Other Changes	As at 31 December 2022
Lease Liabilities				
- Current	744,871.16	(744,871.16)	2,512,644.83	2,512,644.83
- Non-Current	1,941,140.30	(1,661,018.84)	4,703,907.24	4,984,028.70
Total	<u>2,686,011.46</u>	<u>(2,405,890.00)</u>	<u>7,216,552.07</u>	<u>7,496,673.53</u>

(Unit : Baht)

	For the year ended 31 December 2021			
	As at	Changes from	Other Changes	As at
	1 January 2021	Financing		31 December 2021
		Cash Flows		
Lease Liabilities				
- Current	1,741,045.45	(1,741,045.45)	744,871.16	744,871.16
- Non-Current	744,952.98	(968,842.55)	2,165,029.87	1,941,140.30
Total	<u>2,485,998.43</u>	<u>(2,709,888.00)</u>	<u>2,909,901.03</u>	<u>2,686,011.46</u>

### 30. Obligations

In addition to the liabilities presented in the financial statements, as at 31 December 2022 and 2021, the Company has obligations as follows:

- 30.1 As at 31 December 2022 and 2021, the Company constitutes obligation commitment in the project development and property construction by amount of Baht 36.85 million and Baht 15.08 million, respectively.
- 30.2 As at 31 December 2022 and 2021, the Company constitutes letter of guarantee which issued by a bank to guarantee the repayment of land allotment by total in amount of Baht 56.96 million, equally for both years.
- 30.3 As at 31 December 2022 and 2021, the Company constitutes credit line of bank overdraft account which has not been withdraw in amount of Baht 10.00 million and Baht 5.00 million, respectively, which there is land held for development are collateral (2021, there is the Company's directors guarantee).
- 30.4 As at 31 December 2022 and 2021, the Company has security contracts with a company. A period of one year. The obligation to pay under the agreement value in amount of Baht 2.12 million and Baht 1.91 million, respectively.
- 30.5 As at 31 December 2022 and 2021, the Company has architecture design contracts and demonstration house interior design contracts with a company. The obligation to pay under the agreement value in amount of Baht 1.41 million and Baht 0.54 million, respectively.
- 30.6 As at 31 December 2022 and 2021, the Company has sales management agreement with a company. The obligation to pay compensation at the rate 3.0% – 4.6% of contract price equally for both years.

30.7 As at 31 December 2022 and 2021, the Company has reinforced concrete road, drainage trough and fence construction contract with persons. The obligation to pay under the agreement value in amount of Baht 1.56 million and Baht 0.68 million, respectively.

30.8 As at 31 December 2021, the Company has land purchase and sale contract with persons. The obligation to pay under the agreement value in amount of Baht 85.40 million.

### 31. Reclassification

The Company has reclassified some items, in order to comply with the reclassification in the current period, which does not have any affect on the profit (loss) for the year or the shareholders' equity already presented. The details are as follows:

	As Previously Reported	Reclassification	(Unit : Baht) As Currently Reported
<b>Statement of Financial Position</b>			
<b>as at 31 December 2021</b>			
Trade and Other Current Payables	24,832,091.72	759,465.00	25,591,556.72
Estimate from Prosecuted Cases	759,465.00	(759,465.00)	-

### 32. Event after the Reporting Period

In accordance with the Board of Directors of Meeting No.1/2023, on 21 February 2023, has resolved to approve the dividend payment for operation for the year ended 31 December 2022 at Baht 0.01 per share equivalent to dividend in the amount of Baht 10.25 million and resolved to appropriate the yearly net profit as legal reserve in the amount of Baht 1.50 million. This matter shall be proposed to the Meeting of Shareholders for consideration and approval.

### 33. Approval of the Financial Statements

The financial statements were authorised for issue by the Company's Board of Directors on 21 February 2023.

## Section 4 : Verification of Data Accuracy for 56-1 One Report Submission

The Company has carefully reviewed the information in this annual information disclosure form/annual report. The company hereby certifies that such information is correct and complete, not false, not misleading, or lacking material information that should be notified. In addition, the Company hereby certifies that:

(1) The financial statements and financial information summarized in the Annual Registration Statement/Annual Report have shown complete and accurate information in all material respects regarding the financial status, operating results and cash flows of the Company and its subsidiaries.

(2) The company has set up a good information disclosure system to ensure that the company discloses material information of both the company and its subsidiaries correctly and completely, as well as supervising the implementation of such system.

(3) The company has set up a good internal control system and supervises to ensure compliance with such system; And the company has informed the internal control assessment information as of December 31, 2022 to the auditor and audit committee of the company, which covers deficiencies and significant changes in the internal control system, including misconduct. that may affect the preparation of financial reports of the Company and its subsidiaries.

In this regard, as evidence that all documents are the same set of documents that the Company has certified their accuracy, the Company has assigned Mr. Phisitsak Premprichayan or Miss Chantamas Hankimhun to be the persons signing this document on every page as well. If any document does not have the signature of Mr. Phisitsak Premprichayan or Miss Chantamas Hankimhun, the Company will consider that it is not the information that the Company has certified the accuracy of the above information.

Name	Position	Signed
1. Mr. Virat Chinrapinporn	Chairman of the Board and Executive Chairman	_____
2. Mrs. Naowanit Silaparat	Executive Director and Managing Director	_____

Name	Position	Signed
<b>Attorney</b>		
1. Mr. Phisitsak Premprichayan	Accounting Director	_____
2. Miss Chantamas Hankimhun	Marketing Director	_____

## Attachment 1 : Information of the Board of Directors, Executives, Controlling Persons and Company Secretary

### Profile of Executive Directors and Management Team

**Name - Last name** : Mr. Virat Chinrapinporn  
**Age** : 63 Years  
**Position** : Director / Chairman of the board /  
 Authorized signatory  
**% of Shareholding** : 21.01 %  
**Relationship** : Husband of Mrs.Naowanit Silaprarat  
**Education** :  
 - M.B.A. in Marketing of City University, USA  
 - Director Accreditation Program DCP 40/2004  
 by Thai Institute Of Directors (IOD)



**Position in other listed companies** : 1

**Position in non - listed companies** : 10

**Working Experience** :

2016 – Present	Director	Phukao Huachang Pang-nga Co.,Ltd.
2016 – Present	Director	N.V. Real Estate Co.,Ltd.
2011 – Present	Director	Nicena Propety Co.,Ltd.
2002 – Present	Chairman of the board & Chief Executive Office	Ratchthani Leasing PCL.
1994 – Present	Director	Kuylin Pang-nga Co.,Ltd.
1993 – Present	Director	Chaleamcheep Co.,Ltd.
1992 – Present	Director	Phowatchara Co.,Ltd.
1990 – Present	Chairman of the board & Chief Executive Office	Baan Rock Garden PCL.
1989 – Present	Director	Chucheeep Housing Land Co.,Ltd.
1987 – Present	Director	City Wood Co.,Ltd.

**Name - Last name** : Mr. Wanchai Mekasut  
**Age** : 68 Years  
**Position** : Director / Independent /  
 Chairman of Audit Committee  
**% of Shareholding** : No  
**Relationship** : No  
**Education** :  
 - Bachelor of Business Administration, Assumption  
 - Director Accreditation Program DAP 97/2009  
 by Thai Institute Of Directors (IOD)



**Position in other listed companies** : No

**Position in non - listed companies** : 2

**Working Experience** :

2009 – Present	Director / Audit Committee Baan Rock Garden PCL.
1999 – Present	Authorized signatory Executive Vice President Khaoyoi Furnitech Co.,Ltd.
1994 – Present	Director and authorized signatory & Executive Vice President Furni Thai Co.,Ltd

**Name - Last name** : Mr. Preecha Jenthanavijit  
**Age** : 61 Years  
**Position** : Director / Independent /  
Audit Committee / Authorized signatory  
**% of Shareholding** : No  
**Relationship** : No  
**Education** :  
- Bachelor of Law  
Ramkhamhaeng University  
- Barrister Thai at Law  
- Director Accreditation Program DAP 40/2005  
by Thai Institute Of Directors (IOD)



**Position in other listed companies** : No

**Position in non - listed companies** : No

**Working Experience** :

2011 – Present	Audit Committee Baan Rock Garden PCL.
2005 – Present	Director Baan Rock Garden PCL.

