

MUD & HOUND

PUBLIC COMPANY LIMITED

FROM 56-1 ONE REPORT



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Mud & Hound Public Company Limited

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Chairman's Message

Dear Shareholders, Investors and Stakeholders

In 2022, the COVID-19 has gradually subsided and was finally announced as an endemic disease. This had a positive reinforcement to various business sectors (e.g., healthcare) and the easing of the country's entry requirements, the number of tourists visiting Thailand has steadily been on the rise since the country's reopening. The tourism industry in Thailand is once again driving the economy forward and supporting domestic consumption. Consequently, overall domestic retail business has improved when compared to that period over the last two years.

However, Thai economy has been recovering at a slow pace, due to some macroeconomic factors (e.g. energy prices, inflation). This situation has been pressuring consumer purchasing power and driving higher costs. This also affected businesses of the enterprise.

In 2022, the Company expand the new stores especially Dunkin Donuts and Greyhound Café, Including the launch of new brands "Simon Says Shabu" "BEANHOUND" and "UNDERHOUND", as it had foreseen the business growth opportunities offered by positive factors such as Thailand's economic recovery. Thanks to new store expansion this year and positive same store sales growth, the Company's total income increased by 36.8% and net profit increased by 103.3%.

In 2023, the Company will continue to move forward with new store expansion will be enhanced to better respond to existing and new customers' needs to secure the continuation of profit growth. In parallel to this, the Company will take into account global economic risks and prepare business continuity plans and backup measures to prepare for any negative circumstances. Nevertheless, with the capable and long experienced management team who are dedicated and ready to face these challenges, I am confident that the Company will be able to overcome these challenges and achieve a better operating result than the previous year.

Finally, on behalf of the Board of Directors We would like to thank the shareholders, investors, joint ventures, partners, customers, stakeholders and all related parties for their continued support and trust in the Company's operations. Especially I would like to thank all the staff who have performed their duties dedication, and I wish you all good health both physically and mentally.

Yours Sincerely,



(Lt. Col. Taweessin Rukkatanyu)

Chairman of Board of Director

Financial Highlights

		Consolidate Financial Statement		
		2020	2021	2022
Consolidate Financial Statement				
Revenues from Sales and Services	Million THB	2,166	2,170	3,062
Total Revenues	Million THB	2,316	2,316	3,168
Gross Profit	Million THB	1,294	1,321	1,838
EBITDA	Million THB	152	424	503
Net Profit (Loss)	Million THB	(420)	(111)	4
Total Assets	Million THB	4,792	4,897	5,252
Total Liabilities	Million THB	2,556	2,787	3,125
Total Equities	Million THB	2,236	2,110	2,127
Profitability Ratio				
Gross Profit Margin	%	59.7	60.9	60.0
EBITDA Margin	%	6.6	18.3	15.9
Net Profit Margin	%	(18.1)	(4.8)	0.1
Return on Assets (ROA)	%	(7.7)	(0.4)	0.1
Return on Equity (ROE)	%	(17.4)	(5.1)	0.2
Liquidity Ratio				
Liquidity Ratio	x	0.4	0.5	0.3
Days Sales Outstanding	Day	22.4	20.5	13.5
Days Inventory Outstanding	Day	67.4	70.5	56.4
Days Payable Outstanding	Day	154.3	169.3	129.5
Cash Cycle	Day	(64.5)	(78.3)	(59.6)
Debt to Equity Ratio				
Debt to Equity Ratio	x	1.1	1.3	1.5
Interest Bearing Debt / Equity Ratio	x	0.8	1.0	1.1
Per Share Data (Million shares)				
Par Value	THB per share	1.0	1.0	1.0
Registered Shares	Million shares	1,055	1,685	1,685
Paid-up Shares	Million shares	1,055	1,053	1,053

Part 1

Business Operation and Operating Results

1. Organizational structure and operation of the group of companies

1.1 Business Policy and Overview

1.1.1 Business Goals

Vision:

"The company is committed to being a sustainable leader in the food and lifestyle business that recognizes stakeholders' health and quality of life as well as doing business along with the development of the community, society and environment with transparency, fairness, respect for human rights"

Mission:

- ☐ To conduct business and activities to support development of Thai community in creating sustainable social and environmental development
- ☐ To be a strong and respected company in the eyes of our staff, consumers, community, suppliers and stakeholders
- ☐ To operate successful brands in term of brand awareness, brand regards and penetration
- ☐ To value and support our people and stakeholders
- ☐ To win the market place in terms of quality, growth of stakeholders, and brand equity

1.1.2 Significant changes and developments

The Company was incorporated on March 16, 2006 as Mudman Company Limited with an initial registered capital of 10.0 Million Baht to operate the business by holding shares in other companies (Holding Company) which comprised operations whose primary business was food and beverage And changed its name to Mud & Hound Public Company Limited. on 21 May 2021.

The Company made significant changes and developments follows:

Year	Event
2019	<ul style="list-style-type: none"> <input type="checkbox"/> MM Inter, a subsidiary of the Company, invested in a new subsidiary, MM FR SAS ("MM FR"), established in France with a registered capital of US\$ 24,000. The purpose was to operate a restaurant business in France, where MM FR invested 67% in all ordinary shares of such Company and paid for the whole number of the shares for the amount of US\$ 16,000 already. <input type="checkbox"/> MM FR, a subsidiary in which the Company indirectly holds shares, invested in a new subsidiary, MAISON MM1 SAS, which was established in France with a registered capital of €10,000 and was intended to operate a restaurant business in France, MM FR invested 100% in all ordinary shares of such Company and made a full payment for the shares worth €10,000 already. <input type="checkbox"/> GDT launched the Dunkin' Donuts Food Truck to serve customers thoroughly in a variety of areas.
2020	<ul style="list-style-type: none"> <input type="checkbox"/> On January 23, 2020, MM FR SAS, a subsidiary in which the Company indirectly holds shares, invested in a new subsidiary, namely MAISON MM2 established in France with a registered capital of €10,000. The purpose was to operate a restaurant in France, where MM FR SAS invested 100%

Year	Event
	<p>in all ordinary shares of that Company and paid for the total number of shares amounting to €10,000. MAISON MM2 started its commercial operation on January 30, 2020.</p> <p><input type="checkbox"/> On February 26, 2020, the Company's Board of Directors No. 1/2020 passed a resolution to appoint Pol Lt. Col. Thaweesin Rakkatanyu to take a position of chairman effective February 27, 2020 onwards.</p> <p><input type="checkbox"/> On May 26, 2020, the Company's Board of Directors No. 2/2020 passed a resolution to appoint Mr. Benjapol Benjapolakorn to be the Director of the Company, Mr. Sompoch Intranukul who retired since November 27, 2019 by counting continuously from vacation of office. In this regard, the tenure of Mr. Benjapol Benjapolakorn had an effect from June 1, 2020 onwards, and appointed Ms. Limlee Tippongraphas to be the Company secretary effective June 1, 2020 onwards.</p> <p><input type="checkbox"/> On June 25, 2020, the Company's Board of Directors No. 3/2020 passed a resolution to notify the resignation of the executives: 1. Mr. Nadim Xavier Salhani, Chief Executive Officer, 2. Ms. Hansa Sermisri, Executive Vice President of Accounting and Finance effective July 1, 2020. However, Mr. Nadim Xavier Salhani will continue to serve as the Director of the Company, Executive Vice President and Risk Management Committee and appointed new executives: 1 . Mr. Suphasith Sukhanindr, Chairman Executive Officer, 2 . Mr. Somsak Tangprakob (Acting), Executive Vice President of Accounting and Finance effective July 1, 2020.</p> <p><input type="checkbox"/> On July 6, 2020, MM FR SAS, a subsidiary in which the Company indirectly holds shares, invested in a new subsidiary, namely MAISON MM3 established in France with a registered capital of €10,000. The purpose was to conduct restaurant business in France, where MM FR SAS invested 100% in all ordinary shares of such Company and paid for the total number of shares amounting to €10,000. MAISON MM3 started its commercial operation on July 9, 2020.</p> <p><input type="checkbox"/> On September 9, 2020, the Company's Board of Directors No. 4/2020 passed a resolution to approve the Company to enter into the building and land lease agreement with Chavananthakit Co., Ltd. to be used as an office, a training center, a central kitchen. Such transactions shall be deemed with connected persons, types of transactions supporting normal business with general commercial terms.</p> <p><input type="checkbox"/> On October 1, 2020, the Company issued and offered debentures to institution investors and/or high net worth investors, total 217,700 units at a par value of 1,000 Baht per unit, worth 217.7 Million Baht. The debentures are 2 years and 9 months maturing on July 1, 2023 with a fixed interest rate of 5.8% per annum.</p> <p><input type="checkbox"/> The Company informed the capital reduction due to the expiration with acquiring treasury shares. The Company had 1,517,000 unissued treasury shares. The Company therefore had to reduce its capital by eliminating repurchased shares and not all sold out in order to comply with the ministerial regulations prescribed rules and procedures on share repurchase 2001, whereby the Company would register the change of registered capital to the Ministry of Commerce and continue to notify the Stock Exchange of Thailand after registered capital reduction. The Company would have a paid-up registered capital at 1,053,386,750 Baht divided into 1,053,386,750 ordinary shares with a par value of 1 Baht per share.</p>

Year	Event
	<input type="checkbox"/> On December 16, 2020, the Company moved its location of the Company's office to 206 Soi Pattanakarn 20, Suan Luang Sub-district, Suan Luang District, Bangkok 10250.
2021	<input type="checkbox"/> In February 2021, GS launched Funky Fries, a new French Fries store, opening its first branch at Seacon Bangkae, focusing on new crisps and guaranteeing a long-standing framework, serving customers, and plans to expand several branches next year in a variety of areas. <input type="checkbox"/> Change name to Mud & Hound Public Company Limited on 21, May 2021 <input type="checkbox"/> Appoint a new director, Khun Kem Wangli, and appoint a new company secretary, Khun Patchari Boonnak.
2022	<input type="checkbox"/> In March 2022, GDT has launched a shabu buffet restaurant "Simon Says Shabu" Japanese style shabu. By opening the first branch at Makro Bang Bon and opening the second branch at Makro Pradit Manutham in April 2022. <input type="checkbox"/> In April 2022, GHC has launched a new coffee shop "BEANHOUND", a small coffee shop. with both basic and specialty coffee in one shop, By opening the first branch at Makro Praditmanutham branch and has expanded more branches by the end of 2022 with 7 branches. <input type="checkbox"/> In December 2022, GHC launches new brand "UNDERHOUND" at Siam Paragon Shopping Center. It is a French Brasserie-style restaurant with classic French dishes and street style menu that creates every menu with refinement. It's like eating in a restaurant in France.

Business Overview


MM is operating through its subsidiaries (Holding Company) with core business of Food and Beverage business and other businesses of lifestyle business and Investment in other companies business (Holding Company) with following details:






Core Business






- 1) Food & Beverage Business under Franchised Brands
- 2) Food & Beverage Business under Owned Brands

Other business

- 3) Lifestyle Business
- 4) Holding Company Business

Brand	Initial	% of Share	Nature of Business Operation
<u>Core Business</u>			
1) <u>Food & Beverage Business under Franchised Brands</u>			
Golden Donuts (Thailand) Co., Ltd. 	DD	100.0	Produce and distribute donuts and beverage under "Dunkin' Donuts" brand

Brand	Initial	% of Share	Nature of Business Operation
ABP Café (Thailand) Co.,Ltd. 	ABP	100.0	Produce and distribute bakery under “Au Bon Pain” brand
2) Food & Beverage Business under Owned Brands			
Greyhound Café Co.,Ltd     	GHC	100.0	Operating full-service restaurant under the following key brands: - Greyhound Café - Another Hound Café - Baan Hound - Beanhound - Underhound
GHC Café (UK) Company Limited 	GHC (UK)	100.0 (Indirect holding thru GHC)	Operating full-service restaurant with GHC concept of “Basic with a Creative Twist” in international markets
Golden Scoop Co.,Ltd 	FF	100.0	Manufacture and sale of French fries and chicken bombs under the “Funky Fries”
Golden Donuts (Thailand) Co., Ltd. 	Shabu	100.0	Manufacture and sale of Shabu Buffet Japanese style shabu under the brand “Simon Says Shabu”
Societe Langonnaise des Vins et Hotelleries SAS 	SLVH	100.0 (Indirect holding thru MM Inter)	Operating premium gastronomical restaurant under “Le Grand Vefour” brand
MM FR SAS 	MM FR	66.67 (Indirect holding thru MM Inter)	Produce and distribute food and beverage with Brasserie concept under “Le Mere Lachaise” brand

Brand	Initial	% of Share	Nature of Business Operation
MAISON MM1 SAS 	MM1	100.0 (Indirect holding thru MM Inter and MM FR)	Production and distribution of food and beverage. It is a famous restaurant in Paris which has food in the south, fish, vegetables, spices and olive oil. The recipes are made with simple seasonal ingredients, local and exotic products, including the knowledge of cooking food and creativity of chefs under the brand PASCO.
MAISON MM2 SAS 	MM2	100.0 (Indirect holding thru MM Inter and MM FR)	Production and distribution of food and beverage. It is a lively and iconic restaurant in Paris in a chic and contemporary bistro atmosphere under the brand Augustin.
MAISON MM3 SAS A NOSTE	MM3	100.0 (Indirect holding thru MM Inter and MM FR)	Production and distribution of food and beverage. It is a friendly and cozy restaurant in both urban and rural styles, full of flavor under the brand A Noste.
Other Business			
3) Lifestyle Business			
Greyhound Co.,Ltd.   	GH	100.0	<ul style="list-style-type: none"> • Produce and distribute fashions and accessories under the following key brands <ul style="list-style-type: none"> - Greyhound Original - Smileyhound • Food & Beverage Café • Design lifestyle & fashionable products

Brand	Initial	% of Share	Nature of Business Operation
4) Holding Company Business			
Mudman International Limited	MM Inter	100.0	Investment in other companies (holding company)
MM FR SAS	MM FR	66.67 (Indirect holding thru MM Inter)	Investment in other companies (holding company) with 33.33% shareholding of Mr. Guy Martin

1.1.3 Use of fundraising funds for the purposes stated in the equity or debt securities offering statement

- none-

1.1.4 Obligations that the company has committed in the registration statement for the offering of securities and/or conditions of licensing of the SEC Office (if any) and/or conditions for listing securities of the SET

- none-

1.1.5 Company Information



Mud & Hound Public Company Limited

Registered Number	0107559000141
Type of Business	Operate business as a holding company in terms of investment and management
Registered Capital	1,685,418,800 Baht (As of 31 December 2021)
Issued and Fully Paid	1,053,386,750 Baht
Par Value	1.00 Baht per share
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub-District, Suan Luang District, Bangkok 10250 Thailand Tel : 02-079-9765 Fax : 02-079-9755
Website	www.mudandhound.co.th

1.2 Nature of business

1.2.1 Revenue Structure

In 2020 – 2022, the Company and its subsidiaries earned total revenues of THB 2,316 mm, THB 2,316 mm, and THB 3,168 mm, respectively, equaling to annual revenue growth of 0.0% in 2021 and 36.7% in 2022. Revenue structure by business is as bellowed :

Sales and Services Income	2020 ^{/1}		2021 ^{/1}		2022 ^{/1}	
	THB mm	%	THB mm	%	THB mm	%
1. Food & Beverage Business	2,017	87.1	2,005	86.5	2,811	88.7
2. Lifestyle Business	149	6.4	164	7.1	251	7.9
Sales and Service Incomes	2,166	93.6	2,169	93.7	3,062	96.6
Other incomes	150	6.5	147	6.3	106	3.4
Total Revenues	2,316	100.0	2,316	100.0	3,168	100.0

/1 Revenue structure base on consolidated financial statement

1.2.2 Product information

1. Product Characteristic

The Company operates its business by holding shares in other companies (Holding Company) which consist of (1) main business in food and beverage business and (2) other business in lifestyle business. with details as follows:

(1) Food & Beverage Business

The Company's food and beverage business Can be divided into two types:

1.1 Food & Beverage Business under Franchised Brands

Currently, the Company has a food and beverage business that has franchised rights to operate business from foreign brand owners under all 2 trademarks, namely Dunkin' Donuts ("DD" or "Dunkin' Donuts") and Au Bon Pain ("ABP" or "Au Bon Pain"), all two of which are strong brands. have a long history And has gained worldwide popularity, with all 2 brands having different target groups. This helps expand business opportunities for the company.

1.2 Food & Beverage Business under Owned Brands

At present, the Company has food and beverage businesses under its own brands, namely (1) Greyhound Café, a lifestyle restaurant brand that focuses on uniqueness. Greyhound Café Strongly popular within the target audience. (2) "M Kitchen", a brand developed by the Company to operate food and beverage businesses for hospitals in the form of a cafeteria and food services for inpatients (IPD Food Services) (3) "Funky Fries", a brand that the company has developed for Produces and sells French fries and chicken bombs (4) "Simon Says Shabu" is a brand developed by the company to operate a Japanese style shabu buffet restaurant business. (5) "BEANHOUND" is a brand developed by the company to operate a small coffee shop business with both basic and specialty coffee in one shop (6) "Le Grand Vefour", a restaurant founded in 1784 (1784), over 230 years old. Currently, SLVH has a number of branches. One branch is located in the Palais Royal's Gardens in Paris. (7) "Pasco" is a restaurant with 1 branch, located in 74 BOULEVARD DE LA TOUR MAUBOURG 75007 PARIS, PASCO Masion Guy Martin. It is a famous place in Paris to the south, which offers food, fish, vegetables, spices and oils. Olives. Recipes made with simple, seasonal, local and exotic produce. Including the culinary knowledge and creativity of the chef (8) "Augustin" is a restaurant with 1 branch located in the district 11 Place Jacques Lelieur, 76000, "Bistrot Augustin" located in the lively rue Daguerre. and a symbol in Paris in a chic and contemporary bistro style and (9) "A Noste" is a restaurant with 1 branch located in the 6 bis rue du 4 Septembre 75002 Paris. It is a friendly and warm restaurant in both urban and country style, full of flavor, mostly energized. Inspired by the original Southwest and with a contemporary and modern vision and fine dining.

As of December 31, 2022, the Company has a total of 478 food and beverage outlets, comprising 386 food and beverage outlets under franchise rights and 92 food and beverage outlets under its own brand.

(2) Lifestyle business

As for the lifestyle business of the company The lifestyle business is an extension of business by leveraging the strength of the brand "Greyhound", which is a unique and distinctive brand in fashion apparel products. Currently, products under the lifestyle business consist of fashion clothing products decorations. as well as collaborating with other brands in creating various products Under the concept and concept of the Greyhound brand, as of December 31, 2022, the company has 12 lifestyle business branches.

As of December 31, 2022, the company has a number of branches separated by brands as follows:

Brand	Number of branches
Golden Donuts (DD)	321
Simon Says Shabu	2
Au Bon Pain (ABP)	65
Baskin Robbins (BR)	10
Funky Fries (FF)	33
Greyhound Café (GHC)	51 ^{/1}
Greyhound (GHF)	12 ^{/2}
M Kitchen	1
Le Grand Vefour	1
La Mere Lachaise	1
Pasco	1
Augustin	1
A Noste	1
Total	490

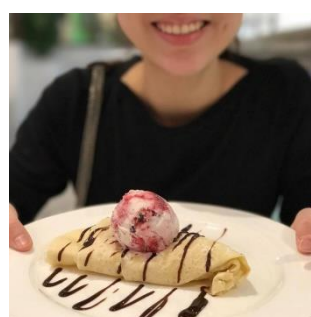
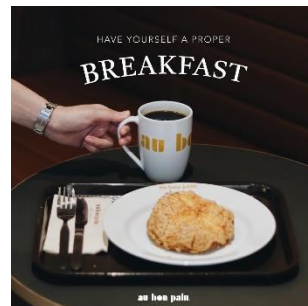
/1 Consists of 35 Greyhound domestic restaurant. A total of 16 overseas cafes, 15 of which are operated through franchising abroad, and 1 through GHC Café (UK).

/2 Consists of 12 branches of fashion clothing stores

Revenue for each brand in proportion of the revenue from sales and services as follows :

Brand	2020	2021	2022
Golden Donuts (DD)	40%	47%	43%
Simon Says Shabu	-	-	1%
Au Bon Pain (ABP)	18%	15%	14%
Baskin Robbins (BR)	3%	1%	1%
Funky Fries (FF)	-	1%	2%
Greyhound Café (GHC) ^{/1}	26%	19%	22%
Greyhound (GHF)	7%	8%	8%
M Kitchen	1%	1%	0%
Le Grand Vefour	2%	5%	4%
La Mere Lachaise	-	-	0%
Pasco	1%	1%	1%
Augustin	1%	2%	2%
A Noste	1%	2%	2%
Total	100%	100%	100%

/1 including GHC Café (UK)



2. Marketing and Competition

Food & Beverage Business

(1) Food & Beverage Business under Franchised Brands



1) Under the Trademark Dunkin' Donuts

Golden Donuts (Thailand) Company Limited ("GDT" or "Franchisee") is a subsidiary company that the Company Holds 100.0 percent of shares vested under a Master Franchise Agreement from Dunkin' Donuts Franchised Restaurants LLC (USA) ("License Owner" or "Franchisor") under which GDT. Has the exclusive right to produce and sell donuts and beverages under the Dunkin' Donuts trademark in Thailand (Exclusivity Rights) and can sublicense to other parties who can comply with the franchise requirements and be granted consent from the owner of the right. GDT has entered into a franchise agreement on March 10, 1981 and has entered into an agreement to determine the total number of branches to open every 5 years (Development Schedule), with each branch having the right to operate for 20 years by each branch has the right to operate for 20 years and has the right to renew the contract once for an additional period of 20 years by the agreement specifying the number of branches to open in all 5 years (Development Schedule). Ending December 15, 2026.

However, due to DUNKIN' DONUTS FRANCHISING LLC. Therefore, the details in the contract were amended. By now the negotiations have been completed. The contract will be signed within the first quarter of 2022. The company believes that there will be no problem in renewing the contract. because the company had been renewed the contract And the company has a good relationship with Franchisor and this contract is just a branch expansion contract. Therefore, it has no effect on the company's business.

As part of its business operations under the agreement, GDT is entitled to use the store management system, which is a stable and globally licensed system of ownership. GDT will pay a royalty fee per month. to the owner of the rights And there is a negotiation of future work plans together between GDT and the rights holder in the matter of policy formulation. Business guidelines including a plan to grow in a period of 5-10 years.

The first Dunkin' Donuts store in Thailand opened in 1981 and it is one of the international brands that is very popular in the country. The styles and products of Dunkin' Donuts in Thailand are similar to those of Dunkin' Donuts overseas in terms of quality. product variety store management model including the atmosphere inside the shop. This makes Dunkin' Donuts in Thailand have a strong loyal customer base. With sales growth and branch expansion every year. As of December 31, 2022, DD stores have 321 branches across the country. In the form of a Kiosk, which looks like a small shop with a small counter And there is limited seating in the shop. Most of them are located in shopping malls or hypermarkets. (Hypermarket) and with an area of approximately 10 - 30 square meters and stand-alone format. It is a large store with spacious seating and an average seating area of 20 - 40 and an area of about 50 - 150 square meters. Most of them must be located in shopping malls and community malls (Community Mall). Dunkin' Donuts also offers catering services. GDT has direct responsibility for design and selection. Products that meet the needs of customers according to the nature of the event and the scheduled activities such as meetings or seminars. Parties and events as well as the creation of snack boxes (Snack Box) to increase convenience and choice for customers.

The target group of Dunkin' Donuts is middle to upper income customers. Not limited in age and occupation, such as teenagers, students, college students, working age, new-generation executives, housewives and tourists. which has a demand for donuts and beverages that are delicious and of premium quality.

Dunkin' Donuts has main products including donuts and bakeries. and drink Each Dunkin' Donuts store has more than 50 kinds of donuts, such as original donuts, mochi rings, and munchkins to meet the needs of various customers In the past, Dunkin' Donuts has introduced new types of donuts. always to meet the ever-changing needs of customers Today, Dunkin' Donuts' donuts have different ingredients than normal donuts. Dunkin' Donuts also sells a variety of beverages alongside donuts and bakery items such as coffee, cocoa, smoothies and teas.



2) Under the trademark Au Bon Pain

ABP Café (Thailand) Company Limited ("ABP" or "Franchisee") is a subsidiary of the Company. Holding 100.0% of shares, which are entitled under a Master Franchise Agreement from ABP Corporation (USA) ("Right Owner" or "Franchisor") Under the contract, ABP has the exclusive right to produce and sell bakery products under the Au Bon Pain trademark in Thailand (Exclusivity Right). receive knowledge transfer expertise and direct experience of rights owners which has experience in such business from branches all over the world for more than 60 years. Marketing and guidelines for opening and managing a store.

Au Bon Pain in Thailand opened its first branch in 1997 as an American bakery. That sells bakery products, sandwiches, salads, soups that are quality and healthy food. including premium coffee and other beverages by focusing on novelty, modern to attract consumers and keep them attractive all the time but maintains the basics of bread and bakery that is made from the leading raw materials and is beneficial to the body In addition, the decoration of the restaurant will emphasize the airy and comfortable atmosphere. but also meet the needs of today's urgency-focused consumers. As of December 31, 2022, ABP stores have 65 branches nationwide. Most of them are located in Bangkok and its vicinity. All Au Bon Pain outlets are stand-alone outlets with a size of approximately 50 to 200 square meters, with an average seating capacity of more than 30 per store. and located in a prime location such as hospitals, shopping malls, shopping centers and office buildings, etc. In addition, ABP also offers catering services at various events for various consumer groups of all ages, such as university students, working age people, modern executives. housewives and tourists groups, etc., with both snack boxes and lunch boxes.

Most of the customers are middle-class and above customers who mainly focus on healthy food that tastes good. without limitation by age or occupation such as students, students, families, tourists Executives and foreigners as well as consumers who need the urgency of the rush hour. However, the airy decor of Au Bon Pain creates a relaxed and friendly atmosphere. as well as having facilities to meet the lifestyles of customers enabling customers to meet, socialize or work.

Au Bon Pain's main products are food and bakery products. and beverages. ABP offers delicious and quality pastry recipes made with ingredients containing 0 grams of trans fat (Zero Gram Trans Fat) and baked twice a day to maintain freshness standards. It offers a wide variety of food and bakery items such as croissants, sandwiches, muffins, cookies, soups and bagels, as well as hot and cold beverages such as fresh coffee, tea, smoothies, etc.

3) Business under owned brand**Under the trademark “Greyhound Café” / “Another-hound Café” / “Bann Hound ” “Beanhound” / “Underhound”**

Greyhound Café / Another-Hound Café / BannHound / Beanhound / Underhound is a full service restaurant with fashion café concept, operated by Greyhound Café Company Limited (“GHC”) . Greyhound Café / Another-Hound Cafe has been creating its unique concepts in not only stylish menu and outstanding decoration, but also impressed services and premium food & beverage quality in every single stores.

As of December 31, 2022, Greyhound Café has 51 branches both domestically and internationally, comprising 35 domestic branches (under the Greyhound Café / Another-Hound Café / Bann Hound / Beanhound / Underhound brands) and overseas branches. (under the brand Greyhound Café) including Hong Kong, Singapore, Indonesia, Philippines and England, a total of 16 branches

GHC categorizes its restaurants into 5 categories based on concept, food type, target customer group. and the price varies To create clarity of restaurants and target customers with details as follows:

**GREYHOUND
CAFÉ****a. Greyhound Café**

Greyhound Café currently has 23 branches, with an average area of 270 - 350 square meters per branch and an average of 120 seats per branch. The highlight of Greyhound Café is modernity, creativity. airy atmosphere and has a clear unique identity Under the concept "Simple with Creative Twist" or the simplicity hidden with gimmicks creativity and fun Which is conveyed through the taste and appearance of the food with a simple but unique decoration as well as the atmosphere in the restaurant decorated according to the distinctive and quirky concept of Greyhound Café.

The target customers of Greyhound Café are students. and people working with middle to high income with a passion for being unique And the quality that is worth the price of Greyhound Café as well as foreigners who come to travel and work in Bangkok. with an average cost per head (Average Ticket Size) at 450 - 500 baht.

Greyhound Café is a fusion style restaurant that combines Thai and international cuisine with more than 195 dishes and beverages ranging from Thai fusion dishes to Thai and international dishes. vegetarian food snacks and beverages with a famous menu (Signature Dishes). It is rice noodles wrapped in minced pork. Sun-dried chicken wings dipped in fish sauce and fried with pomelo miang, meatballs/stir-fried pork with chili and orange sauce. Chili-soaked salmon Dried Kaolao Salad Greyhound Style Caesar Salad French mashed liver, fried crab with rice, mackerel chili rice salad Fried Rice with Chili Paste and Fresh Shrimp Fried Rice with Gourami Fish and Holy Basil Leaves Salted Organic Fish Spaghetti and Ruby Krob, Greyhound style, etc.

**b. Another-Hound Cafe**

Currently, Another-hound has 3 branches, with an average area per branch of about 300 - 350 sq m, or about 120 seats per branch. Highlight of the shop Another-hound is modern, cool, chic, but still maintains the concept of affordable prices (Affordable). The atmosphere in the shop reflects the meticulous lifestyle of urban living. Under the concept "Accessible Stylish Casual Italian with Asian Twist" by the store's target customers Another-hound is a group of young people and high-income working people. The average cost per head (Average Ticket Size) is 600 – 650 baht.

Another-hound shop It is a restaurant that sells fusion food that combines Italian food and taste. Spicy Thai food Over 100 different dishes and desserts are served, including Avocado Salad, Light Tom Yum Soup, Cold Japanese Salad, DIY Crab Sandwich, Fusilli Pad Thai, Spaghetti Cha Cha Cha, Fried Diced Lamb with Garlic and Black Pepper, Minced Pork and Smoked Bacon. Balls, Crab Bomb with Rice and Bean Medley with Longan Granita, among others.

**c. Bann Hound**

Bann Hound currently has 2 branches: Makro Charansanitwong branch and Makro Sathorn branch. Bann Hound was born during the COVID-19 epidemic, in order to make a restaurant that fits the lifestyle of people during the quarantine at home as order delivery mainly, with the concept of local menus such as "Pad Kra Prao" to shake up the taste, full of flavor with good ingredients Special Stir Fried Basil Sauce Ready to add a quick menu and choose the best ingredients such as rib-eye beef, pork belly, salmon, large shrimp, Rai Thung duck eggs, including red basil leaves Thai Garlic and Chili dried pine cones Good fish sauce from Trat province, and stir-fried basil sauce. The shop's special recipe which has a low sodium formula for health lovers.

**d. Beanhound**

Beanhound currently has 7 branches, with the first branch being opened in April 2022 at Makro Pradit Manutham branch as it is a new model of a small coffee shop. Born from the introduction of the brand's main concept, "Basic with a Twist", to extend in the coffee business with Twist in the shop under the concept of "IMPERFECTION" that includes both basic and specialty coffee in one shop, with the positioning of the brand consisting of 2 main characters that are extremely different, namely the premium coffee model that has both specialty menus, prices starting at 100 baht with another character for wanting to catch customers at a mass price of 50 baht, which will differ in the species of coffee, the brewing method is a combination. two groups of customers together from mass customers to premium customers.

**e. Underhound**

Currently, Underground has only one branch at Siam Paragon Shopping Center, opened in December 2022. It is a French Brasserie-style restaurant with classic French dishes and street style menu that creates every menu with refinement as it's like eating in a restaurant in France. The decoration of the shop was inspired by Metro in France, transformed to be more modern with the texture of Stainless and various decorations in the shop.

Greyhound Cafés in foreign countries

Greyhound Cafés in foreign countries operate in two forms as follows:

(1) Under investment and managed by GHC UK

GHC UK, an indirect subsidiary that the Company holds through GHC, of which the Company holds 100% and GHC owns 100% of GHC UK. GHC UK has started operations of 1 Greyhound Café. The branch has an area of approximately 600 square meters and has 192 seats. The store is located in Fitzrovia, London, England. The company intends to be the flagship store (Flagship store) for creating awareness of brand (Brand awareness) and as a base for further expansion in Europe and other regions.

(2) Under the granting of franchise rights

Greyhound Cafés in foreign countries operate under franchise rights granted by Greyhound Cafe Company Limited ("Right Ownership" or "Franchisor"), where the franchisee has conditions to expand the branch. Greyhound Cafés for the minimum amount required and within the agreed period. In terms of business operations under the contract. The franchisee has the right to operate a Greyhound Café in the authorized country. and has the right to receive advice and support from owners of rights such as finding a restaurant location Selection of raw materials for cooking procurement of store decoration materials, etc.

Company's income Received consists of 3 main parts: 1) contract revenue (Upfront Fee), 2) franchise income in proportion to the revenue of each branch opened (Franchise Fee), and 3) revenue from sales. Products such as salad dressings, sauces and shop furniture, etc.

Currently, Greyhound Cafés under franchise rights abroad have a total of 15 branches in 4 countries, namely, the People's Republic of China (1 branch), Hong Kong Special Administrative Region of the People's Republic of China (7 branches), Indonesia (3 branches), Singapore (1 branch) and the Philippines (4 branches), with an average area per branch of about 280 - 300 square meters, or 120 seats per branch. with the atmosphere in the shop under the same concept as Greyhound Café in Thailand.

The target customers of Greyhound Cafés in foreign countries are similar to the target customers of Greyhound Cafés in Thailand, which are students. tourist and people working with middle to high income with a passion for being unique And the quality that is worth the price of Greyhound Café, with an average cost per head of 850 - 900 baht per head.

Greyhound Cafés abroad serve food and beverages similar to Greyhound Cafés in Thailand, with over 90 dishes on the menu. Signature Dish / Drink: Light Tom Yum Soup, Greyhound Style Chicken's wing, Avocado Salad with

Rocket Leaves, Phad Thai with Fresh Prawns, Thai Braised Beef, Young Coconut Crepe Cake, Mango with Sticky Rice Choc Shock. Waffle and Thai Iced Tea with Milk etc.



Under the trademark "M Kitchen"

The Company saw an opportunity to grow in the full service food and beverage business under its own brand in different target customers from Greyhound Cafe's customers. and beverages for hospitals in the form of a food center (Cafetria) under the name M-Kitchen restaurant or M Kitchen ("M Kitchen") which is a food center business in a hospital (Cafeteria) and a food service business for inpatients (IPD Food Services) and is operated by the Company. As of December 31, 2022, there is only one branch of such business at Ramkhamhaeng Hospital. However, the company has plans to expand the food center management business in various locations. Not only limited to hospitals, the company is also considering expanding branches to places such as private schools. or international schools, etc. The investment decision will be based on market trends. investment ability The traffic volume of the target customers Payback Period and Return on Investment (ROI) etc.

M Kitchen is a medium-sized restaurant. The restaurant is decorated with comfortable seats, clean, where the target customers of the M Kitchen Center are outpatients and relatives of patients. including the personnel of the hospital Target customers are people who want fast service and good value for money. Therefore, the service of M Kitchen will focus on fast service. and affordable For the target customers of the Inpatient Food Service (IPD Food Services) business, the service will be provided to inpatients only. according to nutrition standards and conditions prescribed by the hospital.

The target customers of M Kitchen Food Center are outpatients and their relatives. including the personnel of the hospital Target customers are people who want fast service and good value for money. Therefore, the service of M Kitchen will focus on fast service. and affordable With an average cost per head (Average Ticket Size) is approximately 80 - 85 baht. M Kitchen food center is available between 7:00 and 19:00 for target customers of the inpatient food service business (IPD Food Services). This service is available to inpatients only. according to nutrition standards and conditions prescribed by the hospital.



Under the trademark "Funky Fries"

"Funky Fries" is a brand that the company has developed for Produces and sells French fries and chicken bombs, with the first branch opening at Seacon Bang Khae in February 2021. As of December 31, 2022, there are a total of 33 branches and the company plans to expand branches in various locations.