**Name - Last name** : Mr. Prasan Thumsanong  
**Age** : 70 Years  
**Position** : Director / Independent Director /  
 Audit Committee  
**% of Shareholding** : No  
**Relationship** : No  
**Education** : Master of Faculty Of  
 Political Science Ramkhamhaeng University  
 : Barrister Thai at Law  
 : Bachelor of Law Ramkhamhaeng University  
 : Director Accreditation Program DAP 198/2022  
 by Thai Institute Of Directors (IOD)



**Position in other listed companies** : No

**Position in non - listed companies** : No

**Working Experience** :

2022 – Present	Director / Independent Director / Audit Committee Baan Rock Garden PCL.
2011 – 2013	Authorized Land Office Nakhon Pathom Province Department of lands Nakhon Pathom Province
2008 – 2011	Authorized Land Office Saraburi Province Department of lands Saraburi Province
2005 – 2008	Authorized Land Office Bangkok Bang Khun Thian Branch Department of lands Bangkok Bang Khun Thian Branch



**Name - Last name** : Mrs. Naowanij Sillaprarat  
**Age** : 62 Years  
**Position** : Director / Managing Director /  
 Authorized signatory  
**% of Shareholding** : 8.17 %  
**Relationship** : Wife of Mr.Virat Chinprapinporn  
**Education** :  
 - Bachelor of Economics  
 University of the Thai Chamber of Commerce  
 - Bachelor of Law Kasem Bundit University  
 - Master of Faculty of Political Science Ramkhamhaeng University  
 - Director Accreditation Program DCP 54/2005  
 by Thai Institute Of Directors (IOD)



**Position in other listed companies** : No

**Position in non - listed companies** : 10

**Working Experience** :

2019 – Present	Director	Baan Suan Cheng Doi Co.,Ltd.
2007 – Present	Director	Yamu Property Development Co.,Ltd.
1991 – Present	Director	Rock garden Beach Co.,Ltd.
1991 – Present	Director	Kuylin Pang-nga Co.,Ltd.
1990 – Present	Director / Managing Director	Baan Rock Garden PCL.
1990 – Present	Director	Phukao Huachang Pang-nga Co.,Ltd.
1990 – Present	Director	C & CN Group Co.,Ltd.
1989 – Present	Director	Chuchee Northern Group Co.,Ltd.
1989 – Present	Director	CS Real Estate Co.,Ltd.
1988 – Present	Director	Chuchee Housing Land Co.,Ltd.
1987 – Present	Director	Rock Garden Group Co.,Ltd.

**Name - Last name** : Mrs. Naowarat Suthamjariya  
**Age** : 61 Years  
**Position** : Director / Authorized signatory  
**% of Shareholding** : 7.96%  
**Relationship** : Sister of Mrs. Naowanit Silaprarat  
**Education** :  
 - Master of Business Administration in International Business  
 Schiller International University UK  
 - Master of International Management in Hotel and  
 Tourism Management  
 Schiller International University UK  
 - Director Accreditation Program DAP 40/2005  
 by Thai Institute Of Directors (IOD)



**Position in other listed companies** : No

**Position in non - listed companies** : 2

**Working Experience** :

1990 – Present	Director	Baan Rock Garden PCL.
1990 – Present	Director	C & CN Group Co.,Ltd
1987 – Present	Director	Rock Garden Group Co.,Ltd.

**Name - Last name** : Mr.Phisitsak Premprichayan  
**Age** : 47 Years  
**Position** : Department Head of Corporate Accounting  
**% of Shareholding** : No  
**Relationship** : No  
**Education** :  
- Mater Of MBA (Business Law)  
Ramkhamhaeng University  
- Bachelor of Management Administration (Account)  
Ramkhamhaeng University

**Position in other listed companies** : No

**Position in non - listed companies** : No

**Working Experience** :

11/2014 – Present	Department Head of Corporate Accounting Baan Rock Garden PCL.
2007 – Present	Senior Internal Audit Baan Rock Garden PCL.

**Name - Last name** : Miss Sittima Chanjirapong  
**Age** : 61 Years  
**Position** : Department Head of Corporate Finance  
**% of Shareholding** : No  
**Relationship** : No  
**Education** : Bachelor of Faculty of Business Administration  
Ramkhamhaeng University

**Position in other listed companies** : No

**Position in non - listed companies** : No

**Working Experience** :

2007 – Present	Department Head of Corporate Finance Baan Rock Garden PCL.
2005 – 2007	Purchasing Manager Baan Rock Garden PCL.
2004 – 2005	Purchasing Manager Baan Rock Garden Co.,Ltd.
2000 – 2003	Finance Manager Rock Garden Group Co.,Ltd

**Name - Last name** : Miss Jantamat Hankimhunt  
**Age** : 55 Years  
**Position** : Department Head of Corporate Marketing & Service  
**% of Shareholding** : No  
**Relationship** : No  
**Education** : Bachelor of Economics  
Ramkhamhaeng University

**Position in other listed companies** : No

**Position in non - listed companies** : No

**Working Experience** :

12/2014 – Present	Department Head of Corporate Marketing & Service Baan Rock Garden PCL.
2011 – 2013	Department Head of Corporate Administration & Marketing Baan Rock Garden PCL.
2008 – 2010	Assistant Corporate Accounting & Administration Chaba Cabana Beach Resort Co.,Ltd
2006 – 2008	Department Head of Marketing & Service Baan Rock Garden PCL.
1996 – 2006	Acting: Corporate Document M.I.S. Compute Tech Micro Sytem Co.,Ltd

**Attachment 2 : Information about the Board of Directors and executives who hold management positions in subsidiaries, associated companies or related companies. show information as follows :**

Name-Last Name	Listed Company		Other businesses (non-listed company)	Holding positions in competing businesses / related to the business of the company
	Amount	Type of business		
Mr. Virat Chinprapinporn	2	- Chairman of the board Baan Rock Garden PCL. - Chairman of the board Ratchthani Leasing PCL.	6	- Director Kuylin Pang-nga Co.,Ltd. * - Director Chucheeep Housing Land Co.,Ltd. * - Director Nicena Propety Co.,Ltd. * - Director Chaleamcheep Co.,Ltd. * - Director Phukao Huachang Pang-nga Co.,Ltd. * - Director N.V. Real Estate Co.,Ltd. *
Mr. Wanchai Mekasut	1	- Chairman of Audit Committee Baan Rock Garden PCL.	-	Not
Mr. Preecha Jenthanavijit	1	- Audit Committee Baan Rock Garden PCL.	-	Not
Mr. Prasan Thumsanong	1	- Audit Committee Baan Rock Garden PCL.	-	Not

Name-Last Name	Listed Company		Other businesses (non-listed company)	Holding positions in competing businesses / related to the business of the company
	Amount	Type of business		
Mrs. Naowanij Sillaparat	1	- Director / Managing Director Baan Rock Garden PCL.	9	- Director Rock Garden Group Co.,Ltd. * - Director Chucheeep Housing Land Co.,Ltd. * - Director Chucheeep Northern Group Co.,Ltd. * - Director CS Real Estate Co.,Ltd. * - Director Phukao Huachang Pang-nga Co.,Ltd. * - Director C & CN Group Co.,Ltd. * - Director Rock garden Beach Co.,Ltd. * - Director Kuylin Pang-nga Co.,Ltd. * - Director Baan Suan Cheng Doi Co.,Ltd. *
Mrs. Naowarat Suthamjariya	1	- Director Baan Rock Garden PCL.	2	- Director Rock Garden Group Co.,Ltd. * - Director C & CN Group Co.,Ltd. *
Mr.Phisitsak Premprichayan	1	- Department Head of Corporate Accounting Baan Rock Garden PCL.	-	Not
Miss Sittima Chanjirapong	1	- Department Head of Corporate Finance Baan Rock Garden PCL.	-	Not
Miss Jantamat Hankimhunt	1	- Department Head of Corporate Marketing & Service Baan Rock Garden PCL.	-	Not

### Attachment 3 : Details about the head of internal audit of the company show information as follows

**Name – Last name :** Mr. Napat Chinprapinporn

**Age :** 31 Years

**Position :** Head of Internal Audit

**% of Shareholding :** (0.00025%)

**Relationship :** Son of Mr. Virat Chinprapinporn and Mrs. Naowanij Sillaparat

**Education :**

- Master of International Business RMIT University Melbourne, Australia.
- Bachelor of International Business Queensland university of Technology Brisbane, Australia
- Diploma of Financial Trading & Investment -Distinction (Academy Of Financial Trading)
- Diploma of Digital Marketing – Distinction (Shawacademy)
- Diploma of Management (Tafe Queensland)
- Certificate IV in Business (Tafe Queensland)
- Certificate III in Foundation Skills (Tafe Queensland)

**Position in other listed companies :** **No.**

**Position in non – listed companies :** **No.**

**Working Experience :**

2564 – Present	Head of Internal Audit Baan Rock Garden PCL.
2561 – 2563	Store Merchandise Manager (Division Manager) Central Retail Group



## Attachment 4 : Business Assets and Details on Asset Valuation

### Assets

The main components of the Company's assets in 2020, 2021 and 2022 were development costs and undeveloped-land costs, accounting for about 81.13%, 83.16% and 87.06% of the total assets, respectively. In 2022, the development costs and undeveloped land costs were at 10.82% and 76.26% of the total assets, respectively. The details of the aforementioned costs were summarized below:

(Unit: Bt. million)

<b>Costs of property development :</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
• Project under development – net: Baan Rock Garden Airport 2	2.56	2.56	2.56
• Project under development – net: Baan Rock Garden Airport 3	158.05	84.58	52.01
• Project under development – net: Baan Rock Garden Arena - Nong Chok	88.33	128.05	90.23
<b>Total</b>	<b>248.94</b>	<b>215.19</b>	<b>144.80</b>
<b>Undeveloped land :</b>			
• Vacant land: approximately 3.5 rais - Soi Vatcharapol, Bangkok	38.40	38.18	38.18
• Vacant land: approximately 508 rais - Pa-Klog, Talang, Phuket	513.36	513.08	513.08
• Vacant land: approximately 212 riais – Ratsada, Muang, Phuket (Baan Rock Garden Bypass 6 Phase 2-10)	197.40	196.51	196.51
• Vacant land: approximately 104 rais - Baan Pae, Muang, Rayong	61.70	61.18	61.18
• Vacant land: approximately 31 rais- Lam Phak Chi ,Nong Chok, Bangkok	-	72.24	72.24
• Vacant land: approximately 33 rais- Krathum Rai ,Nong Chok, Bangkok	-	-	100.23
• Vacant land: approximately 2 rais- Tha Raeng, Bang Khen, Bangkok	-	-	38.65
<b>Total</b>	<b>810.86</b>	<b>881.19</b>	<b>1,020.07</b>

## **Details of the appraisal of assets**

**--NO--**

## Attachment 5 : Corporate Governance Policy

Baan Rock Garden Public Company Limited provides priority that good corporate governance is the major factor that enables the organization to have efficient operation and supports sustainable growth. The Board of Directors set out the "Corporate Governance Policy Handbook", therefore, was drafted by Corporate Governance Committee which guided by the SET CG principle, and approved by the Board of Directors on 18 February 2016.

This policy was set in accordance with the SET CG principle which is divided into 5 categories;

### Section 1 Shareholders' Rights

The Board of Directors recognizes the right of shareholders own the company, controlling it by appointing the board of directors to act as their representatives. Shareholders are eligible to make decisions on any significant corporate changes. Therefore, the Board of Directors encourage shareholders to exercise their rights as basic shareholder rights include the right to 1) buy, sell, or transfer shares 2) share in the profit of the company 3) obtain relevant and adequate information on the company in a timely manner and on a regular basis. And Shareholders should be fully informed of the criteria and procedures governing shareholder meetings. Sufficient information regarding the issues to be decided in each agenda item should be provided in advance of the meeting. Shareholders should be able to query directors both in the meeting and by sending their questions in advance. They should also be allowed to propose agenda items and vote by proxy. Other than, The board of directors recognize shareholders rights and avoid any action that violates those rights. The guidelines are as follows:

- 1) The Company has appointed Thailand Securities Depository Co., Ltd. to perform the duty as its securities registrar to provide convenience to shareholders regarding securities registration matters of the Company.
- 2) The Company define publicly disclose policies to encourage all shareholders, including institutional ones, to attend the company's shareholders meeting.
- 3) The Company has to hold an AGM within four months of the end of its accounting period. And The Company may call for an EGM if, after an AGM has been held, there is another matter that requires the shareholders approval.
- 4) Notice of AGM The Company details on the agenda in its entirety. As follows:
  - 4.1) To consider and appoint of directors was listed full name, age, educational background, career history, a director of the company. Including attendance in recent years and the number of years that he served as the director of the company.
  - 4.2) To consider and appoint of auditors was listed named auditor, affiliated companies, licensed auditor and the services of an auditor. Clearly
  - 4.3) To consider of dividend payment has informed the company's dividend policy. The rate proposed dividend With reasons and supporting information.
  - 4.4) In the Notice of AGM was listed objectives and reasons of each agenda, include Board of Directors' opinion on each agenda item. Clearly
- 5) On the meeting date, the Company would have registration officers ready 2 hours before the meeting and until the end of the meeting to provide convenience to shareholders and proxies who attend the meeting. In addition, there has been an application of registration for the Annual General Meeting and voting results display beginning from the preparation of information for the members attending the meeting, printing of voting ballots and compiling of voting results according to the agendas and minutes of the meeting to facilitate the shareholders' meeting.

Before the meeting begins, the chairman would inform the meeting clearly of the voting and vote counting procedures for each agenda under the articles of association, as well as the requirement that the voting ballots

be used for every agenda in order for the shareholders to exercise their voting rights as may be deemed appropriate for each agenda.

**Explanation on voting procedures and vote counting are as follows :**

- 5.1) One share shall be counted one vote and the majority of votes shall be deemed resolution. In case of an equality of votes, the Chairman shall be entitled to a casting vote distinguishing from that he has in the capacity of shareholder.
- 5.2) Shareholders attending the Meeting in person can cast votes as they wish on the ballots handed to them at the time of registration. The proxy appointed by the shareholder can also cast votes as directed by the grantor specified in the Proxy Form, and deliver to the staff to be recorded together with the votes that the shareholders have in advance given proxy to the independent directors proposed by Company.
- 5.3) The chairman will inform the Meeting of all voting results in each agenda. The votes as counted will include all votes per directions of all shareholders that appointed proxies. Each agenda will use the latest number of shares under possession of shareholders present in the Meeting.

For the selection of directors, the vote would be cast individually to enable shareholders to elect the preferred directors, whereby the Company would nominate names to be voted one by one. For transparency of this agenda, every shareholder who either votes for, against or abstains, was required to vote by using ballots, which would be collected by the officers after all the votes have been cast. Each director who is elected must receive more than half of the entire votes cast by shareholders who attend the meeting and have the right to vote.

The Company attendees would also be given an opportunity to raise questions or to give opinions with reasonable time for discussion. The issues of the questions and answers would be recorded in the minutes of the meeting in order to inform the shareholders who had not attended the meeting, and the chairman would conduct the meeting according to the agendas and would not add any agenda without notifying the shareholders in advance.

In the meeting, the Chairman explained before the meeting began how to vote and how to count the votes, as well as the requirement to use voting ballots for every agenda. The chairman also asked for concurring opinion that for those who attended the meeting later, they would be considered as forming a quorum and given voting rights from the beginning agenda. To proceed with the meeting, the Chairman presented matters in the order of agendas and gave time for questions of each agenda. For other matters apart from the agendas, there was question time in the latter part, of which every shareholder had equal rights and was given reasonable time.

- 6) The meeting of shareholders will be facilitated by the Company, ensuring that it does not contain any complicated procedure or limit the opportunity of those who wish to study the information of the Company. In addition, the Company shall not perform in any way that creates barriers to or hinders effective communication among shareholders. The Company shall take into account the convenience of the participants by not organizing the meeting on traditional holidays or holidays of commercial banks. Also, it shall conduct the meeting during appropriate period, that is, during 8.30 - 17.00 hours and the venue to be which is in the area of Bangkok.
- 7) The Company had disclosed the resolutions of the ordinary shareholders' meeting with result of the vote in a letter to the Director and Manager of the Stock Exchange of Thailand and on the Company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th)) within 1 day after completion of the meeting, as well as the minute of the meeting with the votes for each agenda and important questions or suggestions fully recorded. The minutes of the meeting had been forwarded to the Stock Exchange of Thailand (SET), the SET's Board of Governors and relevant

agencies within 14 days from the date of the meeting, and also disseminated via the Company's website for distribution to interest shareholders.

- 8) In order for the shareholders to review meeting details within a reasonable time and to ensure equality for both Thai and foreign shareholders concerning access to the information, the Company has implemented a policy on distributing minutes of the shareholders' meeting in a comprehensive manner. Each agenda contains important information as follows:

- 8.1) Recorded explained the voting procedure. Prompted by way of voting and vote counting. The ballot includes how to display the score to shareholders prior to the meeting.
- 8.2) Recorded questions answers to opportunity for shareholders to ask questions. Or offer comments on the agenda of the meeting to allow shareholders who did not attend the meeting to get to know.
- 8.3) Recorded resolved to approve meeting, and recorded number of votes in each agenda clearly. Include agree, disagree, abstaining and bad card votes on every agenda.
- 8.4) Recorded the name and position of director attendance and the directors did not attendance in order to monitor the participation of directors in meetings of shareholders each.

The Company published resolved to approve meeting of shareholders on the news system of the SET and the company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th)) within the next business day, and the company published minute of AGM of Shareholders complete on the company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th)) within 14 day since of the AGM. Shareholders can review the data without having to wait until the next meeting.

- 9) The Company requires all directors have a duty to participate in a meeting of shareholders at all times, and shareholders can inquire the Chairman of the Board and the auditors of the Company on the issues involved.
- 10) The Company has disclosed business-related information on the news system of the Stock Exchange of Thailand while also posting important information and current updates on its website ([www.rockgarden.co.th](http://www.rockgarden.co.th)). Such an effort is considered the protection of shareholders' rights beyond their legal rights.
- 11) The Company has been considered remuneration's directors by taking into account the remuneration of similar groups of industry and expansion of the business. The Company has also proposed all forms of remuneration, i.e., monthly allowance, gratuity and meeting allowance, which will be proposed to the shareholders for approval at every annual ordinary shareholder's meeting. Neither cash nor other assets will be offered to the directors unless it is the remuneration as per the rights and entitlements on a normal basis for the position as directors of the Company (For details, see "Remuneration for Directors and Executives"). The remuneration payment shall be in accordance with the Public Limited Companies Act, Section 90, which stipulates that "the remuneration payment to directors must be in accordance with the resolutions of the general meeting of shareholders that consists of not less than two-third of the total votes of the shareholders present at the meeting. The Company has publicized such a policy on its website ([www.supalai.com](http://www.supalai.com)) for the acknowledgement of both shareholders and the general public.
- 12) The Company has set out agendas for the appointment of auditors and determination of audit fees for shareholders to approve at the general meeting of shareholders on an annual basis. Details on the proposed auditors and audit fees will be provided sufficiently to shareholders for consideration.

## **Section 2 Equitable Treatment of Shareholders**

The Company has complied with shareholders equally by placing emphasis on equality of both major and small shareholders, and attaching importance to their fundamental rights and encouraging them to exercise their rights as given by law. Information is provided completely and equally to make the shareholders feel confident in

making investments. Though shareholders are unable to attend the meeting because of any inconvenience, they are entitled to appoint a proxy to attend the meeting. For such purposes, the Company has publicized guidelines on the website of the Company ([www.rockgarden.co.th](http://www.rockgarden.co.th)) to inform the shareholders and the general public.

- 1) The Company facilitates the shareholders who are foreigners, the Company has prepared all relevant documents in two languages i.e. English and Thai for Thai and foreign shareholders such as in Thailand and overseas, such as the notice of the meeting, proxy instrument, minutes of the meeting, annual report etc., and developed the Company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th)) in two languages.
- 2) The Company has set out criteria in proposing agenda and nomination of persons for appointment as directors. This is to encourage small shareholders to participate in overseeing the Company and to select qualified directors, who can perform their duties effectively for the best interests of shareholders and all groups of stakeholders. The Company has published the criteria on both its [www.rockgarden.co.th](http://www.rockgarden.co.th) website under heading "Investor Relation" (<http://www.rockgarden.co.th/investor.html>) and that of the Stock Exchange of Thailand in order for shareholders to nominate persons to be elected as directors, propose agendas and inquire about the Company.
- 3) The shareholders have the opportunity to ask any questions on each agenda by contacting Miss Jantamat Harnkimhant, secretary of the company, via her E-mail address: [jantamat@rockgarden.co.th](mailto:jantamat@rockgarden.co.th), or reaching her at 02-9347000 ext. 211 in advance 14 days before the commencement of the meeting whereby this should not be more than 7 days. Moreover, the shareholders could raise questions or express their opinions on any agenda during the meeting. The questions raised and the answers including the suggestions shall be recorded in the minute whereby this shall be published on the company's website at [www.rockgarden.co.th](http://www.rockgarden.co.th) in the form of video clip approximately 14 days after the commencement of the meeting. The company shall announce this information to the shareholders either directly or through the Stock Exchange of Thailand.
- 4) In the Annual General Meeting of Shareholder, with the important of the voting rights of the shareholders, the company has sent shareholders the invitation letter and the meeting document 14 days before the commencement of the meeting whereby these letters shall be sent by Thailand Securities Depository Co.,Ltd., the company's registrar. Moreover, the company has published the invitation letter and the meeting documents on the company's website at [www.rockgarden.co.th](http://www.rockgarden.co.th) approximately 30 days before the commencement of the meeting in order for the shareholders to study in advance. The annual report has also been published on the company's website approximately 14 days before the commencement of the meeting. The invitation letter to shareholders detailing its entirety, with the date, time, venue and all agenda items, with assign objective reasons and the Board of Directors on each agenda clearly.

In order to provide shareholders have been informed of the matter to be considered at the meeting and factors to be considered in deciding to attend. The shareholders have been informed decision prior to the meeting. The company avoid adding any other, which will be voted on at the meeting, that is not predefined in the AGM, this constitutes unfair to shareholders who did not attend the meeting.

- 5) At shareholders meetings, each agenda item will be strictly followed in the order published in the invitation letters. No additional agenda item shall be added without advance notice to the shareholders. The measure is to ensure that the shareholders have enough time to study relevant information before making decisions.
- 6) The Company proposes the names of all of its independent directors as an option for proxies. A shareholder may choose to be represented by any one of them. The proxy forms are also in line with the forms recommended by the Commerce Ministry, with the formats that allow the shareholders to dictate the direction of his votes. The measure is to encourage the shareholders to exercise their rights to attend the meetings and vote on each agenda item.

- 7) The Company promotes the use of voting tickets for all agenda items by printing them separately for each major issue. The shareholders can therefore vote as they deem appropriate. The voting tickets will be kept in the meeting rooms so that they may be counted and added to the votes cast in advance in the proxy forms before announcing the result of the voting in the meeting room.
- 8) Directors and executives are required to submit the list of their first securities holding and report on changes of securities holding including those of their spouses and minor children, as well as related persons. The submission and report shall be conducted in accordance with Section 59 of the Securities and Exchange Act 1992 (B.E. 2535) within 3 working days from the date of buying, selling, transferring or receiving the transfer of the securities. The directors and executives are also prohibited from buying and selling of the Company's securities during the period of one month prior to disclosure of financial statements to the public.
- 9) The Company determines directors and executives report on the change of securities holding to the Securities and Exchange Commission Thailand and submit the copy of the report to the Company on the same day they submit the report to the Securities and Exchange Commission Thailand.
- 10) The Company determines directors and executives know essential inside information that has influence on securities price must not buy or sell the Company's securities for one month prior to the disclosure of financial statement to the public and they shall not disclose such essential information to other people.
- 11) The directors, executives and employees shall not use inside information of the Company or business trading partners of the Company, that they know from performing duties, to purchase or sell or offer to purchase or sell. They shall not persuade others to purchase or sell or offer to purchase or sell securities of the Company or those of the Company's trading partners for personal gains or for the gains of others. In addition, they shall not engage in any business that competes with the Company as well as its related businesses even though their businesses do not cause the Company to lose benefits.

### **Section 3 Roles toward Stakeholders**

The Company attaches importance to the rights of every group of stakeholders, both internal and external such as shareholders, employees, trading partners, competitors, government agencies including the responsibilities toward the society and the environment. The Company has also set the Code of Conduct as ethical guidelines for business operations by taking into consideration the principle of fairness, human rights, legal respect, intellectual property rights.

#### **1) Human Rights Principles**

The Company regards human rights principle as common practice by taking into consideration human dignity, freedom and equality of individuals, and shall not do any act and nor encourage the violation of human rights. The Company shall not be involved with any agency, organization or individual that violates human rights in every case. The Company has provided a better understanding of human rights to employees in performing their duties, and has not supported any activity that violates human rights and all employees shall not do any act in the manner of sexual harassment, flirting, possessing pornographic pictures, using sexual language or touching the employees of the Company or outsiders who contact the Company.

The Company recognizes the importance of human rights and freedoms with non-discrimination by promoting equality of disadvantaged and disabled people, as well as the impartiality of opportunity between women and men. There is neither gender and racist discrimination, and there is no child labors in the Company.

#### **2) Principle of Law Compliance**

The Company recognizes the importance of law, and applies laws along with morality, ethics and integrity and business operations must be under the regulatory laws, therefore, there shall be no fraud or illegal act or making use of the gap of laws in its operation.

### **3) Intellectual Property**

The Company shall not install and use unlicensed computer software in the Company, shall not demand, accept or use business information acquired illegally or immorally, and shall not to infringe the copyrights, patents and trademarks of others.

### **4) Role of Stakeholders**

The Company divides stakeholders into groups which are shareholders, customers, employees, trading partners, competitors, communities, the society, environment, and related government agencies. The Company has realized that the supports from these stakeholders help to enhance its competitiveness and profitability which are instrumental in its long-term success.

#### **4.1) Shareholders**

The Company places emphasis on the quality and sustainable business growth. Thus, it has conducted business with integrity, transparency, aiming to provide good services for customers' satisfaction, which will result in value adding and maximum returns to its shareholders in the long run. The Company complies with a policy on equal treatment of both major and small shareholders by respecting their rights, and treat all of them equally, while operating business with honesty, integrity and transparency, while disclosing information to shareholders appropriately, completely with standards under legal framework, ethical principles and good corporate governance practice.