**Under the trademark "Le Grand Vefour"**

The Board of Directors No. 4/2017 dated October 12, 2017 resolved to approve Mudman International Limited ("MM Inter"), a subsidiary of the Company (the Company holds 100% of the shares sold and all of MM Inter) acquired ordinary shares of Societe Langonnaise des Vins et Hotelleries SAS ("SLVH"). The purpose of the acquisition of such ordinary shares is to increase opportunities and increase the ability to expand food and beverage business abroad. SLVH is a company that operates full-scale premium food and beverage businesses. Under the trademark Le Grand Vefour, the restaurant was founded in 1784, over 230 years old. Currently, SLVH has one branch located in the Palais Royal's Gardens in Paris. MM Inter has completed the acquisition of such ordinary shares on December 21, 2017.

Le Grand Vefour's target customers are workers, executives, politicians and high-income tourists. with a passion for luxury Old French art and history. Le Grand Vefour also selects ingredients. and control the quality and quantity of food to reflect the image of the target customers taste of food and value for money to create satisfaction for customers. It sells French cuisine that combines the elegance of the old days and the brilliance of modern fashion. It serves a variety of dishes and desserts in unique styles, such as Duck liver raviolis, truffles emulsion crea and Pigeon roast in bécasse way with truffe juice.

**Under the trademark "La Mere Lachaise"**

According to the company plan to expand branches abroad. The company has started to open the first branch under the Le Grand Vefour brand. The company has expanded the new branch with Mr. Guy Martin in designing the atmosphere. Styles and menus, La Mere Lachaise is located in a prime location with tourists and working people. which is the main target group of the store. As of December 31, 2020, La Mere Lachaise is in the process of renovating its store style. which is expected to be able to operate in early 2022.

**Under the trademark "Pasco"**

The company has expanded a new branch with Mr. Guy Martin in designing the atmosphere. Styles and menus by opening two stores under the Pasco brand, located in potential locations in line with the store's main target customers is a group of tourists and a group of working people The shop has already opened. in January 2020.

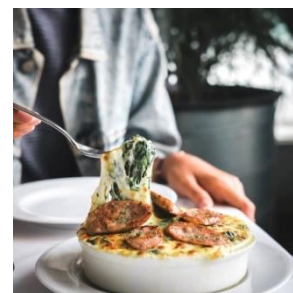


Under the trademark “Augustin”

The company has opened a new branch under the brand Augustin. The company has expanded the new branch with Mr. Guy Martin in designing the atmosphere. Styles and menus Augustin's restaurant is in a prime location for tourists and working people. which is the main target group of the shop The shop has already opened. in January 2020.

A NOSTE**Under the trademark “A Noste”**

The company has opened a new branch under the brand A Noste, which has expanded the new branch with Mr. Guy Martin in designing the atmosphere Styles and menus, A Noste is located in a potential tourist destination. which the main target customers of the store are tourists and workers The shop has already opened. in July 2020.




Lifestyle business

GREYHOUND ORIGINAL

The lifestyle business is operated by Greyhound Company Limited ("GHF"), a subsidiary of the Company. 100% owned by GHF, established in 1980, starting from the business of selling ready-to-wear fashion for both men and women. It is the first brand of Thailand and is popular among students and workers from the age of 18 - 35 years old. It is characterized by its uniqueness. Leadership in terms of presenting new styles And being an innovator, Greyhound doesn't stop at just fashion clothes. but has grown to become a comprehensive lifestyle brand Its main products include shirts, t-shirts, trousers, suits, skirts, shoes, bags and accessorie. With the above reasons, Greyhound is able to sustainably compete in the fashion apparel industry. Widely known and creates a high brand awareness value that makes companies Interested in joining hands with Greyhound in various projects By building on the concept and being Greyhound, for example, collaborating with IKEA Company (IKEA) to design a special furniture collection SAMMANKOPPLA in Swedish, read as Sam-man-Cop-la. Sold all over the world and has been well received. Including collaborating with A.P. Honda Co., Ltd. in doing Greyhound Coffee business in the CUB House project, which is a Lifestyle Motor Bike Store by opening 12 branches in various provinces as part of the business expansion. Various using the Greyhound brand as the flagship.

As of December 31, 2022, Greyhound has the main distribution channel of its products in the country through its own outlets in 12 leading department stores, all located in Bangkok and its vicinity. It also opened a Greyhound Online Store through www.greyhound.co.th. including opening an online shop in various marketplaces such as Lazada, Shopee, Facebook, and Line OA.

The company has different brands according to target customers and different styles. This is one of the strategies Greyhound uses to expand lifestyle business opportunities. To reach more target customers, each of the major brands under Greyhound has the following details:

Brand	Information
GREYHOUND ORIGINAL	"Greyhound Original" is the first lifestyle brand of Greyhound focusing on distributing apparel and Leather with minimal concept "Basic with a twist". The main products are shirts, T-shirts, pants, suits, skirts, shoes, and bags at seasonal collections. The price range is 2,000 – 5,000 Baht per piece.
 SMILEYHOUND GREYHOUND	"Smileyhound" is a brand for Casual Wear that is designed with concept of "Basic Casualwear with Smileyhound Icon for Everyone". The main products are T-shirts, pants, shoes, and bags. The price range is 1,200 – 2,500 Baht per piece.



3. Strategy for Competition

Food & Beverage Business

The Company and subsidiaries have been developing strategies to ensure competitive advantages with key strategies as followed::

- *Product Strategy*

The Company continually supports "Product Innovation" The product development department, collaboration among kitchen, marketing, and purchasing department, is to study consumers' behavior to develop a product that meet consumers' demand.

- *Quality Control Strategy*

The standard of product and service is the important factor to ensure consumers' satisfaction. The Company focuses on all processes from raw material selection, production, quality control, storage, and distribution process to store services standard to guarantee the fresh, clean, and quality products.

- *Cost Management Strategy*

With more than 478 stores of Quick Services Restaurants (QSR) nationwide under three subsidiaries, there is a redundant and inefficient cost if each subsidiary has its owned operations such as procurement, management, and business development. Therefore, the Company develops a central support function for QSR subsidiaries. The central support functions including procurement, management, and business development in order to create negotiation power and reduce the overlapped functions and expenses (cost sharing expenses). Moreover, the Company also builds central kitchen and central distribution center to produce and distribute the products instead of production at store level. The central support functions and central kitchen not only lower overlapping operating costs, but also lower production wastes. In addition, the Company and Franchisors have been jointly developing strategies to create efficient process at minimum costs. For example, the Franchisors allow the Franchisees to purchase raw material from approved local suppliers to lower raw material costs, transportation cost and others costs instead of importing all raw material directly from the Franchisors.

- *Brand Equity & Brand Awareness Strategy*

Since brand equity & brand awareness are an important factor for a company using brand as Flagship to develop products and services, the Company primarily focuses on strengthen brand equity with enhancing brand awareness, guaranteed quality of products and services, strong brand positioning, and brand loyalty. With strong brand equity, the consumers are confident in reliable quality of products and services of the Company. The key strategy is to present the assured quality of the products including raw material selection, impressive services, and value-for-money pricing. Additionally, another strategy is brand advertisement via collaboration with alliances to create the new product, promotion, and expand branches continually in domestic and international markets.

- *Store Expansion Strategy*

The Company has targeted the new-opening stores each year incorporating overall economy, consumer behavior, and purchasing power. The business development department is responsible for detail study and analysis of each potential location. The important factors are the economy, location, population density, and purchasing power in that area. The proposed location must be captured the target consumers of each brand. Moreover, The Company considers not only quantity studies, but also quality factors. The quality study includes feasibility study, source of funding, payback period, minimum return on investment (ROI), and comparison of nearby existing stores. On the other hands, the quality factors are workforce, transportation, production facility, and others to support the operation. The study also covers the impact of new stores to the nearby existing stores to make sure that there is no market cannibalization, but the new store will capture and

expand its consumer base. After the opening, the Company closely monitors the performance to understand the consumer behavior and unexpected problems which will be mitigated for the next coming stores.

- *People Development Strategy*

With well-established experiences of management team, the Company has been overcoming in economy recession, economic crisis, and political turmoil. Competent people are a core asset of the Company to drive the strategies and create sustainable growth. Therefore, the Company has developed the training and development programs every year per the yearly strategic plans. The training and development includes not only classroom training, but also on-the-job training to experience the company culture and live situations.

- *Increasing Access Channels for Today's Consumers.*

Covid-19 has changed consumers behavior and lifestyle such as Work From Home and Social Distancing. A lifestyle that focuses on comfort, rapid changes, and smart phone, has made consumers feeling more comfortable staying homes, creating a New Normal lifestyle. Therefore, increasing consumer access channels is a Business Strategy that will accommodate the needs and lifestyles of consumers more through online sales, food delivery, take home food, and D.I.Y Menu.

Promoting consumer access channels include:

- 1) Maintaining quality standards of food, other products, and speed of delivery.
- 2) Increasing ordering channels. For example, websites, social media, and communication platforms.
- 3) Providing complete information and illustrations for easy decision making.
- 4) Promotions to help promote greater brand awareness.

Lifestyle Business

The company intends to add different types of products. that shows the uniqueness of the group more From a fashion brand to a lifestyle brand (From Fashion to Life) is a guideline to extend the business under the Greyhound brand to various businesses in the future. Based on unique ideas and creativity in the invention. Developing and designing various products (Brand Leverage), currently developing a coffee business under the Greyhound Coffee brand, both in the form of its own store and in the form of a franchise in the future, including entering the lifestyle business through the production of perfumes, sneakers Towels, house shoes, underwear under the SmileyHound brand, which has been well received by customers.

Industry Trends & Market Competition

Food & Beverage and Lifestyle Businesses are the part of Retail Business. The important factor that drives this business is a household spending. The Consumer Confidence Index determines consumers' opinions toward the economy and spending on household and consumer products

The overall consumer confidence index for 2022 increased from 2021 from 43.0 to 46.2 The average consumer confidence index during 2020 - 2022 was equal to 42.1 43.0 and 46.2, respectively (Source: Department of Trade and Economic Indices (Ministry of Commerce)). It showed an overall improvement in consumer confidence due to an increase in spending in 2022. The domestic economy has begun to recover following the continued expansion of exports. The world economy has begun to recover in many countries. In addition, the epidemic situation of the Coronavirus Disease 2019 (COVID-19) has continuously improved. However, it noticed that Thai consumer confidence recovered very quickly in the end of second quarter, and gradually improved during the remaining quarters.

The Company expected that the overall consumer confidence index will rise in 2023 due to government stimulus measures and factor from increasing continually purchasing power of the people in the country. These are the factors that are an important part to support the growth of confidence and to increase the profitability of the Company. The purchasing power of consumers can be recovered again.

Food & Beverage Business

With low barrier to entry of general food and beverage business, many new players are easy to come into the business which leads to intense competition. Due to the fierce competition, some players are pushed to liquidate their businesses. Therefore, the key survivor kits are established industry experiences and effective management skill to understand rapid changes of consumers' behavior, to maintain and expand the market share, and to enhance brand equity.

Kasikorn Research Center views that business growth is still on a cautious basis, in 2023, the total value of the restaurant business should be around 4.18-4.25 billion baht, growing by 2.7%-4.5%, decelerating from growth 12.9. % in 2022. However, the value of restaurants is still low during the pre-COVID period. This is a result of the challenging recovery of full-service restaurants, while even though the recovery of street food and limited-service revenues may return to pre-Covid higher levels. As maintaining profitability is an ongoing issue that entrepreneurs must operate with caution.

In addition, the important growth drivers in food service industry in Thailand are the increasing consumer behaviors that prefer restaurant dining to home dining, the higher household income of target customer, urbanization, and the number of foreign tourists both in Bangkok and in key provinces has increased, etc.

Lifestyle Business

Lifestyle business is a retail business offering various types of product such as clothes, innerwear, Sneakers, perfume, leather goods, accessories, sunglasses, household appliances, and home furniture. In addition to the various types, there are different target customers i.e. age, sex, demography and lifestyles. With intense competition from low barrier to entry, the Company has realized the intense competition and tried to enhance brand equities among various target customers.

3. Procurement of Product or Services

Food & Beverage Business

There are two types of procurement source which are central kitchen and store level. The central kitchen is responsible for raw material preparation and distribution of products to stores. At store level, the Company has a policy to control the food quality. Therefore, the perishable goods, semi-cooked goods, and finished goods will be delivered directly from the suppliers to the stores everyday based on purchase order (1-day advanced). At the end of the day, all finished goods will be destroyed and returned to the central kitchen for counting check and disposal.

Lifestyle Business

The company has a production plan for the seasonal collection in advance. Each collection is new concept that is unique from other collections. With advance collection plan, GHF is carefully sourcing necessary raw materials such as fabric, button, zipper, and etc. After the sourcing, GHF will outsource the third party for the production. The third party is required to prepare a sample completed products for GHF approval prior to the production to ensure the pattern and sewing is at Greyhound

standard and quality. In addition, GHF always double checks on the quality and amount before the delivery and distribute to the stores.

In addition, GHF has also started a pre-order business through online channels that allow customers to order products with pre-payment for products in advance before the actual product finished. This selling products under this concept, the company is able to build a more customer base, as well as being able to prevent the company from needing to use the Company's working capital to invest in the production of products. The online sales growing significantly.

To reinforce the way of transforming from fashion brands to lifestyle brands, GHF has continuously launched new products in Lifestyle-Concept brands. For example, coffee, sneakers, and perfume. In addition, the Company has released products that are consistent with New Normal lifestyles. For example, cloth masks, cloth gloves, hand gel, and alcohol spray, which have been well received by consumers.

4. Operating Assets

4.1 Core Operating Fixed Assets

As of October 31, 2022, the company and its subsidiaries have core operating assets as follows:

Unit : Million THB

Operating Assets	Ownership	The Company and its subsidiaries	Net book value as of December 31, 2022	Obligation
Building and building improvement ^{/1}	Ownership (owned by the Company and its subsidiaries)	MUD, GDT, ABP, GS, GHC, GHF, GHC UK, SLVH, MM1, MM2, MM3, MMFR	472.8	none
Equipment ^{/2}			151.0	none
Furniture and office equipment ^{/3}			120.2	none
Motor vehicles ^{/4}		GDT, GHF	3.3	none
Assets under installation and construction		GDT, ABP, GS, GHC	31.6	none
รวม			778.9	

Note: /1 Store and office decorations that are fixed.

/2 Cookware and cooking equipment for the storefront and central kitchen

/3 Shop decorations and office equipment such as tables, chairs and shop decorations that are not fixed.

/4 Executive vehicles (GDT) and transport from warehouse to store front (GHF)

The main assets have an approximate useful life as follows:

Building and building improvement	5 - 20 years
Equipment	5 - 10 years
Furniture and office equipment	5 - 10 years
Motor vehicles	10 years

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease. License assets are measured at cost less accumulated depreciation. Accumulated impairment loss and adjusted by re-measurement of lease liabilities. with details as follows:

Unit : Million THB

Operating Assets	Ownership	The Company and its subsidiaries	Net book value as of December 31, 2022	Obligation
Right-of-use assets ^{/1}	Right to lease space	MUD, GDT, ABP, GS, GHC, GHF, GHC UK, SLVH, MM1, MM2, MM3, MMFR	1,129.6	none
รวม			1,129.6	

Note : /1 license assets is a contract for renting a branch in front of the shop. with a lease term of more than 1 year

Use rights assets are depreciated on a straight-line basis from the date the lease becomes effective until the useful life of the right-to-use asset or the lease term expires, whichever occurs up first.

4.2 Intangible assets

Important intangible assets in the Company's business and its subsidiaries are as follows:

Unit : Million THB

Operating Assets	Ownership	The Company and its subsidiaries	Net book value as of December 31, 2022	Obligation
Franchise	franchise rights	GDT, ABP, GS	280.9	none
Trademark	Ownership (owned by the Company and its subsidiaries)	GDT, ABP, GS, GHC, GHF, SLVH, MM2	382.7	none
Computer software		MUD, GDT, ABP, GS, GHC, GHF	13.4	none
Total			677.0	

A summary of intangible assets with finite useful lives is as below:

Franchise	7 - 28 years
Trademark	unlimited lifetime
Computer software	3 - 5 years

Goodwill

Company goodwill and its subsidiaries are as follows:

Unit : Million THB

Operating Assets	Ownership	The Company and its subsidiaries	Net book value as of December 31, 2022	Obligation
Goodwill ^{/1}	Ownership (owned by the Company and its subsidiaries)	GDT, ABP, GHC, SLVH	1,939.8	none

Note : /1 Goodwill from the company acquired ordinary shares of GDT and ABP in 2012 and from the acquisition of shares of GHC and GHF in 2014 and from the acquisition of SLVH in 2017.

Goodwill is recorded at the initial value of goodwill at cost. This is equal to the cost of business combination over the fair value of the net assets acquired. The Company and its subsidiaries will conduct an Impairment Test every year and whenever there is any indication of impairment. Incurred costs The Company and its subsidiaries will immediately recognize the loss on the financial statements.

During the year 2020, the Company assesses the recoverable amount of goodwill for its restaurant business. The appraisal results showed that the recoverable amount was lower than the book value. Therefore, the Company recorded an allowance for impairment of such goodwill amounting to Baht 200 million in profit or loss in the income statement. Total gross for the current year.