#### **4.2) Customers**

The Company has committed to comply with the policy on treatment of customers, with such policy in order to focus on the development of customer's satisfaction and confidence and is committed to treat customers with integrity, honesty and fairness on the basis of a fair return to both parties, while delivering a quality product at a fair price. The Company also controls and ensures that its product has the quality that is up to the standards and requirements of the Consumer Protection Act or other relevant laws, and also provides effective after- sales service to the customers.

The Company has taken good care of and acted responsibly toward its customers. It has produced quality and standard products, maintained their confidentiality and set up a unit exclusively to deal with them. The company has also listened to recommendations and opinions provided by its customers. As such, the customer relations unit has been established in order to provide the after sales service to the company's customers.

#### **4.3) Employees**

The Company is fully aware that employees at all levels are valuable resource of the Company, which is a factor for success and achievement of the goals of the Company. Accordingly, it shall provide care and fair treatment in terms of opportunity, returns, appointment, transfer and trainings for the employees as well as encouraging them to show their potential in order to be part of a sustainable development of the organization. The Company is well aware of the importance of all employees regardless of which section or department they are working in without any discrimination, and focuses on creating a good working environment, safety, with appropriate remuneration for their work. Such remuneration has been considered to be paid at similar rates of the same group of industry and according to the operational results of the Company and the Company is fully aware that employees are valuable assets. Therefore, it



always emphasizes development of knowledge and ability for all employees in order for them to grow sustainably along with the organization.

The Company has treated its employees fairly and paid them appropriately. Moreover, the company has offered various kinds of fringe benefits. These include the uniforms to all employees whereby the patterns shall be changed every 2 years, accident insurance for employees with operations risk, annual check-up, provident fund, accommodation with facilities for employees who work in provincial areas. For the human resource development, the company has trained several employees in order to enhance their knowledge and capability. The trainings include the use of some computer software, joint –seminar with the Stock Exchange of Thailand, Finance and Accounting training, etc.

#### **4.4) For Trading Partners**

The Company has committed to comply with the policy on Treatment of Trading Partners, it has the policy to treat its contractors, trading partners, vendors equally with fairness, by taking into account the best interests of the Company, while focusing on fair returns to both parties by avoiding situations that cause a conflict of interest. It shall also comply with contractual obligations by providing accurate information and correct reports. Any negotiation to solve problems and find solutions shall be based on the business relationship. The Company has supported the construction contractors on a continual basis to boost the morale and to encourage them to create quality work products.

#### **4.5) Competitors**

The Company's the business operations shall be conducted under the free and fair competition framework and shall not seek trade secret of the competitors by fraudulent, dishonest, inappropriate, immoral or illegal acts, regarding its competitors, the Company shall not do any act to cause damage to the reputation of the competitors by accusing, defaming or using any tactics without grounds; and shall not do any act to violate intellectual property rights and copyrighted works of others or competitors; and shall not conduct monopoly with its trading partners or suppliers. The Company has never had any dispute regarding trading competitors.

#### **4.6) Community, Society, Environment**

The Company has committed to operate business while giving back to the society on a regular basis. The Company recognizes the importance to the creation of good environment for the community, focus on the provision of knowledge because knowledge can be a base for developing and improving the quality of life for personal and family benefits as well as the benefits for the society in general.

The Company focuses on raising awareness of the employees to make the most effective, in order to achieve effective utilization of resources. In addition, The Company is committed to comply with all the laws relating to environmental protection and all the laws relating to health and safety, and therefore requires that all employees do the same.

The Company acts responsibly toward the environment of communities and the society by complying with any environmental law in order to avoid impacts towards the company, its community and any relating parties. The company has also paid great attention to the current environmental situation. Therefore, the company has regularly organized the activities to stop global warming annually.

#### **4.7) Related Government Agencies**

The Company has complied with the laws and strictly reported on such compliance, be it the tax payment and other expenses according to the regulations and rules prescribed by the state sector, and provided cooperation and support in implementing the state policies for the benefits of the country.

Regarding the stakeholders' contributions, the stakeholders can file the complaints; give any clue on the misbehavior of the company's employees or behaviors that could bring a disgrace to the company by sending the letter to the Managing Director at 601 Soi Ramkhamhange 39, Prachauthit Road, Wangtonglang District, Bangkok 10310. After received the letter, the company shall consider only the complaint letter or suggestion made by the stakeholders who have provided their name, contact address, telephone number and E-mail address (if any) and have relation with the company. This information shall be kept confidential.

If the company has conducted the inspection and found some evident, the company shall proceed according to the laws and relevant rules and regulation, including report to the Board for justice and transparency so that all departments have been informed.

#### **Section 4** Information Disclosure and Transparency

The Company has a policy to disclose the information to the investors and all groups of stakeholders on an equally basis by disclosing accurate, complete and transparent information in a timely manner. So that stakeholders take decisions, and a mechanism to monitor the implementation of the company, emphasize of the disclosure, and try to add a channel to provide information at all times. The details are as follows:

- 1) The Board of Directors of the Company has duty to treat all shareholders equally by ensuring that the disclosure, both financial and non-financial information, is made correctly, fully, adequately, reliably and in a timely manner in order for the shareholders to receive information on an equitable basis as required by laws, relevant organizations and government agencies. The Company publishes its important information on the website of the Company ([www.rockgarden.co.th](http://www.rockgarden.co.th)), the website of the Stock Exchange of Thailand (SET) and of the Security and Exchange Commission (SEC) according to the criteria laid down by the SET and SEC.
- 2) The company has established the investor relations unit (Tel: 02-9347000 ext. 211 or E-mail address: [pornyamon@rockgarden.co.th](mailto:pornyamon@rockgarden.co.th) , [jantamat@rockgarden.co.th](mailto:jantamat@rockgarden.co.th) , [jantamat.brock@gmail.com](mailto:jantamat.brock@gmail.com) as a communication channel for the shareholders, investors and persons who are interested to learn more about the company can make inquiries regarding the company. The information that has been made public and informed to stakeholders is made available at the Company's website at [www.rockgarden.co.th](http://www.rockgarden.co.th) and updates are made regularly to ensure users can have convenient access to timely news and information in their best interests.
- 3) The Company disclosure of key information, by done via various channels on consistency basis to enable its shareholders and stakeholders to be informed entirely. The channels for dissemination are as follows:
  - 3.1 The Stock Exchange of Thailand
    - \* Annual Report
    - \* Financial Statement
    - \* Operational Results Report on a quarterly basis
    - \* Resolution of the Board and others
  - 3.2 The Securities and Exchange Commission
  - 3.3 Ministry of Commerce
  - 3.4 Newspaper
  - 3.5 Investor Relation (contact 02-934-7000 Ext.211 or e-mail address : [pornyamon@rockgarden.co.th](mailto:pornyamon@rockgarden.co.th) , [jantamat@rockgarden.co.th](mailto:jantamat@rockgarden.co.th) , [jantamat.brock@gmail.com](mailto:jantamat.brock@gmail.com))
  - 3.6 The Company's website ([www.rockgarden.co.th](http://www.rockgarden.co.th))
  - 3.7 Document delivery notify shareholders by mail
- 4) Directors and executives submit the list of their securities holding including those of their spouses, children who are minors and related persons and report on changes of the list to the Office of the Securities and Exchange

Commission within 3 day from the date of purchase, selling, transferring or receiving the transfer of the securities. This is to comply with Section 59 of the Securities and Exchange Act 1992. The directors and executives are also prohibited from buying and selling of the Company's securities during the period of one month prior to disclosure of financial statements to the public and forward the report on selling and buying of Company's shares to the Company Secretary to keep as evidence.

- 5) The Company has committed to comply with the policy on Vested Interest, set requirements that the directors and executives report to the Company on their own or their related person's vested interest relating to the management of business of the Company pursuant to Section 89/14 of the Securities and Exchange Act B.E. 2535 (1992) amended by the Securities and Exchange Act (No. 4) B.E. 2551 (2008). Such report shall constitute information to support the Company's operations according to the requirement regarding related party transaction, which are transactions that may cause conflict of interest and lead to the siphoning of interest of the Company as follow:

- 5.1 The directors and the executives are required to report to the company their own stake, or those of their related persons in case of stake related to the management of business of the company filling in Form for Reporting on Stake of Directors and Executives as follows:

- \* First report: It should be done by the 15th of the following month from the on which there is transaction of stake.
- \* Report on changes of information on stake: It should be made without delay, that is, within 3 business days from the date on which the information has changed by specifying the orderly number of such change.

- 5.2 The directors and executives shall submit report form of having their own stake or those of their related persons to the Company's Secretary for acknowledgement immediately or within the specified date. The Board of Directors has required that the basic reporting form "Report of Interest" of the Listed Companies Association.

- 5.3 The Company Secretary shall do as follows:

- \* Submit a copy of the report on stake according to Section 89/14 to the Chief Executive Officer of the Company and the Chairman of the Audit Committee within 7 business days from the date on which the Company receives such report.
- \* Maintain reports on stake reported to the Company by directors and executives.
- \* Disclose the information on stake of directors and executives in the annual report (Form 56-2) and the annual registration statement (Form 56-1).

## **Section 5 Board Responsibilities**

The Company is well aware of the importance of board Responsibilities with corporate governance for the best interests of the company. The board have leadership, vision, knowledge, ability, experiences and independence in making decisions for the best interests of the company and all shareholders.

### **1) Leadership and Visions**

The Company has set the vision and mission through consideration from the Board of Directors. Which will be reviewed every 2 years to be used as a guideline for business operations and development for sustainable growth. By taking into account all groups of stakeholders. Also taking into account social and environmental responsibility.

**Vision**

To ensure housing development shall meet good quality and customer demands by means of modern and creative design. Every process is controlled and monitored. Appropriate innovation is developed. Emphasis is placed on services provided to customers with responsibility to stakeholders on the basis of environmentally and socially friendly approach.

**Mission**

1. Emphasis is placed on outstanding housing and environmental designs, suitable for the era and quality of life.
2. Building confidence and trust among consumers on the basis of transparency, clarity, sincerity, and honesty.
3. Promoting corporate brands to be widely known.
4. Develop employee strength, team working skills with commitment, diligence, dedication, honesty, earnestness to be ready for creating quality projects.
5. Applying and managing internal organization with good governance and flexibility for enabling to cope with changing situations.

**2) Nomination the company's Directors , Audit , Independent****2.1) The Company's Directors**

The Company does not set up a Nomination Committee for the purpose of Board Member selection. Nevertheless, the Company has established guidelines and criteria for such selection process. The Board of Directors will determine qualified persons to become its members, based on their abilities, experiences, vision and reliability. The Company's Articles of Association state that one third of the Director positions must become vacant each year in the annual Shareholder General Meeting. In order to re-elect the Directors, whose terms have expired, the proposal must be approved in the Shareholder Meeting. The Articles also state the guidelines for the Shareholder Meeting to nominate the Company's Directors.

**Criteria the appointment the Company's Directors**

1. The Board of Directors shall compose of at least five Directors, and at least half must be of Thai nationality. Persons appointed to the Board of Directors must possess qualifications as stated in article 68 of The Public Company Act of 1992 and guidelines as set forth by the Securities and Exchange Commission. The qualifications of each candidate are reviewed including their experiences, knowledge and capability for the business, and present the name list to the shareholders' meeting for the final selection.
2. At least one third of the Company's Board of Directors must be independent board members.
3. At every annual general shareholders' meeting, one third of the Directors has to retire. If the number of Directors cannot be divided exactly by three the number closest to one third shall be retired.
4. The election of Directors will be voted at the shareholders' meeting under the following conditions and procedures:
  - 4.1 The number of individual's vote equals to the number of shares s/he is holding.
  - 4.2 Each individual's vote can be cast to vote for one or more nominees but the vote cannot be divided to preferred nominees.
  - 4.3 After the vote, the nominated persons shall be ranked in descending order from the highest number of votes received to the lowest and shall be appointed as Directors in that order. The number of newly elected Directors must equal to the number of the vacating Directors. If two or

more Directors are eligible for the same seat and earn the same number of votes, the Chairman has the power to make the final decision as to who will be elected.

5. In case of vacancy on the Board of Directors other than through retirement by rotation, the Board of Directors shall elect any person who is qualified and is not subject to prohibition under laws governing public companies as a substitute Director at the next Board meeting by a vote not less than three quarters of the number of Directors remaining, unless the remaining term of the said director is less than two months. The substitute director shall hold the position only for the remaining term of the director he replaces.
6. A resolution may be passed at the shareholders' meeting to remove directors from office prior to retirement by rotation, by a vote not less than three quarters of the number of shareholders attending the meeting who have the right to vote and who have shares totaling not less than half the number shares held by shareholders attending the meeting and having the right to vote.
7. According to Item 18 of the Regulation of the company, it is stated that in every Annual General Meeting of shareholders, one-third of the directors should be released from the post. If the number of the directors could not be equally divided into three parts, the number of directors left the post would be the nearest figure of one-third. For the first year and the second year after the registration of the company, directors would be released from the post by a luck draw. After that, directors with the longest period on the post shall be released from the post and such directors may be re-elected to the office.

#### **Qualifications the Company's Directors**

1. Each board member shall possess knowledge and capability, vision, honesty and integrity. Each member must possess high ethical standards, must possess a clean and transparent record of previous responsibilities and must have sufficient time to make meaningful contributions to the Company.
2. Each board member must possess the qualities and must not have been disqualified in relation to the guidelines set forth for publicly listed companies and/or any other applicable laws and regulations
3. Board members may serve as a board member for other Companies as long as such positions will not hamper the board member from fulfilling his/her duties as a member of the Company's board.
4. Board members must not operate, be partner in or be a shareholder in any business entity that operates in the same industry as that of the Company or is a competitor of the Company unless such position is disclosed to shareholders at the shareholders' meeting prior to the appointment to the Company's board.
5. The qualification of an independent director is similar to that of a member of the Audit Committee which complies with the Stock Exchange of Thailand's guidelines regarding the qualifications and responsibilities of members of the Audit Committee. The independent director's responsibility is to ensure that the interests of all shareholders are upheld. The independent directors are also to be allowed to freely provide thoughts and comments at Board meetings.
6. The Company provides for shareholders to nominate the names of directors advance.

#### **2.2) The Audit Committee**

The Board of Directors is responsible for nominating at least 3 Directors to join the Audit Committee. The Committee members will be selected from the Company's Independent Directors with appropriate qualities, as guided by the laws pertaining to securities and stock exchanges, including the announcement, rules and regulations of the Stock Exchange of Thailand, mandating the qualities and scope of authority of the Audit

Committee. In addition, at least one of the Audit Committee members must have background in accounting and finance.

In addition, the Audit Committee is appointed by the resolution from the Shareholder Meeting, with 2-year term. The Committee's member whose term of office has ended may be reinstated.

**Selection criteria of Independent Director and Audit Committee Director**

- 1) Appointed by the Board of Directors or the shareholders of the Company to be the Audit Committee members and be independent directors.
- 2) Hold shares of not more than 1 percent of the voting shares of the Company, subsidiary companies, associated companies, or any juristic persons with potential conflict, including the shares held by related persons of such independent director and audit committee director.
- 3) Must not be nor have ever been a director with participation in management, a hired worker, an employee, an advisor with fixed salary, or a person with control over the Company, subsidiary companies, associated companies, or juristic persons with potential conflict, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director and audit committee director.
- 4) Must not be a person related by blood or by legal registration as father, mother, spouse, sibling, and offspring, including spouse of offspring of an executive or major shareholder, controlling person, or a person who will be nominated as executive or controlling person of the Company or subsidiary companies.
- 5) Must not have nor have ever had any business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts to the extent that may obstruct the using of his/her independent discretion, and is not nor ever have been a major shareholder, a non-independent director and audit committee director or an executive of those with business relationship with the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, unless having been relieved from such title for not less than 2 years before the date of filing an application with the Office of the Securities and Exchange Commission.
- 6) Must not be nor have ever been an auditor of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts, and is not a major shareholder, a non-independent director and audit committee director, an executive, or a managing partner of the audit firm where the auditors of the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts are working for, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director and audit committee director.
- 7) Must not be nor have ever been a provider of any professional service, including a legal consultant or financial consultant, with remuneration in excess of Baht2 million per annum from the Company, subsidiary companies, associated companies, or juristic persons with potential conflicts. Where the provider of professional service is a juristic person, it shall include the major shareholders, non-independent director and audit committee director, executives, or managing partners of such professional service provider, unless having been relieved from such title for not less than 2 years before the date of appointment as independent director and audit committee director.
- 8) Must not be a director appointed as the representative of the Company directors, major shareholders, or any shareholders who are connected persons of the major shareholders of the Company.

- 9) Must not possess any other characteristics that will prevent the independent expression of opinions in respect of the operations of the Company.
- 10) The Independent Director and Audit Committee Director who are qualified according to 1 - 9 may be assigned by the Board of Directors to make decision on the operations of the Company, the operations of the subsidiaries, associated companies or juristic entities which may have a conflict. The decision could be made in the form of panel.