4.3 Investment policy and management policy in subsidiaries and associated companies

As of December 31, 2022, the Company has investments in 12 subsidiaries, both directly and indirectly, as follows:

Subsidiaries in which the Company directly holds shares

- 1) Golden Donut (Thailand) Co., Ltd.
- 2) ABP Cafe (Thailand) Co., Ltd.
- 3) Golden Scoop Company Limited
- 4) Greyhound Cafe Co., Ltd.
- 5) Greyhound Co., Ltd.
- 6) Mudman International Limited

Subsidiaries in which the Company indirectly holds shares through Greyhound Cafe Company Limited

- 7) GHC Café (UK) Company Limited

Subsidiaries in which the Company indirectly holds shares through Mudman International Limited

- 8) Societe Langonnaise des Vins et Hotelleries SAS
- 9) MM FR SAS

Subsidiaries in which the Company indirectly holds shares through Mudman International Limited and MM FR SAS

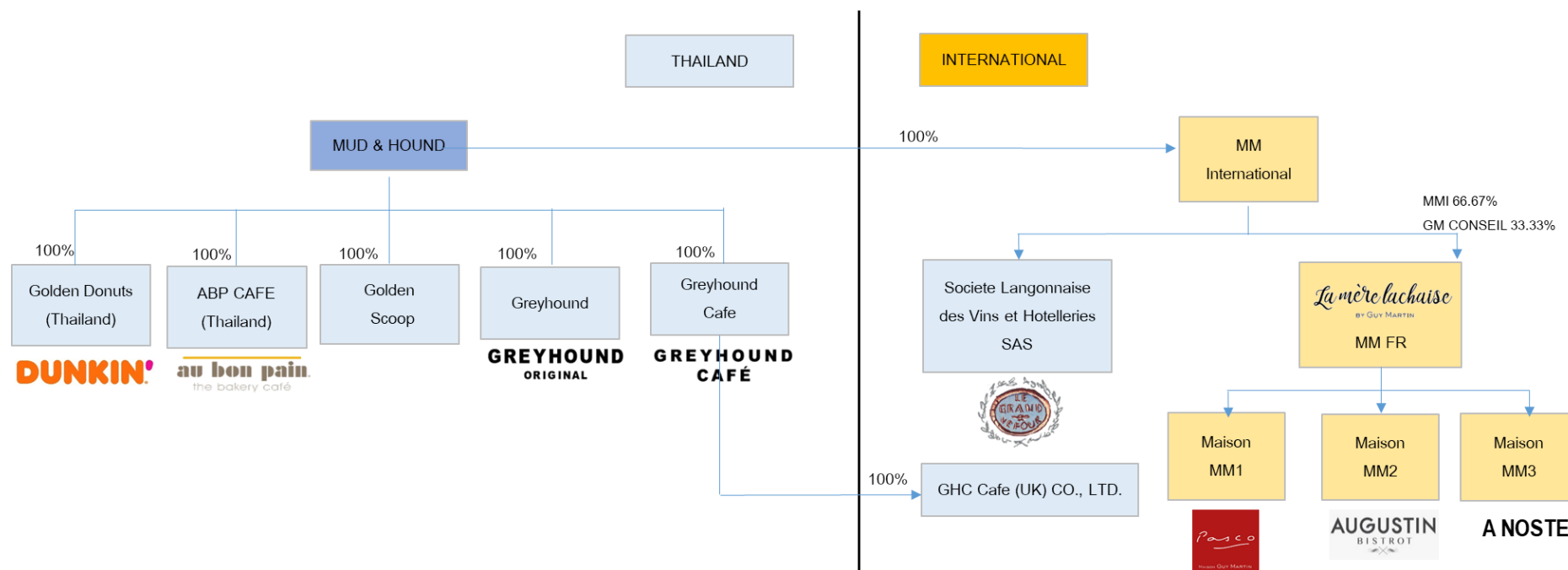
- 10) MAISON MM1 SAS
- 11) MAISON MM2 SAS
- 12) MAISON MM3 SAS

From the Company's separate financial statements as of December 31, 2022, the Company has investments in subsidiaries totaling 2,977.0 million baht or 72.3% of total assets. and/or associated companies that operate food and beverage businesses or other related businesses or contributing to the food and beverage business, which is the Company's main business This is a business that has potential and can generate good returns for the Company in the long run. Such investments must be primarily considered by the Board of Directors. As for the management policy in subsidiaries and associated companies, the Company will send directors who are representatives of the Company. Join the management according to the shareholding proportion To set important policies and control the business operations of subsidiaries and associated companies to be accurate and appropriate in accordance with the policies of the Board of Directors.

1.3 Shareholding Structure

1.3.1 Shareholding structure of the group of companies

Business and shareholding structure of the Company as at December 31, 2022 shown on the following chart:



Summary of Subsidiaries and Associated Companies as at December 31, 2022**Golden Donuts Company Limited (Thailand)**

Registered Number	0105548146423
Registered Capital	300,000,000 Baht
Par Value	10.00 Baht per share
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub- District, Suan Luang District, Bangkok 10250 Thailand Tel : 02-079-9765 Fax : 02-079-9755
Website	www.dunkindonuts.co.th

**ABP Café Company Limited (Thailand)**

Registered Number	0105548146776
Registered Capital	40,000,000 Baht
Par Value	10.00 Baht per share
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub- District, Suan Luang District, Bangkok 10250 Thailand Tel : 02-079-9765 Fax : 02-079-9755
Website	www.aubonpainthailand.com

Golden Scoop Company Limited

Registered Number	0105555079990
Registered Capital	125,000,000 Baht
Par Value	10.00 Baht per share
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub- District, Suan Luang District, Bangkok 10250 Thailand Tel : 02-079-9765 Fax : 02-079-9755
Website	https://web.facebook.com/funkyfriesthailand/

**GREYHOUND
CAFÉ****Greyhound Café Company Limited**

Registered Number	0105539130528
Registered Capital	10,784,300 Baht
Par Value	100.00 Baht per share
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub- District, Suan Luang District, Bangkok 10250 Thailand Tel : 02-079-9765 Fax : 02-079-9755
Website	www.greyhoundcafe.co.th

GHC Café (UK) Limited

Registered Number	10049145
Registered Capital	200,000 Pound sterling
Par Value	1.00 Pound sterling per share
Head Office	Sutherland House, 1759 London Road, Leigh On Sea, Essex, United Kingdom, SS9 2RZ
Website	www.greyhoundcafe.uk

**GREYHOUND
ORIGINAL****Greyhound Company Limited**

Registered Number	0105523019789
Registered Capital	96,990,000 Baht
Par Value	100.00 Baht per share
Head Office	206, Soi Pattanakarn 20, Suan Luang Sub- District, Suan Luang District, Bangkok 10250 Thailand Tel : 02-079-9765 Fax : 02-079-9755
Website	www.greyhound.co.th

Mudman International Limited

Registered Number	152010
Registered Capital	30,000 USD
Par Value	1.00 USD per share
Head Office	Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius

**Societe Langonnaise des Vins et Hotelleries SAS**

Registered Number	592066047
Registered Capital	470,176 Euro
Par Value	16.00 Euro per share
Head Office	17 rue de Beaujolais in Paris 75001, France
Website	www.grand-vefour.com

**MM FR SAS**

Registered Number	849486873
Registered Capital	24,000 Euro
Par Value	1.00 Euro per share
Head Office	78 Boulevard de Menilmontant 75020, France
Website	www.lamerelachaise.fr/en/

**Maison MM1 SAS**

Registered Number	879098929
Registered Capital	223,806 Euro
Par Value	1.00 Euro per share
Head Office	74 Boulevard de La Tour-Maubourg 75007, Paris, France
Website	www.restaurantpasco.fr/en/

**Maison MM2 SAS**

Registered Number	880849377
Registered Capital	34,769 Euro
Par Value	1.00 Euro per share
Head Office	79 rue Daguerre, 75014 Paris France
Website	www.restaurantpasco.fr/en/

A NOSTE

Maison MM3 SAS

Registered Number	884872227
Registered Capital	180,452 Euro
Par Value	1.00 Euro per share
Head Office	6 bis rue du 4 Septembre 75002 Paris France
Website	www.a-noste.com

1.3.2 In the case where a person with a potential conflict of interest

- none -

1.3.3 Relationship with major shareholders' business

- none -

1.3..4 Shareholders

(1) Shareholders

Top ten shareholders as the close of share register on March 14, 2022 and on March 10, 2023 with Paid-up Capital THB 1,053,386,750 at par value of THB 1.0 per share, details are as followed:

Shareholder	As of March 10, 2022 Paid-up registered capital 1,053,386,750 baht		As of March 14, 2023 Paid-up registered capital 1,053,386,750 baht	
	No. of shares	%	No. of shares	%
1. Sub Sri Thai PCL ^{/1}	702,087,200	66.65	702,087,200	66.65
2. Khon Kaen Sugar Industry PCL ^{/2}	78,718,600	7.5	78,718,600	7.47
3. Mr. Thaveechat Jurangkool	66,166,300	6.28	66,266,300	6.29
4. Mr. Bhanu Inkawat	23,534,800	2.23	23,534,800	2.23
5. Mr. Nuttapol Jurangkool			13,476,400	1.28
6. Mr. Namchok Jeamsakul	7,300,000	0.69	9,727,000	0.92
7. Mr. Supasith Sukhanindr	8,133,937	0.77	8,133,937	0.77
8. Miss Duangkae Chinthammit	7,736,873	0.73	7,736,873	0.73
9. Miss Duangdao Chinthammit	7,192,112	0.68	7,192,112	0.68
10. Mrs. Kamalee Pachimsawat	6,775,582	0.64	6,775,582	0.64
11. Mr. Somchai Chinthammit	6,245,040	0.59		
Others	139,496,306	13.24	129,737,946	12.34
Total	1,053,386,750	100.00	1,053,386,750	100.00

Note :

/1 Top ten shareholders of Sub Sri Thai PCL as of March 14, 2023 with Paid-up Capital THB 526,456,550 at par value of THB 1.0 per share, details are as followed:

Shareholder	No. of shares	%
1. Mr. Supasith Sukhanindr	89,608,726	17.02
2. Mr. Thaveechat Jurangkool	59,860,332	11.37
3. Mr. Supachai Sukhanindr	55,357,008	10.52
4. Mrs. Intira Sukhanindr	54,865,902	10.42
5. Miss Duangkae Chinthammit	29,708,019	5.64
6. Miss Duangdao Chinthammit	29,130,665	5.53
7. Mr. Chamroon Chinthammit	25,621,748	4.87
8. Mrs. Hathairat Churangkoon	24,025,895	4.56
9. Mr. Somchai Chinthammit	19,244,450	3.66
10. Mrs. Kamalee Pachimsawat	16,206,278	3.08
Others	122,827,527	23.33
Total	526,456,550	100.00

/2 Top ten shareholders of Khon Kaen Sugar Industry PCL as of March 3, 2023 are as followed :

Shareholder	No. of shares	%
1. KSL Sugar Holding Co.,Ltd.จำกัด	1,468,242,728	33.29
2. Thai NVDR Co.,Ltd.	150,314,490	3.41
3. Mr. Chanachai Chutimavorapand	115,355,499	2.62
4. Mr. Chamroon Chinthammit	113,075,331	2.56
5. Mr. Kamondanai Chinthammit	101,250,000	2.30
6. Miss Duangdao Chinthammit	99,799,954	2.26
7. Miss Duangkae Chinthammit	99,733,643	2.26
8. Mr. Somchai Chinthammit	96,475,726	2.19
9. Mr. Piripon Chinthammit	93,847,124	2.13
10. CREDIT SUISSE AG, SINGAPORE BRANCH	89,702,836	2.03
Others	1,982,435,288	44.95
Total	4,410,232,619	100.00

(2) Shareholding Structure of Core-Business Subsidiaries

Shareholding structure in subsidiaries that operate the main business (Holding Company)

Food and beverage business under franchise rights

Golden Donuts (Thailand) Co., Ltd.

As of December 31, 2022, GDT had registered and paid-up capital of THB 300 mm divided in 30 million shares at par value of THB 10 per share. The shareholders are as followed:

Shareholder	No. of shares	%
1. Mud and Hound PCL	29,999,998	100.0
2. Mr. Supasith Sukhanindr	1	0.0
3. Mr. Pilunchai Pradubphong	1	0.0
Total	30,000,000	100.0

ABP Café (Thailand) Co., Ltd.

As of December 31, 2022, ABP had registered and paid-up capital of THB 40 mm divided in 4 million shares at par value of THB 10 per share. The shareholders are as followed:

Shareholder	No. of shares	%
1. Mud and Hound PCL	3,999,998	100.0
2. Mr. Supasith Sukhanindr	1	0.0
3. Mr. Pilunchai Pradubphong	1	0.0
Total	4,000,000	100.0

Golden Scoop Co., Ltd.

As of December 31, 2022, GS had registered and paid-up capital of THB 125 mm divided in 12.5 million shares at par value of THB 10 per share. The shareholders are as followed:

Shareholder	No. of shares	%
1. Mud and Hound PCL	12,499,998	100.0
2. Mr. Supasith Sukhanindr	1	0.0
3. Mr. Nadim Xavier Salhani	1	0.0
Total	12,500,000	100.0

Food and beverage business under own brand

Greyhound Café Company Limited

As of December 31, 2022, GHC had registered and paid-up capital of THB 10,784,300 divided in 107,843 million shares (common share of 55,000 shares and preferred share of 52,843 shares) at par value of THB 100 per share. The shareholders are as followed:

Shareholder	No. of shares	%
1. Mud and Hound PCL	52,843 (P/S) 54,998 (C/S)	100.0
2. Mr. Supasith Sukhanindr	1	0.0
3. Mr. Nadim Xavier Salhani	1	0.0
Total	107,843	100.0

Rights of the preferred share (GHC) are as followed:

- Dividend preference of 70% of the total declared dividend
- Voting rights of one preferred share is one vote
- Liquidation preference over common shares

GHC Café (UK) Limited

As of December 31, 2022, GHC UK had registered and paid-up capital of GBP 200,000 divided in 200,000 shares at par value of GBP 1 per share. The shareholders are as followed:

Shareholder	No. of shares	%
1. Greyhound Café Company Limited	200,000	100.0
Total	200,000	100.0

Societe Langonnaise des Vins et Hotelleries SAS

As of December 31, 2022, SLVH had registered and paid-up capital of EUR 470,176 divided in 29,386 shares at par value of EUR 16 per share. The shareholders are as followed:

Shareholder	No. of shares	%
1. Mudman International Limited *	29,386	100.0
Total	29,386	100.0

* Mudman International Limited is a subsidiary of the Company with 100% shareholding.

Maison MM1 SAS ("MM1")

As of December 31, 2022, MM1 had registered and paid-up capital of EUR 223,806 divided in 223,806 shares at par value of EUR 1 per share. The shareholders are as followed:

Shareholder	No. of shares	%
1. MM FR SAS*	223,806	100.0
Total	223,806	100.0

* MM FR SAS is an indirect subsidiary of the Company with 67% shareholding thru Mudman International Ltd.

Maison MM2 SAS ("MM2")

As of December 31, 2022, MM2 had registered and paid-up capital of EUR 34,769 divided in 34,769 shares at par value of EUR 1 per share. The shareholders are as followed:

Shareholder	No. of shares	%
1. MM FR SAS*	34,769	100.0
Total	34,769	100.0

* MM FR SAS is an indirect subsidiary of the Company with 67% shareholding thru Mudman International Ltd.

Maison MM3 SAS ("MM3")

As of December 31, 2022, MM3 had registered and paid-up capital of EUR 180,452 divided in 180,452 shares at par value of EUR 1 per share. The shareholders are as followed:

Shareholder	No. of shares	%
1. MM FR SAS*	180,452	100.0
Total	180,452	100.0

* MM FR SAS is an indirect subsidiary of the Company with 67% shareholding thru Mudman International Ltd.

Lifestyle business

Greyhound Café Company Limited

As of December 31, 2022, Greyhound Company Limited has a registered and paid-up capital of 96,990,000 baht, divided into 969,000 million shares (494,650 ordinary shares and 475,250 preferred shares) with a par value of 100 baht per share. shares as follows :

Shareholder	No. of shares	%
1. Mud and Hound PCL	475,250 (P/S) 494,648 (C/S)	100.0
2. Mr. Supasith Sukhanindr	1	0.0
3. Mr. Nadim Xavier Salhani	1	0.0
Total	969,900	100.0

Business by holding shares in other companies (Holding Company)
Mudman International Limited

As of December 31, 2022, Mudman International Limited has a registered and paid-up capital of USD 30,000, divided into 30,000 shares with a par value of USD 1 per share, with the list of shareholders as follows:

Shareholder	No. of shares	%
1. Mud and Hound PCL	30,000	100.0
Total	30,000	100.0

MM FR SAS ("MM FR")

As of December 31, 2022, MM FR has registered and paid-up capital equal to 24,000 euros, divided into 24,000 shares with a par value of 1 euro per share, with the list of shareholders as follows:

Shareholder	No. of shares	%
1. Mudman International Limited	16,000	66.67
2. GM Conseil	8,000	33.33
Total	24,000	100.00

* MM FR SAS is an indirect subsidiary of the Company with 67% shareholding thru Mudman International Ltd.

1.4 Amounts of registered capital and paid-up capital

1.4.1 Securities

As of December 31, 2022, the Company's registered capital is at 1,685,418,800 with fully paid-up with THB 1,053,386,750 divided into 1,053,386,750 ordinary shares at par value of THB 1.0 per share.

1.4.2 Supplementary Shares

- none -

1.5 Issuance of other securities

Debentures

As of December 31, 2022, the Company has outstanding debentures of Baht 809.6 million. Par value of 1,000 baht per unit, payable interest every 3 months throughout the term of the debentures. The details are as follows:

Debenture Number	Term of the debentures		Number of units	Amount (Million Baht)	interest rate (percent per year)	collateral
	Release date	Due date				
MM237A	1 Oct. 2020	1 Jul. 2023	217,700	217.70	5.8	none
MM23NA	20 May 2021	20 Nov. 2023	300,000	300.00	6.0	share certificate of a subsidiary
MUD255A	11 Aug. 2022	11 May 2025	291,900	291.90	5.8	none
			809,600	809.60		

As of December 31, 2022, the Company has no outstanding bills of exchange.

1.6 Dividend policy

Dividend Payment Policy

(1) Dividend Policy of the Company

The Company has dividend policy to make dividend payment of not less than 50% of net profit based on the Company's separate financial statement after deduction of tax expenses and legal reserve (if any). Dividend payout will be considered by the board of directors/shareholders of the Company for the purpose of maximizing benefit to the shareholders. Factors determining dividend payout of the Company are such as reserve for loan repayment, investment plan for expansion, and liquidity support for the Company's subsidiaries under unstable market circumstances etc. The dividend payout shall not exceed retained earnings in the Company's separate financial statements, and shall comply with related laws and regulations.

As the Company operates as a holding company which majorly consists of investment in its subsidiaries, its dividend payout capability is mainly subject to subsidiaries' performance and dividend payout.

(2) Dividend Policy of Subsidiaries

Subsidiaries of the Company have dividend policy to make dividend payment of not less 50% of net profit based on their separate financial statements after deduction of tax expenses and legal reserve (if any). Dividend payout will be considered by the board of directors/shareholders of the Company for the purpose of maximizing benefit to the shareholders. Factors determining dividend payout of the Company are such as reserve for loan repayment, investment plan for expansion, and liquidity support for the Company's subsidiaries under unstable market circumstances etc. The dividend payout shall not exceed retained earnings in the Company's separate financial statements, and shall comply with related laws and regulations.