### 3) The Company's Directors Structure

With the understanding of the importance of Policies on Corporate Governance, the Company's Board of Directors has set the policies focusing on the transparency of business operation, investigation and disclosure of information to the public and shareholders on a regular basis. We also give the attention to the internal control and auditing system including the effort to closely manage and control and the risks by taking into consideration the ethics of fair business operation to the customers, shareholders and stakeholders. The structure of the Company's directors is as follows:

- |                                       |   |         |
|---------------------------------------|---|---------|
| • The Board of Directors              | 6 | Persons |
| • The Independent and Audit Committee | 3 | Persons |
| • The Executive Committee             | 3 | Persons |

The Board of Director has been elected by the company whereby each director shall have the term of 2 years. In order to enhance the management efficiency, the check and balance has been clearly put in place. As such, no employee shall have solely authority to sign or make decision. Moreover, a clear line of authority and segregation of function have been established. The structure of the management has been written in the annual report in order to be accordance with the good corporate governance of the Stock Exchange of Thailand. For more detail, please see "Management Structure".

#### 3.1) The Board of Directors

The Company's Board of Directors perform the duties by taking into account integrity, transparency, fairness and maintenance of the Company's interest.

#### The duties and responsibilities of the Board of Directors

1. Supervise and manage the Company's business operations according to the laws, objectives, articles of association of the Company and regulations of concerned agencies as well as the resolutions of the shareholders' meeting, and maintain the interest of the Company according to the business good governance principles. The Board of Directors must also disclose information in sufficient, correct, complete, standardized and transparent manner to shareholders and all relating parties.
2. Set out vision, mission, directions and strategies of the Company, consider and review such vision, mission and strategies regularly and grant approval every year to be in accordance with the Company's business plan.
3. Grant approval to important strategies and policies including the objectives, financial goals and plans of the Company; monitor and supervise to ensure that the Company's strategies and plans have been implemented.
4. Authorize the Chief Executive Officer to have the power to carry out the business operations of the Company as well as the power to appoint and remove the employees of the Company and determine the remuneration for working according to the policies of the Board of Directors; and authorize the employees with the operational powers in accordance with the business condition.



5. Determination duties and responsibilities of the Executive and Management Committee clearly.
6. Organize the annual ordinary general meeting of shareholders within 4 months from the closing date of the accounting year of the Company, and organize the extraordinary meeting of shareholders when necessary.
7. Organize the meeting of the Board of Directors every quarter and there must be not less than one half of the number of Directors attending the meeting; the decision of the meeting must be made by a majority vote; if there is a tie of votes, the Chairman can have a casting vote.
8. The Board of Directors may appoint a number of Directors and/or Executives, as appropriate, to form an Executive Committee and assign them to manage the Company on their behalf. The Board of Directors will appoint one among the Executive Committee to be the Chief Executive Officer. The Board of Directors may only empower the Executive Committee to manage the Company within their scope of authority and responsibilities, as stated by the law, and they must clearly specify the scope of authority and responsibilities of the Executive Committee.
9. The Directors may not initiate a business that directly competes with the Company. They also may not become partners in any ordinary partnerships, general partners in any limited partnerships, or directors of any companies that pose direct competition to the Company.
10. Arrange for disclosure of correct, clear, transparent, reliable and high standard information.
11. Arrange for a preparation of statements of financial position and income statements as at the ending date of the accounting year of the Company and the Board of Directors must arrange for an audit by the auditor before to be presented to the annual ordinary meeting of shareholders for approval.
12. Arrange for a report on important financial and general information to the shareholders in a correct, complete and sufficient manner; and confirm the verification of information reported.
13. The Board of Directors is responsible for the review and approval of the Company's periodical and annual financial statements, as well as ensuring that the financial statements are produced in accordance to the general accounting standard.
14. The Board of Directors must review the adequacy and appropriateness of the Company's internal control system and risk management procedures.
15. The Board of Directors must ensure that the Company's operation receive sufficient audition from the internal Auditor and external Certified Accountant.
16. The Board of Directors has the duty to propose remuneration for directors to be approved by the Annual Ordinary General Meeting of Shareholders.
17. The Board of Directors has the duty to evaluate the performance of Executive Management and set out remuneration in accordance with their performance.
18. The Company's directors have a duty to participate in a meeting of shareholders at all times, and shareholders can inquire the Chairman of the Board and the auditors of the Company on the issues involved.

To exercise their authority in the following Company's affairs, the Board of Directors must first receive the approval from the Board Meeting through the majority voting of attending Directors, and also from the Shareholder Meeting with the approval resolution produced by at least 75% of attending Shareholders with voices.

- (a) Sale or transfer of the entire or the significant portion of the Company's business to other parties.
- (b) Acquisition or transfer of other public or private company's business to become part of the Company's.



- (c) Amendments to the Company's Memorandum of Association or Articles of Association.
- (d) Increase or decrease of the Company's capitals, or issuance of debentures.
- (e) Corporate merger or dissolution.

### **Secretary of the Board**

The Board of Director passed a resolution to appoint Miss.Jantamat Hankimhunt to hold secretary office according to the meeting resolution of Board of Directors no.4/2014 on 13 November, 2014, has acted as the Company Secretary since December 17, 2014 to oversee Board activities and assist the Board and the Company in complying with related laws and regulations and in promoting good corporate governance, to oversee the organization of shareholders and Board meetings in conformity with laws and the Company's Articles of Association and procedures, and to oversee the preparation and storage of meeting support documents and follow up to ensure compliance with the shareholders' and Board resolutions. The Company has defined the Secretary's role, duties and responsibilities in the Corporate Governance Policy Manual, as it envisions the importance and necessity of secretary role in the development of its corporate governance system. The Secretary can be reached at [jantamat@rockgarden.co.th](mailto:jantamat@rockgarden.co.th) , [investor@rockgarden.co.th](mailto:investor@rockgarden.co.th) , [jantamat.brock@gmail.com](mailto:jantamat.brock@gmail.com) or phone number 02-934-7000 ext. 211

### **Required Qualifications and Experience for Company Secretary**

1. Being knowledgeable in and having an understanding of the laws and regulations concerning the company and regulatory body in relation to the law on public limited companies and the law on securities and stock exchange; passing a training course on company secretary duty performance.
2. Being knowledgeable and having an understanding of good corporate governance and corporate governance best practices.

### **Company Secretary's scope of duties and responsibilities:**

1. To produce and keep
  - Record of Directors,
  - Notice of Board of Directors meeting, minutes of Board of Directors meeting and company's annual report,
  - Notices and minutes of all shareholders' meetings.
2. To keep all interest or conflicts of interest report reported by directors or any members of management team.
3. To perform any other action as determined by Capital Market Supervisory Board.

## **3.2) The Executive Committee**

### **Scope of Authority and Responsibilities of the Executive Committee**

1. The Executive Committee is responsible for the consideration of the annual budget allocation, proposed by the management team, before taking it to the Board of Directors for approval. The responsibilities also include the urgent review and approval of the amendments and the additions to the annual expense budget in the events of no scheduled Board Meeting. The executive decisions must, however, be informed to the Board of Directors in the soonest Board Meeting.
2. The Executive Committee is responsible for the consideration of the Company's policies, directions, strategies and management structure. The Executives must also set the guidelines for the operations that correspond to the circumstances of economy and market competition, as reported by the management team, before proposing them to the Board of Directors for approval.

3. The Executive Committee must ensure that the Company effectively operates in accordance with the policies and operational guidelines.
4. The Executive Committee has the authority to appoint the Managing Director, and to discharge personnel below the position of the Managing Director from their positions.
5. The Executive Committee is responsible for the allocation of gratuity, after the approval from the Board of Directors, to the employees, workers or anyone who act on the Company's best interest.
6. The Executive Committee is authorized, following the approval from the Board, to endorse the Company's financial transactions, such as account opening, loans, pledges, mortgages, as well as land trading and registration of land ownership, providing the transactions are in line with the Company's objective, and performed to promote the Company's benefits.
7. The Executive Committee is responsible for carrying out any other assignments the Board of Directors entrusts it with. Nevertheless, the empowerment of the Board of Directors to the Executive Committee must be within the legal scope of authority and responsibilities of the Executive Committee.

The Executive Committee is not authorized to conduct any of the following affairs, or related matters, without first proposing to the Audit Committee for its opinion, and proposing to the Board of Directors and / or the Shareholder Meeting for approval: (a) connected transactions; (b) trading transactions of Company's significant assets; and / or (c) transactions that involve parties who have potential conflicts of interest with the Company and its subsidiaries, (if any).

Furthermore, in conducting the connected transactions or trading transactions of Company's significant assets, as defined in the regulations of the Stock Exchange of Thailand, as well as the above transactions involving other listed companies, the Executive Committee must first obtain approval from the Shareholders in a Shareholder Meeting, or by any other mean possible, according to the regulations of the Stock Exchange of Thailand.