Dividend Payment Record

Year	2022	2021	2020	2019
Cash (THB: shares)	Omit dividend payment*	Omit dividend payment	Omit dividend payment	0.0580
Source of Dividend	-	-	-	Net profit and retained earnings
Payment Date	-	-	-	May 21, 2020

*Proposed to the Annual General Meeting of Shareholders for the year 2023 for approval.

2. . RISK MANAGEMENT

2.1 Policy and Plan for Risk Management

The company has followed the international standard risk management protocol (COSO Enterprise Risk Management Framework: COSO ERM Framework) and applied it to the entire company to defend and decrease impacts from risks that might obstruct our planned objectives. Additionally, to increase trust towards stakeholders that our company can timely operate under the abruptly changing environment. The board of directors, executives, and employees of all levels participate in this implementation of a standardized risk management system, in conjunction with the strategic planning process and developing sustainable business that focuses on benefiting the Environment, Social, and Governance (ESG). As well as setting up a tracking system and monitoring the results according to the risk management plan. We prepare for newer risks that could occur in the future and minimize the potential losses of the organization.

2.2 Risk Factors for the Company's Business Operations

1. Risk from discontinuation of franchise agreement or termination of franchise agreement due to breach of terms and conditions

Under franchise business, the franchisor will authorize a franchisee to have a right to operate a restaurant under the franchisor's trademark in assigned territory, exclusivity period, and management system. Part of MUD's business is operated under franchise agreement from international franchisor, under the terms and conditions as indicated in franchise agreement. The key terms and conditions are summarized as followed:

Brand	Period of Contract
DUNKIN' DONUTS	On December 15, 2046, it is the due date of the agreement on the number of branches to be opened in the next 5 years as each branch has the right to operate Dunkin' Donuts for 20 years, since opening stores
Au Bon Pain	On April 1, 2034 or ending / termination date of the last contract of the opened store, where the contract period of each store is nine years, whichever is earlier
Baskin-Robbins	On December 15, 2022, each branch has the right to operate Baskin Robbins for 10 years, and has the right to renew the contract for another 10 years. However on December 16, 2022, Golden Scoop Co., Ltd. and BASKIN ROBBINS FRANCHISING LLC, USA, entered into an Exit Agreement whereby Golden Scoop Co., Ltd. will not renew the Master Operating Agreement as last store will be closed on 6 January 2023.

A franchise agreement with a limited term may pose a risk to the Company. In the event of unauthorized renewal or alteration of the terms and conditions of the franchise agreement may result in the company Unable to operate under such brands and affect the operations of the company.

The proportion of revenue of DUNKIN' DONUTS , Au Bon Pain and Baskin-Robbins accounted for 43% , 14% and 1% of total revenue for the year 2022 respectively. If the Company cannot renew the franchise contract, may affect the Company's performance. However, the Company expects that there will be no problem in renewing contract. The terms of the contract are detailed as follows:

Brand	Current expiration date	Trends in the extension of rights in the future
Dunkin' Donuts	December 15, 2046	Dunkin' Donuts still has a longer contract period. Therefore, it is not in the plan to consider in the near term.
Au Bon Pain	April 1, 2034	Au Bon Pain still has a longer contract period. Therefore, it is not in the plan to consider in the near term.
Baskin Robbins	December 15, 2022	On December 16, 2022, Golden Scoop Co., Ltd. and BASKIN ROBBINS FRANCHISING LLC, USA, entered into an Exit Agreement whereby Golden Scoop Co., Ltd. will not renew the Master Operating Agreement.

In addition, the company has diversified through the expansion of the food and beverage business and a lifestyle business that is its own brand. Currently, it operates under the Greyhound brand, which is a brand that is used to expand in various business operations. Not limited to full-service food and beverage businesses and lifestyle business only. But there are still plans to expand into various businesses in the future as well.

2. Risk from intense competition

Under ever-rising competition, both in food and beverage business and lifestyle business, from local as well as foreign entrants, MUD's performance can be adversely affected.

Nevertheless, MUD is considered as a strong player with well-recognized brands and good relationship with the franchisors. The well-cultivated expertise has empowered the Company to optimize its business portfolio, as well as location to cover its target customers. Moreover, its management team has developed strong experience in the businesses for over 10 years. The team has immense industry knowledge and customer insight, leading to the Company's effective risk management. The Company also encompassed the comprehensive set of growth plan in Thailand and overseas, securing the sustainable growth in food and beverage business. This can be evidenced by consistent organic growth of total revenue of food and beverage business under franchise agreement, and significant in-organic growth from acquisition of businesses under own brands (GHC and GHF) in 2014 which is a key driver to boost growth in domestic and international markets.

3. Risk from procurement of rental areas

Location selection is important to business growth of operations in food and beverage business, as well as in lifestyle business. Majority of rental contracts are in short-term, at 1-3 years on average. Moreover, the high competition in food and beverage, and lifestyle industries, coupled with ever-rising number of new entrants, have intensified the competition to secure key locations and lifted the rental cost significantly both in Bangkok and other provinces. Hence, MUD and its subsidiaries can be adversely affected by the risk of obtaining reasonable terms and conditions in current and new rental contracts.

Nevertheless, MUD and its subsidiaries are experienced players with well-recognized brands and strong brand awareness in local and foreign markets. They own popular products which contributed significantly in attracting customers for repeating services. They also have good rental payment record, whilst strictly conforming

to the terms and conditions in the rental contracts over the past. Moreover, MUD and its subsidiaries ally with several landlords, and own an experienced business development team that assists on securing new locations. These factors have facilitated MUD and its subsidiaries in renewing existing rental contracts and securing new rental contracts.

4. Risk from discontinuation or change in terms and conditions of rental agreement

Majority of MM and its subsidiaries' branches, e.g. Dunkin' Donuts Au Bon Pain Baskin Robbins Greyhound Café and Greyhound Fashion, are located in department stores, community malls, and/or hypermarkets. The branches are under rental contracts with rental period of no more than 3 years and renewal right after maturity of contracts. Therefore, MM may encounter risk of discontinuation of rental contracts, as well as change in terms and conditions of the rental contracts e.g. increase in rental and service payment. The aforementioned risk may adversely affect the financial and operational performance of the Company.

However, MM forms strong business alliance with several department stores, community malls, and shopping centers. The Company also maintains good relationship with the landlords over the past, and has strictly and consistently complies with the rental contract. The franchise businesses of MM are considered as magnet stores, with the popular products that draw customers to visit the department stores, community malls, and shopping centers where they are located. Moreover, similar to rental contracts of other tenants, the rental contracts between MM and its landlords assign rental cost on market price, and are formed on Arm's Length Basis. Hence, MM and its subsidiaries are confident that under adverse situation, they will ably secure new locations with market terms and conditions.

5. Risk from increase in personnel cost

The nature of the company's business rely on heavy human resource those are employee in the central kitchen factory and sub-kitchen, employees in each branch kitchen, salesperson waiter and staff in the headquarters. If the government has a policy to raise the minimum wage, it will affect the operating costs of the company.

Nevertheless, MM has increased wage of its employees to be competitive to the market rate and competitors' rates in order to effectively cope with the regulatory change and maintain its competitiveness in the labor market. The average minimum wage of MM's employees is higher than minimum wage by law. Therefore, the risk that the company will be affected by the increase of the minimum wage is quite limited. The company has a policy to manage labor costs effectively by increasing in proportion of full-time employees necessary for its growth. The Company firmly believes that the retention of its personnel, through increasing proportion of full-time employees, shall enhance the potentiality of its employees while reducing employees' overall turnover rate. To diminish the financial implication of this plan and maintain profitability, the Company focuses on controlling its personnel cost in the best manner.

6. Risk from fluctuations of costs of agricultural raw materials

Raw materials in food and beverage business are mainly agricultural products, such as meat, vegetable, and fruit etc., accounting for 95% of total raw materials. The costs of the raw materials fluctuate by seasonal effect, climate variability, natural disaster, and market demand at a particular point of time. The fluctuation of raw

material costs is uncontrollable. This risk can adversely affect food and beverage businesses, inevitably affecting MM's operation.

Nevertheless, the Company concentrates on controlling and managing its costs effectively, and attempts to reduce the effect from fluctuation of raw material costs by closely monitoring the market situation, conducting risk assessment on 33 shortage of raw materials and possible increase in raw material costs, and managing risk from fluctuation of raw material costs by adjusting production process to respond to higher raw material costs. Moreover, the Company may consider increasing prices of its products. However, the prices will be reflected by market price and competitors' prices in order to minimize the downside to sales and overall customer base of the Company.

7. Risk from the economic, political, natural disaster events

Economic slowdown and economy fluctuation, politic situation, and natural disaster events are the factors that directly affect to the spending power because the consumers are uncertain on their income. In additional, the uncertainty will lower the future spending and increase the current saving amount. Therefore, there is a risk from such events which will affect the Company's performance, financial position, and business opportunities.

However, with well-established experiences of management team, the Company truly understands the industry movement and consumer behavior and carefully crates strategic plan including risk assessments and business strategies, cost management, brand equity enhancement, and business continuity plan in order to ensure business operation in such events.

8. Risks from factors or events that may significantly affect the financial position or operations in the future (Forward Looking)

Factors affecting food business Factors affecting the business materially is consumer behavior I used to like going out to eat at restaurants. Switch to ordering more food to eat at home. As a result, the company had to adjust by adding more online sales channels, adjusting the size of the store's space to have less seating space, etc. As for the secondary factor, Covid-19 virus epidemic situation to reduce the spread of this virus. The government has issued measures such as the need to keep distance, close restaurants, close shopping malls. set time to enter the house, etc. These measures resulted in a significant reduction in the company's sales, or war events that occurred during Russia and Ukraine As a result, the price of energy products, fertilizers, and grains has increased considerably. If this war is prolonged, the company's production costs will rise and the situation of political rallies. which often have road closures, etc. , resulting in sales of branches located in the assembly area affected. These situations may occur from time to time. doesn't always happen But during that event will affect the company's financial statements It may reduce income or increase costs.

9. Risk from exchange rate

The Company has foreign-currency transactions in four parts: (1) Franchise fee of DD and ABP, (2) Imported ice-cream from the USA of BR, and (3) Royalty fee of GHC and 4) the operation of restaurants under the GHC brand in the UK. including Le Grand Vefour, La Mere Lachaise, Pasco, Augustin and A Noste in France. Therefore, there is an exchange rate risk which adversely affects the Company's performance if they do not implement proper management.

However, because income and expenses are in the same currency. in other words, the British pound. for stores in the UK and euro currency for stores in France Moreover, the proportion of such transaction is within manageable range, therefore, the Company manages some of the foreign exchange risk by using the Natural Hedge method. The Company does not have a forward exchange contract for the rest. In this regard, the Company will consider additional appropriate measures taking into account both risks and financial costs. In addition, for overseas franchise business, the Company is studying to adjust the standard contract format to be more flexible and suitable. This includes considering guidelines for collecting franchise contract fees and franchise fees (Royalty Fee) in Thai baht to reduce the impact of future currency rate fluctuations.

10. Risk from business expansion abroad

Since at the end of 2017, the company acquired the restaurant “Le Grand Vefour” in Paris, a famous French restaurant. And at about the same time, the company also opened its first internationally owned Greyhound Café in London. However, the results of the two restaurants were not in line with the company's expectations and were even weaker by the impact of the COVID-19 situation. The company has also partnered with business partner Mr. Guy Martin, head chef of Le Grand Vefour, to open four additional restaurants in Paris: “Pasco,” “Augustin” and “A-Noste.” in 2020 and “La Mere Lachaise” opened in early 2022, resulting in the company having higher financial liabilities. the results of operations did not meet the goals expected by the company. However, from such events, the company had to study and adjust, Including trying to manage costs efficiently , Try to build the ability to compete seriously for the company. However, due to the situation of the spread of the Coronavirus 2019 that has continued to improve Causing tourists to come back to travel in important cities of both countries.

11. Risk from employment

ASEAN Economic Community (AEC) consists of 10 countries including Thailand, Malaysia, Singapore, Philippine, Indonesia, Brunei, Vietnam, Laos, Burma, and Cambodia with objective to integrate ASEAN as single market and production. ASEAN will be characterized by free movement of goods, services, and investments as well as freer flow of capital and skills. Therefore, there are many improvements in such countries. For example, economic reform in Burma, the increase of minimum wage for alien labor in Laos, Vietnam, and Cambodia to attract them to move and work in such countries. In addition, the increased wage in other countries might affect the labor in Thailand to move and work in such countries. Moreover, labor is a key factor to operate food and beverage business in many functions such as central kitchen and store level. The Company always provides professional training to create skilled labor to support the future growth. Hence, there is an employment risk that the skilled labor might move to work in other places.

However, the Company always continuously supports people management and development to ensure the smooth business expansion in long term. Also, the Company carefully provides optimal staff benefits and remuneration with open-door policy to welcome comments to create sustainable growth platform.

12. Risk from the Company's major shareholders holding more than 50% of the Company's total issued share capital

At March 14, 2022, the major shareholder of the Company is Sub Sri Thai PCL ("SST" or "Sub Sri Thai") with 702,087,200 shares or 66.65% of the total issued share capital. As a result, SST is able to control the vote on almost every resolutions at the meeting of shareholders. Thus, other shareholders of the Company may face the risk of being unable to gather enough votes in order to examine and to balance the power of major shareholders in respect of the matters presented by the major shareholders to the shareholders' meeting for consideration.

However, the Company always supports check-and-balance policy and good corporate governance through transparent company structure. The structure consists of audit committee, executive committee, and risk management committee with written power and responsibility of each committee. In addition, the Company has set related-party transaction policy with connected parties (i.e. director, shareholders, and connected person). For example, the connected person cannot vote in the agenda that related to such connected person with approval and consideration of independent directors. Such structure and policies are to ensure the shareholder that the Company is well-established check-and-balance, transparent, and effective management.

13. Risks Associated with Covid-19

From the situation of the spread of the Coronavirus Disease 2019 since the beginning of the year 2020 and returned to spread again in December 2020 until now. Which the government has issued various measures to control the spread of the disease, for example by ordering the closure of the establishment or temporarily reducing the operating hours, etc. The Company is unable to sell products and provide services to customers as usual. As the Company has been able to resume business as usual from November 1, 2021. For overseas restaurant business had to temporarily close from January 2021 and started operating again in May 2021. However, the impact of Covid-19 has affected all Business Sectors, causing the number of customers who have purchased goods or services to not yet return to normal. Although the situation has affected the financial position and business performance, MUD Group of Companies have sought to adjust Sales Strategy in line with current circumstances. The Company has been managing and closely monitoring costs and expenses more efficiently.

14. Risk of maintaining financial ratios of the company

The Company's operations require funding from borrowing from financial institutions and the issuance of debentures which must comply with the conditions for maintaining financial ratios. As the long-term loans from banks at the end of 2022, the Company could not maintain such conditions. The company must maintain the total debt to equity ratio of not more than 2 times, the debt service coverage ratio of not less than 1.2 times, and the net financial debt to earnings before interest, tax, depreciation and amortization ratio of not more than 3 times. As of December 31, 2022, the Company's ratio was 1.47 times, 0.39 times, and 2.19 times, respectively. However, the Company received a waiver of financial covenants in respect of the debt service coverage ratio from the bank for the year 2022. However, in the next year if the performance does not meet the expected plan, the Company may be in breach of such terms and conditions again. If financial institutions do not waive the conditions for maintaining financial ratios as specified, the company may be called by financial institutions to pay debts

immediately and may be considered as default of debentures. That is, the interest bearing debt to equity ratio as defined in the terms and conditions must not exceed 3 times at the end of the accounting period in every quarter throughout the term of the debentures. As of December 31, 2022, the Company has The ratio was 0.59 times.

15. Risk of ability to repay debt

As of December 31, 2022, the Company's Debt Service Coverage Ratio (DSCR) was 0.39 times, Interest Coverage Ratio (ICR) was 4.86 times, and Liquidity Ratio was 0.35 times, indicating that the Company has good liquidity the sufficient liquidity to pay interest but may be tight if all debts have to be paid. As of December 31, 2022, the company has interest-bearing liabilities that will be due within 1 year in the amount of 1,182.48 million baht, divided into loans from financial institutions in the amount of 390.02 million baht, long-term debentures in the amount of 515.85 million baht and current lease liabilities. Recognized within 1 year in the amount of 276.61 million baht, recorded in accordance with the Financial Reporting Standard No. 16, which was just announced in 2020. The company plans to repay the debt by using cash flow from operations. And some will be roll over the P/N limit with financial institutions, including issuing debentures. In addition, the company has cash and cash equivalents as of December 31, 2022 in the amount of 224.41 million baht. The company may have risks in terms of liquidity and ability to pay debts.

16. The risk of reduced operating performance

The operating results of the company and its subsidiaries in 2020, 2021 and 2022, the company has net profit (loss) of (419.78) million baht, (111.25) million baht and 3.69 million baht respectively. The main reasons for operating loss due to lockdown measures in order to control the spread of the Coronavirus Disease 2019, resulting in a decrease in revenue from food and beverage businesses both domestically and internationally. In addition, the Company has relatively high depreciation and amortization expenses, which are non-cash items. As a result, the company's operating results showed a loss in 2020 and 2021. However, the company has tried to adjust its sales strategy to be in line with the current situation, including focus on cost and expense management to be more efficient in order to increase the revenue and profitability of the company.

3. Business sustainability development

3.1 Sustainability Management Policies and Goals

The Group has the policy of corporate social responsibility and conducts business by taking into account the stakeholders, economic, social and environmental benefits with morality and ethics as well as good governance to instruct the group of companies to operate the business with honesty, transparency, fairness and verifiableness. This helps raise awareness of the impact negatively to the economy, society, natural resources and environment, build confidence among shareholders, investors, employees, customers, stakeholders and all related parties. The Company

is committed to being a role model for the society in conducting business in the foundation of the benefits of society and achieve sustainable development objectives.