### **3.3) The Audit Committee**

The Audit Committee is an independent party elected to join the Board of the Directors, with responsibilities to examine the financial information proposed to Shareholders and other related parties, to investigate the internal control system, to conduct internal audit processes, and to communicate with the Company's external auditor.

#### **Scope of Authority and Responsibilities of the Audit Committee**

1. The Audit Committee is responsible for investigating, in concert with the Company's external auditor, whether the Company's financial reports are accurately produced, with adequate disclosure. The Committee may voice its opinion to the Auditor, as well as review and investigate any transactions it sees fit.
2. The Audit Committee is responsible for investigating, in concert with the Company's external auditor and internal auditor, whether the Company's internal control and internal audit processes are appropriately in place and effectively performed.
3. The Audit Committee is to determine the scope of the investigation and the audit plans for the external auditor and internal auditor that are in accord, when investigating the financial transactions.
4. The Audit Committee is responsible for the selection and proposal of the Company's auditor and his compensation to the Board of Directors. The decision for appointment must come from the Shareholder Meeting.
5. The Audit Committee must consider the disclosure of corporate information regarding to related-party transactions or transactions inducing conflicts of interest with all due accuracy and completeness.

6. The Audit Committee is responsible for investigating whether the activities of the Company conform to all laws pertaining to securities and the stock exchange, the regulations of the Stock Exchange of Thailand, and the laws relevant to the Company's business.
7. The Audit Committee is responsible for other matters assigned to it by the Board of Directors and agreed by the Audit Committee itself. Examples include the reviews of financial management and risk management policies, the reviews of the Company's operation in accordance with the executive business ethics and the review, in concert with the Company's executive, of significant transactions that, as enforced by the laws, must be presented to the public, such as the executive reports and analyses.
8. The Audit Committee must organize a report on the activities of the Audit Committee, signed by the Chairman of the Audit Committee, which must be included in the Company's Annual Report. The contents of the report include the following:
  - (a) The Committee's opinions on the process of producing and information disclosure in the Company's financial reports, as to whether it is accurate, complete and reliable.
  - (b) The Committee's opinions on the adequacy of the Company's internal control system.
  - (c) The Committee's rationale for its confidence, such that it's appropriate to continue to appoint the current Company's auditor for another period.
  - (d) The Committee's opinions on the conformance of the Company's operations to all laws pertaining to securities and the stock exchange, the regulations of the Stock Exchange of Thailand, and the laws relevant to the Company's business.
  - (e) Any other matters that the Committee considers appropriate to inform the Shareholders and general investors, which do not exceed the scope of authority and responsibilities of the Committee assigned by the Board of Directors.

#### **4) Setting up remuneration**

##### **4.1) Remunerations of the Company's Directors and Audit Committee Director**

The Company attaches importance to good corporate governance system, it therefore has set a transparent policy to compensate all the Directors with remunerations and other benefits that are fair for their responsibilities and contributions.

The Chairman of the Board authorized the remunerations to be paid to the Company's Directors and Audit Committee in 2022 to be no greater than 1.5 million Baht, to be same the 2021. The Remuneration has determined from the remuneration generally paid in the same industry and expansion of the business.

The directors' remunerations and Audit Committee have not been set by the Remuneration Committee since the company has not had the Remuneration Committee. The Remuneration Committee were approved by the Board of Directors.

The remuneration of Directors and Audit Committee must be approved by the shareholders at all times. The shareholders' meeting approved by at least two-third of the number of shareholders present and vote at the meeting.

##### **4.2) Remunerations to management, managing officers, and staff**

###### **Monetary remunerations**

The company has set the criteria on the remunerations which include salary, living expenses, wages, allowances, provident fund and bonus. The company has compared its remuneration structure with

those of the companies in the same industry and has developed the key performance indicators so that the remunerations can be fair and transparent including being good incentives.

#### **Non-monetary remunerations**

The company has placed great emphasis on the human resource of the company. As such, the company has developed and encouraged the bond and good attitude of the staff toward the company. The company has offered the staff the accident insurance for those with operational risks, medical care (annual check up), provident fund, accommodation and public utility for those who work in the provincial areas.

### **5) Training and Development for Directors and the Management**

It is a company's policy to encourage all members of the Board to undertake some training courses from Thai Institute of Directors (IOD) which are relating to their positions and responsibilities in order to enhance their knowledge and capability to efficiently govern the company. For the directors who have just been elected, each director shall be informed of the information of the company, rules and regulations, business model of the company, which is relevant to their duties. Moreover, various trainings shall be provided to such directors in order to continually enhance their knowledge. The training information shall be published on 56-1 and the annual report. For more details, please see "Directors' profile"

### **6) Conflicts of Interests**

The Company has the policy to eliminate the conflicts of interest by allowing the audit committee to consider and approve the transactions. The audit committee will bring all issues to the Board of Directors' meeting for consideration where the stakeholders of the particular issue will be required not to vote for justice and best company's benefit purposes. The Company always operates the business according to the rules of the Stock Exchange of Thailand, and discloses details, value, contracts and other necessities in the annual report and Form 56-1. For the usage of inside information, the Company's policy indicates that the management must follow Section 59 of Stock & Stock Market Act, B.E.1992 and are not allowed to use inside information for personal benefits

### **7) Business Ethics**

The Company's Board of Directors and management promote the employee's honesty and responsibility to the stakeholders, shareholders and all parties concerned. This is important in order to build an organizational culture with social responsibility. The Company has required that the executive board conform the Best Code of Practices based on SET's guidelines.

## Attachment 6 : Report of the Audit Committee

### Report of the Chairman of the Audit Committee

#### To Shareholders

The Audit Committee of Bann Rock Garden Public Company Limited consists of independent directors, who are experts with experience in terms of legal, accounting, and administration. During the year 2022, there were altogether 3 independent directors as follows.

- |                              |  |
|------------------------------|--|
| 1. Mr. Wanchai Mekasut       | Director / Independent and Chairman of Audit Committee |
| 2. Mr. Preecha Jenthanavijit | Director / Independent and Audit Committee             |
| 3. Mr. Prasan Thumsanong     | Director / Independent and Audit Committee             |

The Independent directors and Audit Committee of three persons are not the Company's management or employees and have qualifications as specified by securities and SET laws. Mr.Phisitsak Premprichayan is the Department Head of Corporate Accounting, is the Secretary to the Audit Committee.

The Audit Committee has fulfilled its duties and carried out all the responsibilities assigned by the Company's Board of Directors, especially in terms of the good corporate governance. In the 2022, the Audit Committee called a total of four meetings, all with the Company's Auditor and internal auditors, the management and related top executives to discuss and review financial information and connected transactions of the Company; listen to useful explanations and suggestions; and improve effectiveness of the internal control in order to comply with its duties and responsibilities under the regulations of the Stock Exchange of Thailand. The Audit Committee has supervised the Company's operations under the determined scope and goals with the sufficient independence for the maximum benefits of all stakeholders and always reported to the Board of Directors. The duties can be summarized as follows:

1. To review reliability of the Company's quarterly and annual financial statements by discussing with the auditor and finance and accounting executives in order to ensure that the financial statements have been prepared in accordance with the generally accepted accounting standards and generally accredited principles with material accuracy and creditability for the benefit of all investors or users.
2. To review suitability of the internal control and internal audit reporting systems by allowing the independent auditor and related managements to provide explanations based on transparency and the maximum benefit of the internal control system.
3. Review the risk management in various aspects of the organization holistically and propose the risk factors that affect the operation and the business plan for consideration to the Board of Director.
4. To review suitability and sufficiency concerning regulations of connected transactions or any other transactions that may be the cause of conflict of interest during the year and accurate and complete information disclosure to ensure that there is reasonable necessity based on commercial transactions of general business before proposing for the Board of Directors' approval.
5. Selected and proposed appointment of external auditor for 2022 as well as determined remuneration for external auditor to Board of Directors in order to propose to shareholders' meeting for consideration and approval.

6. Reviewed that the Company complied with Securities and Exchange Commission Act, regulations and rules of Stock Exchange of Thailand, and other laws related to the business of the Company.
7. To review good corporate governance and implementation of the Anti-Corruption Policy and monitor operating results and guidelines under the regulations.

The Audit Committee has performed its duties by sufficiently using its knowledge, ability and caution in accordance with the generally accepted principles for the equal benefit of all stakeholders. The Audit Committee has carefully complied with the guidelines with sufficient independence and properly provided useful guidelines and comments for the Company and all stakeholders with cooperation of related parties, managements and units of the Company.

(Mr. Wanchai Mekasut)  
Chairman of the Audit Committee  
6 February 2023





**BAAN ROCK GARDEN**  
PUBLIC COMPANY LIMITED

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