The Company will carry out social responsibility activities which can be divided into 2 parts: operations or activities for social and environmental activities as part of the normal business (in-process) and social and environmental activities in addition to normal business operations. (after-process) to be a part of driving Thai society towards sustainable social and environmental development.

3.2 Managing impact on stakeholders

Operations with Stakeholders

Stakeholders are essential to the operations of the company. The company therefore operates with responsibility towards all groups of stakeholders in all aspects. To move towards a sustainable organization by analyzing stakeholder expectations and related issues.

No.	Stakeholder group	Method / Communication	Need / Expectation	Response
1	Employee full time staff temporary worker	<ul style="list-style-type: none"> - Channels for receiving complaints and listening to opinions - Employee Operation Manual and Business Ethics Manual - Providing information to employees such as announcements, orders - Human Resource Management Policy - Various labor relations activities 	<ul style="list-style-type: none"> - Compensation both in the form of salary and benefits appropriate and fair - Comply with labor ethics - Safe and secure working environment management hygiene and reducing health risk factors - Training and development of employees' potential - Stability and advancement in work have good living conditions - Handling complaints and respect for human rights 	<ul style="list-style-type: none"> - Provident Fund - Consideration of staff position adjustments from within the organization when the vacancy rate - Respect human rights principles and treat them equally - Ensuring that employees meet their basic needs to build good relationships within the organization through the welfare committee - Employee turnover and knowledge sharing of employees within the company's affiliates - Fair and reasonable compensation and income - Human resource development is a matter of the organization, supervisors and all employees. - Encourage employees to have a quality work life have good occupational safety and

No.	Stakeholder group	Method / Communication	Need / Expectation	Response
				health as well as manage the workplace to be free from drug and alcohol use
2.	Shareholders and investor shareholder investor	<ul style="list-style-type: none"> - Organizing a shareholders' meeting - Answering inquiries by phone and e-mail. - Information via website - Prepare annual report - Disclosure of various information according to the rules of the governing body - Provide channels for reporting various claims 	<ul style="list-style-type: none"> - financial returns (dividend profit and share value) - Management with principles good governance - Business is growing steadily - Have a risk management system - There is a good audit and management. - Care of rights and equality 	<ul style="list-style-type: none"> - Comply with the principles of good corporate governance treat stakeholders fairly; and equal, honest, transparent, verifiable - Paying dividends appropriately - Disclosure of accurate and complete information
3.	Customer	<ul style="list-style-type: none"> - Produce quality products according to standards and be responsible to customers - Employees provide quality service. - Organizing various promotions - Advertising - Customer Satisfaction Survey - Channels for receiving complaints and hearing opinions 	<ul style="list-style-type: none"> - Reasonable and fair prices of goods and services - Receiving quality and standard service - Confidentiality of customer information - Responsible for products and services 	<ul style="list-style-type: none"> - Comply with the principles of fair, transparent and verifiable corporate governance. - Have business ethics - Manage management with standards
4.	Competitor on the way trade rival	<ul style="list-style-type: none"> - exchanging information 	<ul style="list-style-type: none"> - Fair and transparent competition - Not accusing competitors in a bad way - Do not compete by undercutting 	<ul style="list-style-type: none"> - Comply with the Code of Conduct for fair and transparent business operations. - Do not damage the reputation of competitors by making malicious accusations.

No.	Stakeholder group	Method / Communication	Need / Expectation	Response
5.	Partner service provider manufacturer	<ul style="list-style-type: none"> - Business Ethics Guide - procurement-procurement policy - Visits and Audits - Channels for receiving complaints and hearing opinions 	<ul style="list-style-type: none"> - Treating partners like equal and equal - Regular ordering or increase the order quantity 	<ul style="list-style-type: none"> - There is a clear procurement process. - Treat business partners equally - Create free and fair competition - Comply with the contract conditions in full - No request, receive or pay any benefits dishonest with partners
6.	Creditor financial institution	<ul style="list-style-type: none"> - Financial Statement Report - Contact through the manager or accounting and finance department 	<ul style="list-style-type: none"> - Paying off debts on time - Able to comply with the terms and conditions of the contract - Transparency in business operations 	<ul style="list-style-type: none"> - Pay debts in a timely manner and strictly abide by the terms and conditions of the contract - Disclosure of accurate financial information
7.	Government agency SEC SET. Revenue department Labor department Social Security Food and Drug Administration	<ul style="list-style-type: none"> - Support and comply with the rules strictly and completely - Report information as required by law - Remittance of taxes according to the law - Cooperate in various activities of government agencies 	<ul style="list-style-type: none"> - Able to follow the rules relevant law - Does not have a negative impact on society and environment - Participation in various projects of government agencies held 	<ul style="list-style-type: none"> - Comply with the rules Regulations required by law in every aspect - Disclosure accurately and transparently
8.	Community and society, The community surrounding the general society	<ul style="list-style-type: none"> - Participation in various activities with the community - Listening to suggestions and receiving complaints - Whistleblowing of fraudulent acts 	<ul style="list-style-type: none"> - Promote and support social activities that are beneficial to the community and society 	<ul style="list-style-type: none"> - Supporting educational, community, religious, charitable and social activities - Response and complaint handling - There is a fair process for investigating complaints. - Cultivate employees' awareness of responsibility

No.	Stakeholder group	Method / Communication	Need / Expectation	Response
				towards society, community and environment.
9.	Environment	- Organizing environmental conservation activities and energy within the organization	- Contributions to environmental and energy conservation	- Organize activities and instill an awareness of energy conservation cost-effective use of resources and conserve the environment and natural resources

3.3 Sustainability Management in Environmental Dimensions

The company has a policy to encourage employees to use natural resources and energy economically. Support the reuse of materials and attaches great importance to making the most of raw materials and leftovers.

Sustainable use of resources

- The Company has implemented measures to use resources efficiently in order to reduce the use of energy, water, electricity and other resources such as turning off lights during lunch break, the use of energy-saving lamps, campaign to use save water, etc.
- The Company uses as many recycled and reused materials as possible.
- The company procures raw materials from sustainable sources. It is a raw material product and from a production source that has a product book that has been inspected and has received the FDA symbol, including some raw material products that are products from the Royal Project.
- The company focuses on the use of packaging that is not toxic to the environment and is biodegradable. By using bio-plastic bags or bio-plastics (BioPlastic) and biodegradable food boxes. Including the packaging is Food Grade and has been certified that Safe to use in contact with food.

3.4 sustainability Management in Social Dimensions

3.4.1 Social Policy and Practice

The Group places importance on and is committed to creating value in business operations and creating benefits for all stakeholders in society. To create sustainability according to goals and sustainable development issues both dealing with climate change circular economy and health and safety.

3.4.2 Social Performance**Fair business operation**Fair competition

- The Company has created a balance of power, duties and responsibilities, and the competence of the personnel in making decisions on behalf of organizations, according to the authorization handbook, works manual for the purchasing and receiving system and procedures for procurement and employment, etc.
- The Company conducts activities in accordance with the laws and regulations on fair competition and cooperates with the agency that looks at the trade competition. The Company has established the policy on corporate governance in business ethics guidelines and a code of conduct on the relationship between customers, service providers and competitors, etc.
- The Company has a guideline for conducting the Company to promote fair competition and it is used in in-process operations; for example, promoting a fair purchase of raw materials by preparing work manual for the purchasing and receiving system, authorization handbook and procedures for procurement and employment, which must be auctioned by at least three buyers, etc.
- The Company encourages employees to be aware of the importance of action. It is important to comply with fair and trade competition laws. It is specified in the code of conduct and training on fair operation, compliance with work manual for the purchasing and receiving system and procedures for procurement and employment for employees involved before starting work.
- The Company integrates ethical, social, environment and gender equality guidelines as well as health and wellness into policies and procedures in the purchasing, distribution and contracting, work manual for the purchasing and receiving system according to the Corporate Governance (CG) and Code of Conduct.

Respect of property rights

- The Company has a guideline for promoting respect for property rights in accordance with the procedures on the use of computer networks in an organization (IT Policy & Procedure) and letter of consent to receive policy conditions on information system security.
- The Company does not participate in activities that violate property rights, including the misuse of possession, counterfeiting and infringement according to the IT Policy & Procedure.
- The Company pays fair remuneration for license.

Anti-corruption

- The Company has implemented and updated the policy, including anti-corruption, bribery and coercion as stated in code of conduct: gifts and grants to conduct business, employee manual on discipline and disciplinary action.
- The Company does not encourage employees to receive bribes and special incentives in the operation by installing opinion Box (Corruption) to receive complaints.

- When the Company finds that the corruption has occurred, the Company will report the violation of the criminal law to staff with relevant law enforcement authority according to the employee handbook, serious disciplinary action and practice guidelines in case of corruption.

Human rights

The Company has set up a human rights policy to be used as an important operational guideline and to integrate a human rights policy into a part of the Company's operation. It has been included in various important policies such as Corporate Governance on business ethics, code of conduct on treatment of employees, social responsibility policy, work regulations, working conditions agreements and employee handbook, etc.

Responsibilities to employees

Equitable treatment and determination of basic rights to employees

- The Company provides employees with full human rights without discrimination, including education, employment and socio-economic activities as well as the right to make decisions in marriage and family matters as specified in work regulations regarding maternity leave or request of temporary work transfers during pregnancy. It also posts a job application that "it does not specify nationality, race and religion."
- The Company supports and encourages disabled people to be treated with honor. They have freedom and full participation in society. The Company must respect the principle of non-discrimination and consider reasonable access to facilities.
- The Company considers the high benefits to children and youth, including non-discrimination, the right to life of the child, the right to survival, the right to development of the child as well as freedom of expression, such as accepting students for a summer internship.

Employment and employment relations

- The Company attaches importance to stable employment both regular employees and temporary employees by planning the use of advance manpower rates to avoid overuse of temporary labor, unless the nature of the work is a periodic work or seasonal work.
- The Company provides equal opportunities for all employees and does not discriminate directly or indirectly in all practices of employment and labor based on race, color, sex, age, nationality or national origin, minority or ethnic background, caste, marital status, sexual orientation, disability, health status, including political relations. It is stated in the Corporate Governance Policy on the rights of employees and stakeholders, and employment condition agreement on types of employees, probation, placement as permanent and vacant positions and employment condition agreements on promotion, prevention, transfer and retirement regulations, such as announcing a job application that "it does not specify nationality, race and religion" and the appointment of female top management.
- The Company has policies and practices in hiring, income, employment conditions, assessment to training and promotion and termination of employment. It depends on the work requirements specified in the Code of Conduct on treatment of employees, work regulations and employment conditions agreements.

- The Company has guidelines for layoff, termination and dismissal, according to the employment conditions agreement or work regulations regarding discipline and disciplinary action or work regulations regarding the termination of employment and guidelines for consideration in offenses and punishments of employees.
- The Company has the policy to protect personal information and the privacy of employees. It is managing the work through Human Resource Management System by assigning individuals and password to access the personal information program.
- In case of dismissal, the employee complained to the provincial labor inspector that the Company has unfair dismissal. The Company representative will visit the labor inspector to clarify facts and present evidence/documents until satisfied.

Environment and welfare

- The Company considers employment conditions that respect wages, working hours, weekly holidays, annual holidays, health and safety, maternity protection and the ability to take responsibility for the family. For example, the Company provides welfare better than the law stipulates (holiday on birthdays, traditional holidays, annual holidays, maternity leave, diligence allowance, daily allowance, personal leave), the right to maternity leave, the right to marriage leave, change of responsibility during pregnancy, an annual health.
- The Company has policies and practices in hiring, income, employment conditions, assessment of training and promotion and termination of employment. It depends on the work requirements specified in the Code of Conduct on treatment of employees, work regulations and employment conditions agreements.
- The Company pays fair compensation. In the event that the work has the same nature and quality and the same quantity; for example, announcement of minimum wage adjustment, announcement of annual salary increase, etc.
- The Company has set regular holidays that it is necessary to respect important national days, customs, traditions or religious cultures, such as religious leave (ordination or huddle leave).

Health, safety and working environment

- The Company has developed, applied and maintained the policy of health, safety and work environment and promoted the psychological well-being of employees that have been clearly identified, application of good health, safety and environmental standards with better performance. The Company has set in the safety, occupational health and working environment policy.
- The Company understands and applies health and safety management principles by hierarchical control as appropriate and jointly analyzes and controls health and safety risks and has a security management system on health and safety risks associated with the Company's activities.
- The company has to strictly control the security of the area or assets, such as the practice of security guards. Guidelines for checking in and out of persons CCTV installation In front of the factory door The area beside the production building and the parking.

- The company provides adequate and regular training to personnel involved in security measures.
- The Company does not support the products or services of business partners and contractors that violate human rights, and does not partner with organizations that have violated human rights, which has been specified in the corporate governance policy and Code of Conduct.

Training and development of personnel within the organization

- The Company provides opportunities for employees at all levels that can access to skills development, training and internships, as stated in the annual training plan and a survey of training needs every year.
- The Company grants the right to express opinions and expressions. The Company shall not obscure the views or opinions of others, either inside or outside the organization.

Responsible political participation

- The Company provides knowledge and training to raise awareness of employees on political participation and responsible political support and how to deal with conflicts of interest, which has been provided in the orientation of new employees in every position.
- The Company is transparent in activities related to political support and political participation and avoids political support trying to control the policymaker to be in the desired direction. It is set out in the code of conduct for political activities and donations and disclosure of the Company's information.

Responsibilities to customers

Fair and transparent marketing policy

- The Company has disclosed the total net price and tax, terms and conditions for products and services, including necessary accessories for use and shipping.
- The Company has the policy not to use text or pictures relating to gender, religion, race and sexual orientation to pervert messages that communicate to customers.

Customer protection

- The Company provides products and services in a condition that is safe for customers and others, property and environment under normal use conditions, according to the quality policy, GMP standard and other standards.
- The Company conducts health risk assessments arising from products and services before new materials are used. The Company has examined the quality of raw materials, chemicals and packaging used in production.

Sustainable consumption

- The Company uses eco-labels to communicate a positive view on the environment, energy efficiency and features of products and services that are beneficial to society, such as showing recycle and littering symbols on product labels.

Preventive measures and solutions for complaints

- The Company regularly reviews complaints and improves the guidelines for responding to complaints. The Company complies with the standard of practice regarding the receipt of complaints and a guide for receiving complaints from customers.

Maintenance plan

- The Company continuously maintains and improves the system to help prevent interruptions in production and continued service to customers according to the annual maintenance plan.

Innovation and the dissemination of innovation from operations with social responsibility

The Company has foreseen and gives importance to research and development with studies for product and service development and improvement continuously. The Company has researched and developed new products continuously, focusing on product development with good taste, a wide variety of products in line with the changing behavior and needs of the target consumers of the Company while maintaining the uniqueness of the brand.

Research and development is one of the organizational cultures. It is important to help build potential and competitiveness of the Company as it helps the Company remain cost-competitive advantage, new production process invention, production efficiency and production cost reduction continuously. The Company encourages personnel at all levels to participate and to express opinions on research and development of food and beverage products.

The nature of the food and beverage business operates under the franchise is a standard control by franchisors. The franchisors grant the franchisees the right to invent, develop and improve the products to meet the needs of consumers in each country (Localization) and allow the franchisees in each country have invented a new menu. The Company has researched and developed food and beverage products under the franchise continuously and ability to invent new products that are popular among consumers on a regular basis. In addition, the Company shares knowledge and concept of new product development to other franchisees in foreign countries until receiving awards "Excellence in Trade Certificate Outstanding Partner" from Dunkin' Donuts, USA, Franchise Owner, "Au Bon Pain the bakery Café Franchise of the Year ABP Thailand 2015" from ABP Corporation, USA, Franchise Owner, "Innovation Excellence 2015" from Baskin Robbins Franchising LLC (USA) from the franchisor. Au Bon Pain continues to develop recipes, beverages and bakery. by managing raw materials efficiently in terms of cost And the process of bringing raw materials from abroad to use. Dunkin has developed 3 special recipes: Taiwan donuts, puffed rice donuts and marshmallow donuts.

The research and development of the Company is under the responsibility and cooperation between the kitchen department with knowledge of production, the marketing department, which is an educated segment and surveys the market demand well, and the finance department that serves budget control. Each segment focuses on product development to meet the quality and standards stipulated by the franchisors and has a taste and appearance that meets the needs of consumers. New products in each menu that is during research and development, must be tested and approved by the Company's management team before they can be marketed. It has been invented by the Company's team, including Charcoal Donuts, Donuts Riceberry, Popping Tea, Stews, Cod Fillet menu under the concept of "Eat

Fit Eat Fresh", ice cream cake from Baskin Robbins, such as Crunchy Croissant snacks, Cheesy Grilled sandwiches, and Hamper gift boxes to engage with the year-end festivities. In addition, the company has brought the concept "Create your own" back to use again. In order for customers to participate in the making of the Sandwich, add various ingredients according to the customer's satisfaction. There is also a renovation of the shop to create a café and bakery atmosphere, creating a more friendly atmosphere.

Participation in the development of communities or societies

Participation in community development

- The Company operates with relevant government organizations with transparency, not bribing or inducing an improper way as identified in the Corporate Governance Policy and the Code of Conduct on political activities and donations.

Promoting quality of life

- The Company has found ways to reduce or eliminate negative health effects, arising from the production process, products or services of the organization, such as field visit to measure environmental pollution around the factory, control and supervision of the wastewater treatment system to have efficiency and control of production standardization system.

Resource risk

- The Company is not involved in any activities that cause harm to the community, such as activities that bring resources to modify or other activities that may cause significant impacts on natural resources such as water sources, forests or atmosphere.
- The Company does not support or promote activities that affect or involve children as set out in the work regulations in the general employment and the Company does not have the policy to use child labor.

4. Management discussion and analysis (MD&A)

Income Statement

Total Revenue

Total Revenue classified by business type

	2020	2021	% Change	2022	% Change
Food and Beverage business	2,127	2,118	(0.4%)	2,906	37.2%
Lifestyle business	189	198	4.8%	262	32.3%
Total Revenue	2,316	2,316	0.0%	3,168	36.8%

The Company earned THB 2,316 mm, 2,316 mm and THB 3,168 mm in 2020, 2021 and 2022 respectively. Divided into 1) food and beverage business in the amount of THB 2,127 mm, THB 2,118 mm and THB 2,906 mm, respectively, and 2) lifestyle business in the amount of THB 189 mm, THB 198 mm and THB 262 mm, respectively. As in 2022, the Company earned for food and beverage business and lifestyle business equaling to Y-o-Y growth of 36.8%. The significant reasons were as follows: the relaxation of government measures regarding the spread of the Coronavirus Disease 2019 (COVID-19), allowing food and beverage outlets to resume normal operations, including the company is an increase in the number of branches resulting in higher sales.

Other Income

The company has other income in 2020, 2021 and 2022 equal to THB 150 mm, THB 147 mm and THB 106 mm, respectively, with most other income being a foreign franchise income and in 2022 decrease down due to not receiving support and assistance from government agencies from the impact caused by the epidemic of the Coronavirus Disease 2019.

Cost of Sales and Services

Cost of sales and services in 2020, 2021 and 2022 totaled THB 872 mm, THB 849 mm and THB 1,225 mm respectively, accounting for 37.7%, 36.6% and 38.7% of total revenue respectively. There is lower in such ratio, primarily from well-stabilized under the effective collaboration between purchasing department, logistics department, marketing department, and branch employees through the application of effective procurement and inventory management systems, including trade discounts have been negotiated with several major suppliers of major raw materials. However, for the year 2022, the proportion of cost of goods sold increased from the previous year, mainly because the cost of raw materials increased according to the market price and the cost of energy rising prices steadily. As for the gross profit margin, the Company was able to maintain the ratio at about 60 %.

Selling and Administrative Expenses (S&A)

In 2020, 2021 and 2022, The company's selling and administrative expenses amounted to THB 1,792 mm, THB 1,485 mm and THB 1,854 mm, respectively, accounting for 77.4%, 64.1% and 58.5% of total revenue, respectively. As the epidemic situation of coronavirus disease 2019 is getting better and the lockdown measures to control the spread of the disease have started to relax, making food and beverage businesses including the group of companies sell a little more and serve customers who want to eat in the shop. Even some selling and administrative expenses are still fixed expenses but still able to control expenses. Therefore, it affects the proportion of selling and administrative expenses to the total revenue of the Company down compared to total revenue. In addition, in 2020, the company recorded an impairment loss on assets of THB 200 mm from the valuation of the expected recoverable value of goodwill for the restaurant business and for the year 2022, the proportion decreased as reduced by 5.6% compared to 2021, partly due to the company closed branches, most of which are non-profitable operations.

Selling and administrative expenses classified by type

	2020	2021	% Change	2022	% Change
Amortization of intangible assets from business acquisitions ⁽¹⁾	34	34	(0.0%)	36	5.8%
Other selling expenses ⁽²⁾	1,213	1,148	(5.3%)	1,527	33.0%
Administrative expenses ⁽³⁾	345	303	(12.1%)	291	(3.9%)
Loss on impairment of assets ⁽⁴⁾	200	-	(100.0%)	-	(100.0%)
Total selling and administrative expenses	1,792	1,485	(17.1%)	1,854	24.8%

Note :

- (1) Non-cash items from business acquisitions are divided into :
 - (1.1) amortization of Dunkin' Donut, Au Bon Pain, and Greyhound Café franchises totaling THB 7 mm, THB 7 mm, and THB 17 mm in 2021. And THB 7 mm, THB 7 mm, and THB 19 mm in 2022, respectively
 - (1.2) amortization of Societe Langonnaise des Vins et Hotelleries SAS ("SLVH") Leasehold right totaling THB 3 mm in 2021. And in 2022.
- (2) In 2021, personnel cost, rental and service costs reduced from 2020 due to cost saving policy and in 2022, these costs higher than 2021 due to increase in the number of branches.
- (3) Administrative expenses include remuneration of management and employees at office, administrative expenses, and other related costs. The decrease was primarily from intensive cost saving policy.
- (4) Loss on impairment of goodwill assets of Societe Langonnaise des Vins et Hotelleries SAS ("SLVH") in Q4/2020

Finance Cost

In 2020, 2021 and 2022, the Company incurred finance cost amounting THB 84 mm, THB 99 mm and THB 113 mm respectively as growth 17.1% and 14.1% respectively. The main reason is because in 2021, the company has the increasing number of Soft Loan to assist business operators affected by COVID-19. For 2022, the company increase the loan from financial institutions due to increase in the number of branches.

Net Profit (Loss)

In 2020 2021 and 2022, the Company's net profit (loss) amounted to THB (420) mm, THB (111) mm and THB 4 mm, respectively. Net profit (loss) of the Company equaled to (18.1%), (4.8%) and 0.1% of total revenues respectively. As in 2020, the company had a relatively large net loss, mainly due to the decline in revenue from the COVID-19 situation and the recording of an impairment of assets of THB 200 mm from the impairment of goodwill for restaurant business.

For 2021 and 2022, the company's net deficit began to decrease as the COVID-19 situation began to subside. And better in 2022, food and beverage outlets can return to open for business as usual, therefore increasing revenue along with cost control as a result, the company started to make a profit in 2022.

Profit before interest expense, income tax, depreciation and amortization (EBITDA)

In 2020 2021 and 2022, the Company's EBITDA amounted to THB 153 mm, THB 424 mm and THB 503 mm, respectively. EBITDA of the Company equaled to 6.6%, 18.3% and 15.9% of total revenues respectively as a result of increased revenues and profits.

Statement of Financial Position

Total Assets

As of December 31, 2020, December 31, 2021 and December 31, 2022, the Company had total assets of THB 4,792 mm, THB 4,897 mm and THB 5,252 mm, respectively, with the following details:

Total Assets	31 December 2020		31 December 2021		31 December 2022	
	THB mm	%	THB mm	%	THB mm	%
Current assets	479	10.0	548	11.2	579	11.0
Non-current assets	4,313	90.0	4,349	88.8	4,673	89.0
Total assets	4,792	100.0	4,897	100.0	5,252	100.0

1. Current Assets

The Company had total current assets of THB 479 mm, THB 548 mm and THB 579 mm as of December 31, 2020, December 31, 2021 and December 31, 2022, or equivalent to 10.0%, 11.2% , and 11.0% of total assets accordingly. Most of them are cash and cash equivalents of 165 million baht, 206 million baht and 224 million baht as of December 31, 2020, December 31, 2021 and December 31, 2022, respectively.

In addition, the Company has trade accounts receivable of THB 130 mm , THB 113 mm and THB 113 mm, and has inventories of THB 150 million baht, 178 million baht and 200 million baht as of December 31, 2020, December 31, 2021 and December 31. 2022, respectively. Most of the inventories consist of finished goods. which is a product in the category of clothing for a lifestyle business.

2. Non-Current Assets

As of December 31, 2020, December 31, 2021 and December 31, 2022, the Company had total non-current assets of THB 4,313 mm, THB 4,349 mm and THB 4,673 mm, respectively, representing 90.0%, 88.8% and 89.0% of assets. Total, in order, mainly consists of the following items:

- Building improvements and equipment as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 483 mm, THB 576 mm and THB 779 mm, accounting for 10.1%, 11.8% and 14.8% of total assets respectively.
- Goodwill from business mergers as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 1,940 mm or 40.5%, 39.6% and 36.9% of the Total assets respectively. The goodwill from the merger consisting of goodwill of the donut shop of THB 484 mm, the goodwill of the bakery business totaling THB 298 mm, and the goodwill of the restaurant business of THB 1,158 mm from the combination of Greyhound Group businesses since 2014 and Le Grand Véfou in Q4 2017.
- Intangible assets as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 734 mm, THB 715 mm and THB 677 mm respectively, or accounted for 15.3%, 15.6% and 12.9% of assets. Mainly consists of the franchise fee and trademarks acquired through business acquisitions.
- Right-of-use assets as of December 31, 2020, December 31, 2021 and as of December 31, 2022 amount of THB 1,014 mm, THB 972 mm and THB 1,130 mm or equal to 21.1%, 19.9% and 21.5% of total assets respectively in accordance with Thai Financial Reporting Standard No. 16, Lease Agreement.

Total Liabilities

Total Liabilities	31 December 2020		31 December 2021		31 December 2022	
	THB mm	%	THB mm	%	THB mm	%
Current Liabilities	1,237	48.4	1,131	40.6	1,662	53.6
Non-Current Liabilities	1,319	51.6	1,655	59.4	1,462	46.4
Total Liabilities	2,556	100.0	2,786	100.0	3,124	100.0

1 Current Liabilities

As of December 31, 2020, December 31, 2021 and December 31, 2022, the Company had total current liabilities of THB 1,237 mm, THB 1,131 mm and THB 1,662 mm respectively, accounting for 48.4%, 40.6% and 53.6% of total liabilities. The majority of current liabilities consist of :

- Trade and other payables as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 366 mm, THB 421 mm and THB 448 mm, accounting for 14.3%, 15.1 % and 14.3% of total liabilities respectively. The increase in trade and other payables was mainly due to branch expansion of the food and beverage business.

- Short-term loans from financial institutions as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 175 mm, THB 233 mm and THB 221 mm, accounting for 6.9%, 8.4% and 7.1% of total liabilities respectively.
- Current portion of lease liabilities as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 239 mm, THB 198 mm and THB 277 mm, accounting for 9.3%, 7.1% and 8.9% of total liabilities respectively.
- Current portion of long-term loans from financial institutions as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 89 mm, THB 77 mm and THB 169 mm, accounting for 3.5%, 2.7% and 5.4% of total liabilities respectively.
- Current portion of debentures as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 333 mm, THB 0 mm and THB 516 mm, accounting for 13.0%, 0.0% and 16.5% of total liabilities respectively. In the end of 2022, this item increased because the previous year was classified as non-current liabilities as the debentures will mature in July and November 2023, so the end of 2022 is classified as current liabilities.

2 Non-Current Liabilities

As of December 31, 2020, December 31, 2021 and December 31, 2022, the Company had total non-current liabilities of THB 1,319 mm, THB 1,655 mm and THB 1,462 mm respectively, accounting for 51.6%, 59.4% and 46.4% of total liabilities. The majority of non-current liabilities consist of :

- Long-term loans from financial institutions - net of current portion as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 293 mm, THB 326 mm and THB 295 mm, accounting for 11.4%, 11.7 % and 9.4% of total liabilities respectively. In 2021, the increase in this item was mainly due to branch expansion of the food and beverage business. For 2022, this item decreased due to long-term loans from financial institutions as there are some parts that are due within 1 year and therefore are moved to current liabilities.
- Long-term debentures - net of current portion as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 215 mm, THB 513 mm and THB 289 mm, accounting for 8.4%, 18.4 % and 9.2% of total liabilities respectively. At the end of 2022, this item decreased due to debentures due within 1 year as therefore being moved to current liabilities.
- Lease liabilities - net of current portion as of December 31, 2020, December 31, 2021 and December 31, 2022 amounted to THB 549 mm, THB 567 mm and THB 675 mm, accounting for 21.5%, 20.4 % and 21.6% of total liabilities respectively. At the end of 2022, this item decreased due to debentures due within 1 year as therefore being moved to current liabilities, according to the Financial Reporting Standard No. 16 titled Lease Agreements.

Shareholders' Equity

As of December 31, 2020, December 31, 2021 and December 31, 2022, the Company has shareholders' equity of THB 2,236 mm, THB 2,110 mm and THB 2,128 mm, respectively. In 2021, the shareholder's equity decreased from 2020, mainly due to the loss of operating results in 2021 and for the end of 2022, the increase was caused by profits from operating results in 2022, together with gains on foreign exchange rates from exchange in each year's translation of financial statements in foreign currencies in the statement of comprehensive income. As a result, the shareholders' equity increased.

Cash flow

In 2020, 2021 and 2022, the Company had net increase (decrease) in cash and cash equivalents, details as follows:

	2020 (THB mm)	2021 (THB mm)	2022 (THB mm)
Net cash from operating activities	338	411	458
Net cash used in investing activities	(242)	(250)	(304)
Net cash used in financing activities	(74)	(96)	(155)
Differences from translation of financial statements	(5)	(23)	19
Cash and cash equivalents net increase (decrease)	17	41	18
Cash and cash equivalents at the beginning of the year	148	164	206
Cash and cash equivalents at the end of the year	165	206	224

Cash flow from operating activities

The Company had net cash from operating activities of THB 338 mm, THB 411 mm and THB 458 mm in 2020, 2021 and 2022, respectively from the performance of the company.

Cash flow from investing activities

The Company had net cash used in investing activities of THB (242) mm, THB (250) mm and THB (304) mm in 2020, 2021 and 2022, respectively, mainly in investments in building improvements and equipment and leasehold rights.

Cash flow from financing activities

The Company had net cash (used in) from financing activities in the amount of THB (74) mm, THB (97) mm and THB (155) mm in 2020, 2021 and 2022, respectively. As in 2020 and 2021, most of the short-term, long-term borrowings from financial institutions, lease liabilities and debentures are repayments. However, during the year, the Company received money from loans from financial institutions and issued new debentures to replace the old debentures that were due. For the year 2022, most of them are repayments of short-term and long-term loans from financial institutions, including the liabilities under the lease agreement received some loans from financial institutions.

Financial ratio

		Consolidated financial statement		
		2020	2021	2022
Liquidity Ratio	x	0.39	0.48	0.35
Days Sales Outstanding	Day	22.44	20.48	13.49
Days Inventory Outstanding	Day	67.36	70.52	56.36
Days Payable Outstanding	Day	154.26	169.26	129.53

		Consolidated financial statement		
		2020	2021	2022
Cash Cycle	Day	(64.47)	(78.26)	(59.68)
Debt to Equity Ratio	x	1.14	1.32	1.47
Interest Bearing Debt / Equity Ratio	x	0.85	0.99	1.15
Interest Coverage Ratio (ICR)*	x	3.67	6.94	7.78
Debt Service Coverage Ratio (DSCR)	x	0.18	0.63	0.42
Net Debt to EBITDA Ratio	x	11.30	4.41	4.41
Interest Bearing Debt / EBITDA	x	12.38	4.90	4.86

* Interest Coverage Ratio (ICR) = Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) / Interest expenses

The Company's liquidity ratios in 2020, 2021 and 2022 are 0.39 times, 0.48 times and 0.35 times, respectively. The Company has current liabilities that are higher than current assets. It is a list of trade payables and other payables, current portion of long-term loans from financial institutions, other loans and current portion of lease liabilities. And the end of 2022, the company has quite a lot of current liabilities because of debentures due in July. and November 2023, as the company will use cash flow from operations and issuing new debentures to replace existing debentures to pay off such debts.

If considering the cash cycle of the Company in 2020, 2021 and 2022, it will be found that the Company has a negative cash cycle of (64.47) days, (78.26) days, and (59.68) days, respectively. However, most of the company's revenues are in cash. The average collection period was 22.44 days, 20.48 days and 13.49 days in 2020, 2021 and 2022, respectively. The average collection period mainly reflects the nature of the Greyhound Group and SLVH (investment in 2017). Due to some landlord keeps the income before transferring back to the company later, according to the agreement in the rental agreement and has a lifestyle business, some of which are sold non-cash. In addition, SLVH has some customers in the form of a company that has a post-service billing process. Including inventories that are food raw materials that require a relatively fast turnover rate. Although there are inventories that are clothes. For the reasons, the number of accounts receivable and inventories of the company is at a relatively low level while the company receive credit from trade payables from purchasing raw materials and products used in production average duration 129 - 170 days.

As for the financial structure, as of December 31, 2020, December 31, 2021, and December 31, 2022, the company has a debt to equity ratio of 1.14 times, 1.32 times and 1.47 times, respectively. And Interest-bearing debt ratio. to equity equal to 0.85 times, 0.99 times and 1.15 times respectively.

As for the interest coverage ratio in 2020, 2021 and 2022, it was 3.67 times, 6.94 times and 7.78 times, respectively, and the debt service coverage ratio was 0.18 times, 0.63 times and 0.42 times respectively, indicating that the company have sufficient liquidity to pay interest but may be tight if all debts have to be paid.

In 2020, 2021, and 2022, the Company had a net debt to EBITDA ratio of 11.30 times, 4.41 times, and 4.41 times, respectively, and an interest-bearing debt to EBITDA ratio of 12.38 times, 4.90 times, and 4.86 times, respectively. In 2021 and 2022, it decreased quite a lot compared to 2020. This shows that the company has a higher ability to pay debts. The ratio in 2020 is quite high because EBITDA in 2020 is relatively low from the fact that the company recorded the impairment loss of Baht 200 million from the valuation of the recoverable amount of goodwill for the restaurant business.

5. General information and other material facts

5.1 General information

Mud & Hound Public Company Limited

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Suan Luang District, Bangkok 10250 Thailand
Tel : 02-079-9765
Fax : 02-079-9755
Website www.mudandhound.co.th

Share Registrar

Thailand Securities Depository Company Limited
93, Ratchadaphisek Road, Dindaeng,
Bangkok 10400 Thailand
Tel: 02-009-9999
Fax: 02-009-9991

Listed Companies Regulatory Agency

The Stock Exchange of Thailand (SET)
93 Ratchadaphisek Road, Din Daeng District,
Bangkok 10400
Tel: 02-009-9000
Fax: 02-009-9991

Auditor

Ms. Kamontip Lertwitworatep	Certified Public Account No. 4377 (or)
Mr. Wichart Lokatekrawee	Certified Public Account No. 4451 (or)
Ms. Satida Ratananurak	Certified Public Account No. 4753 (or)

EY Office Limited
33 rd Floor, Lake Rajada Office Complex,
193/136-137 Rajadapisek Road,
Klongtoey, Bangkok 10110, Thailand
Tel: 66 (0)-2264-9090
Fax: 66 (0)-2264-0789-90

Debenture Registrar

Bank of Ayudhya Public Company Limited
1222, Rama 3 Road, Bang Phongphang Subdistrict,
Yannawa District, Bangkok 10120
Tel: 66 (0)-2296-5566

Legal Advisor

Araya and Partners Company Limited
973 President Tower, 6th Floor, Ploenchit Road,
Lumpini, Pathumwan, Bangkok 10330
Tel: 66 (0)-2656-0606

Financial Institution

The Siam Commercial Bank Public Company Limited
9 Ratchadaphisek Road, Chatuchak, Chatuchak, Bangkok 10900
Tel: 66 (0)-2544-1000
Fax: 66 (0)-2544-4948

Export-Import Bank of Thailand
1193, Phaholyothin Road, Phayathai Subdistrict,
Phayathai District, Bangkok 10400
Tel: 66 (0)-2271-3700

5.2 Other material facts
5.2.1 Specify other information that may
Summary of important business contracts
Franchise agreement to obtain the right to operate the subsidiary's business
(1) Food and beverage business under the brand "DUNKIN' DONUTS"

Contract	Multiple License Agreement
Counterparties	Golden Donuts (Thailand) Co., Ltd. (Received the transfer of rights under the Multiple License Agreement from Dunkin' Donuts (Thailand) Co., Ltd. (formerly Royal Industries Supply Co., Ltd.) on February 11, 2009.) with DUNKIN' DONUTS FRANCHISING RESTAURANTS LLC ("DDF"), USA
Contract date	May 13, 2022
Contract period	The parties have agreed that the Company will open each store according to the Development Schedule, which is currently scheduled to expire on December 15, 2046. Each store has the right to operate for 20 years since store opening date
Summary of the contract	DDF grants the right to Golden Donuts (Thailand) Co., Ltd. to operate a bakery DUNKIN' DONUTS to use the DUNKIN' DONUTS trademark, with compensation, which is the entrance fee for each store opening. and monthly royalties (Royalty Fee), which are calculated in proportion to the monthly income.
Assignment / Sublicense	The rights under this contract may be transferred to third parties whom Licensee believes in good faith has the ability to comply with the terms of the contract. If the assignee agrees in writing to assume all Licensee's obligations under this Agreement and Licensee has received confirmation from Licensor and the Assignee of such agreement, however, rights under this Agreement are exclusive

	to Licensee and cannot be transferred or taken away from. entail or sublicense unless the licensor consents to it.
Guarantees	The Company and Golden Donuts (Thailand) Co., Ltd. have entered into a contract to guarantee performance of the contract of Golden Donut (Thailand) Co., Ltd. in the amount of not exceeding USD 2,000,000. In the event that Golden Donuts (Thailand) Co., Ltd. has provided a guarantee for itself It provides assurance to DDF that it will fully comply with the contract under the Multiple License Agreement, provided that it is governed by the laws of Singapore. However, Golden Donuts (Thailand) Co., Ltd. has no foreign assets. Such self-insurance may be regarded as a guarantee of the performance of the contract and the imposition of penalties. (not exceeding USD 2,000,000) which DDF can forfeit such penalty if Golden Donut (Thailand) Co., Ltd. fails to perform its duties under the said contract.
Conditions for termination of the contract	DDF may terminate the contract if the Company fails to comply with the conditions stipulated in the contract, for example, the Company is unable to open a branch according to the Development Schedule and the Company is unable to remedy the said incident within the specified period since receiving the warning letter from DDF.

(2) Food and beverage business under the brand “Au Bon Pain”

Contract	Master Franchise Agreement
Counterparties	ABP Cafe (Thailand) Co., Ltd. with ABP CORPORATION USA
Contract date	April 1, 2006
Contract period	28 years from the date of entering into this Master Franchise Agreement or the date of termination or termination of the entitlement agreement for the opening of each store of the last branch. Each branch has a period of 9 years and can be renewed one more time for a period of 9 years, whichever comes first.
Summary of the contract	<p>ABP CORPORATION grants the right to ABP Cafe (Thailand) Co., Ltd. to use the trade name. Service mark and trademark “AU BON PAIN” in Thailand, including technical assistance. in the production and distribution of breads, salads, soups, beverages, desserts and other foods. The contract stipulates the minimum number of branches that must be opened each year. If the branch is unable to open as specified for 2 consecutive years, ABP CORPORATION has the right to operate on its own or grant the right to another person to open an “AU BON PAIN” store in Thailand.</p> <p>In respect of compensation Irrevocable Initial Determination Contract which is paid on the contract date Opening fees for each store and monthly royalties (Royalty Fee), which are calculated in proportion to the monthly income.</p>
Assignment / Sublicense	The rights under this contract are exclusive to ABP Cafe (Thailand) Co., Ltd. which cannot be sold, sold or transferred without the consent of ABP CORPORATION.
Guarantees	Any person who owns or will own more than 5% of the capital in ABP Cafe (Thailand) Co., Ltd. must enter into a contract guaranteeing liability for performance

	of the contract of ABP Cafe (Thailand) Co., Ltd. However, on 20 July 2016, ABP Cafe (Thailand) Co., Ltd. and ABP CORPORATION entered into an agreement to amend the Master Franchise Agreement to revoke the guarantee of liability for the performance of the contract of ABP Cafe (Thailand) Co., Ltd. at Provided by Sub Sri Thai Public Company Limited (“SST”) and Mr. Suphasit Sukhanidr. The revocation of such guarantee will be effective when the Company Initial public offering after approval from the Stock Exchange of Thailand.
Conditions for termination of the contract	ABP CORPORATION may terminate the Agreement if the Company fails to comply with the conditions set forth in the Agreement, for example, the Company stops doing Au Bon Pain business for more than one week for any reason. In addition to force majeure, war, riots, government orders or in the event that the Company uses ABP CORPORATION's intellectual property for misuse or without permission as stipulated in the contract.

(3) Branded food and beverage businesses “Baskin Robbins”

Contract	Master Operating Agreement
Counterparties	Golden Scoop Company Limited (received the transfer of rights under the contract from Big Scoops Company Limited on July 2, 2012) with BASKIN ROBBINS FRANCHISING LLC, USA.
Contract date	January 20, 2010
Contract period	The parties have agreed that the Company will open each store according to the Development Schedule, which is currently scheduled to expire on December 15, 2022. Each store has a right to operate for 10 years and has the right to request a renewal of the contract. Once for a period of 10 years with prior written consent. And on December 16, 2022, Golden Scoop Co., Ltd. and BASKIN ROBBINS FRANCHISING LLC, USA, entered into an Exit Agreement whereby Golden Scoop Co., Ltd. will not renew the Master Operating Agreement.
Summary of the contract	BASKIN ROBBINS FRANCHISING LLC grants the right to Golden Scoop Company Limited (which is the contractual transferee from Big Scoop Company Limited) to operate an ice cream shop. Baskin-Robbins Use a trademark Provide various technical assistance in selling ice cream Baskin-Robbins in Thailand by setting a rate of compensation at a mutually agreed rate. and the company must comply with various conditions as stipulated in the contract and there is an agreement on the minimum number of branches that must be opened each year.
Assignment / Sublicense	This contractual right is exclusive to the Licensee and may not be transferred or imposed unless the Licensor consents to it.

Guarantees	The Company and Golden Scoop Company Limited have obligations to guarantee the operation of Golden Scoop Company Limited, however, in the amount not exceeding USD 200,000. In the event that Golden Scoop Company Limited has provided a guarantee for itself, It is in the nature of a guarantee to BASKIN ROBBINS FRANCHISING LLC that it will fully perform its contract under the Master Operating Agreement, provided that it is governed by the laws of Singapore. However, Golden Scoop Company Limited has no foreign assets. Therefore, according to Thai law Such self-insurance may be regarded as a guarantee of the performance of the contract and the imposition of penalties. (amount not exceeding USD 200,000), which BASKIN ROBBINS FRANCHISING LLC can forfeit such penalty if Golden Scoop Company Limited fails to perform its duties under the contract.
Conditions for termination of the contract	BASKIN ROBBINS FRANCHISING LLC may terminate the contract if the Company fails to comply with the conditions stipulated in the contract, for example, the Company is unable to open a branch according to the Development Schedule within the specified period.

5.3 Legal disputes

-none-

5.4 Secondary market

-none-

5.5 Financial institution with regular contact

-none-

Part 2

Corporate Governance Policy

6. Corporate Governance Policy

6.1 Corporate Governance Policies

The board of director of the Company has been putting the corporate governance as priority factor with written Corporate Government Manual per the SEC/SEC guidance including international practices. The director, management team, and all staff shall follow the manual with three following topics:

6.1.1 Guidelines of the Board of Directors regarding the Company's good corporate governance policy

Mud and Hound Public Company Limited has a policy of treating all shareholders equally in accordance with the guidelines as specified by regulations, laws and related agencies. The shareholders' meeting process should be operated in a fair, open and transparent manner. All shareholders have the right and equality as follows:

1. The Board of Directors shall perform duties in supervision and administration with determination, dedication, honesty, morality, prudence and caution. within the framework of the law Business ethics to achieve company goals and for the utmost benefit to the Company and its shareholders as a whole.Right to buy or sell or transfer shares.
2. The Board of Directors shall provide a structure and process for defining clear roles and responsibilities of directors as directors, separate from the roles of shareholders and management, as well as preventing conflicts of interest. various benefitsRight to appoint a proxy to attend the meeting and vote on their behalf.
3. The committee will take into account the rights of stakeholders in various groups. by treating and communicating to shareholders and stakeholders equally and fairly to all parties Including encouraging understanding and good cooperation with the company.Right to vote for appointment and set the auditor's remuneration.
4. The Board of Directors will take appropriate actions under the internal control and audit system to ensure that the management discloses the Company's financial information and reports accurately, on time, transparently and verifiably. and in accordance with government regulations.
5. The Board of Directors is responsible for overseeing the risk management and internal control systems that are suitable for the Company's operations. The Committee sets policies and promotes innovation and conducts business with social and environmental responsibility.
6. The committee is responsible for determining The objectives and main goals of the business are sustainable. Including the management structure that is consistent with the relationship between the Board of Directors, executives and shareholders. and has a management approach and conduct appropriate business
7. Supervise and ensure that the recruitment and development of directors Chief Executive Officer and Managing Director and high- level executives to have the knowledge, skills, experience, and characteristics necessary to drive the organization toward its goals.
8. Determine the Board of Directors to review the Company's corporate governance policy to suit the situation. and evaluate the implementation of such policies.
9. The Board of Directors will prescribe ethical criteria for conducting business for directors, management and general employees. In order to practice and use as guidelines in working in accordance with relevant laws and standards of business ethics and accepted business practices.

6.1.2 Policies and guidelines relating to shareholders and stakeholders**Section 1: Rights of Shareholders**

The Board of Directors recognizes and places importance on the rights of shareholders. Whether it is a basic legal right, such as trading or transferring shares. having the profit sharing of the business Obtaining sufficient corporate information Participation in meetings to exercise voting rights in the shareholders' meeting to appoint or remove directors. Appointment of auditors and matters affecting the company such as dividend allocation. Determination or amendment of the Articles of Association and Memorandum of Association capital reduction or capital increase approval of special items The right to grant proxy to others to attend the meeting Ownership rights through the appointment of a committee to act on their behalf and have the right to make decisions about significant changes of the company, etc.

1.1 Shareholders' Meeting

For the year 2022, the organization will be a member of shareholders 1 last time.

Determination of the date, time and place for the shareholders' meeting.

The 2022 Annual General Meeting of Shareholders was held on April 27, 2022 at 10:00 a.m. at the meeting room of Mud and Hounds Public Company Limited, No. 206 Soi Pattanakarn 20, Suan Luang Subdistrict, Suan Luang District, Bangkok 10250 to consider the agenda as required by law. set and according to the guidelines of the Stock Exchange of Thailand There were 3 directors attending the meeting at the meeting place. and attending the meeting via electronic media 8 people totaling 11 people shareholders and proxies from shareholders attended the meeting. There are 29 shareholders in total and the total number of shares is 874,756,397 shares or 83.04 percent of the total shares.

Procedures before the shareholders' meeting

- 1) Opportunity for shareholders to propose an agenda for the Annual General Meeting of Shareholders and/or nominate a person to be elected as a director in advance. Between October and December 2021 for the 2022 Annual General Meeting of Shareholders by informing shareholders through the news system of the Stock Exchange of Thailand. along with announcing the criteria and specifying clear procedures on the company's website at www.mudandhound.co.th
- 2) Inviting the shareholders' meeting, the company assigns the company The Thailand Securities Depository Co., Ltd., which is the Company's share registrar, sent the meeting invitation together with meeting documents to shareholders 21 days prior to the meeting date and published on the Company's website at www.mudandhound.co.th. 30 days in advance prior to the meeting date The notice of the meeting was published via daily newspapers for 3 days, 21 days prior to the meeting date, so that shareholders had sufficient time to study the meeting information in advance.
- 3) The company's meeting invitation letter contains information on the date, time, place and agenda of the meeting. as well as all information related to the matters to be decided at the meeting to the shareholders. Including the Proxy Form A. and B., which are standard forms prescribed by the Ministry of Commerce. Articles of Association of the Company relating to the Shareholders' Meeting Criteria and methods for voting in each agenda according to the Company's regulations. and details of necessary documents and

evidence for shareholders to bring completely on the meeting date. In addition, names and profiles of independent directors are also specified so that shareholders can choose to appoint a proxy to attend the meeting on their behalf.

- 4) The letter of invitation to the shareholders' meeting of the Company for each agenda clearly states whether it is for acknowledgment or consideration. Including facts, objectives and reasons, opinions of the Board of Directors. as well as the number of votes to pass approval resolutions, such as special resolutions that require 3 in 4 votes, etc.
- 5) Agenda for appointment of directors Names and biographies of directors who have been nominated for election as company directors are specified. therefore providing information about attending meetings in the past year and the number of years in the position in the company as well as the proportion of holding the company's securities
- 6) For the election of independent directors The company has added information about the nominated directors about their independence in performing their duties, such as having a stake in the company, subsidiary or juristic person that may have conflicts, etc.
- 7) Set an agenda on the remuneration of directors for shareholders to consider and approve the remuneration of directors every year and the company has clarified in detail in the annual information disclosure form (Form 56-1 One Report).), including policies and criteria for consideration
- 8) Agenda for the appointment of auditors Name of the auditor is specified. Company affiliation, experience, competence and independence of the auditor Including the service fee of the auditor.
- 9) Dividend payment approval agenda Dividend payment policy has been informed. dividend rate with reasons and supporting information

In addition, the Company held the Annual General Meeting of Shareholders during the outbreak of Coronavirus Disease 2019 (COVID-19), which the Company is concerned about such situation as the shareholders' meeting is a gathering of a number of people. which is a risk factor for the spread of the virus The Company has established guidelines for attending the meeting as follows:

1. The company reserves the right not to allow shareholders or proxies who have a fever more than 37.5 °C or have a cough, sore throat, runny nose, shortness of breath, or have a history of close contact with persons at risk or confirmed to be infected with COVID-19. or have travel history to or from COVID-19 risk areas during the 14 days prior to the meeting attend the meeting You can appoint another person or an independent director of the company to attend the meeting and vote on your behalf.
2. The company has set up a strictly screening point for all attendees at the registration point at the entrance of the meeting room as follows:
 - 2.1 Check body temperature
 - 2.2 Ask the attendees to fill out the Coronavirus Disease Screening Questionnaire 2019 and submit it to the Company's staff at the registration point. 2015

- 2.3 Have the attendees clean their hands with alcohol gel.
- 2.4 All attendees are required to wear a face mask throughout the meeting for their own and public good hygiene.
3. allocated in the meeting room for attendees to have a distance of about 1 meter between chairs and the attendees are forbidden to move or move the chair provided in any case.
4. The company refrains from giving snacks, refraining from serving tea and coffee in the meeting area in order to reduce the contact with objects with others and the health of all attendees.
5. Ask for cooperation from shareholders, even those who are not in the risk group should appoint a proxy to the independent director of the company to attend the meeting on their behalf. The company has informed details about sending inquiries. and proxy for directors independent of the company which was sent together with the invitation letter of the 2022 Annual General Meeting of Shareholders
6. Facilitate the shareholders by the Company by arranging a shuttle van at Rama 9 MRT Station Exit 2 (Central Plaza Grand Rama 9 side).

Conducting the shareholders' meeting

- 1) The company does not take any action with the nature of restricting the right to attend the shareholders' meeting Every shareholder has the right to attend the meeting throughout the meeting period. The company has arranged reception staff. check documents and enough registration to attend the meeting and use a barcode system for registration to speed up and duty stamps have been prepared in the case that shareholders have free-of-charge proxies.
- 2) At every shareholders' meeting The chairman of the meeting informed the criteria used in the meeting. How to vote and count votes for shareholders to know. and the use of ballot papers
- 3) The chairman of the shareholders' meeting allows shareholders to ask questions and express their opinions. Questions and answers were recorded in the minutes of the meeting for shareholders who did not attend the meeting to acknowledge.
- 4) In the agenda for the appointment of directors The company has given the opportunity to shareholders to exercise their rights to vote for each director individually.
- 5) Voting cards were used for shareholders to fill out in case of disagreement. and abstain from voting to be deducted from the total number of eligible voters.
- 6) At the 2022 Annual General Meeting of Shareholders, the Chairman of the Audit and Corporate Governance Committee Executive Chairman and Managing Director attended the meeting And the company has invited the auditor and the management team of the company involved to attend the meeting as well. to provide information or fully answer questions from shareholders
- 7) In each agenda of the meeting The Company arranges for a resolution and clearly records the number of votes received in each agenda of approval, disapproval, or abstention.
- 8) The Company gives shareholders the right to attend the meeting after the meeting has started. The shareholders have the right to vote or vote on the agenda that is being considered and has not yet been resolved.

- 9) The company does not add to the meeting agenda and does not distribute documents with additional important information suddenly. or change important information.

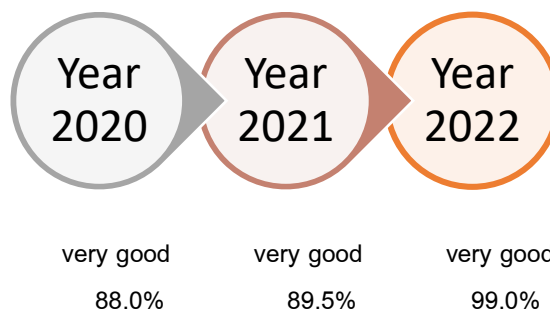
Due to the situation of the outbreak of Coronavirus Disease 2019 (COVID-19), holding the shareholders' meeting is a gathering of a large number of people, which is a risk factor for the spread of the virus. The company therefore prevents the risk of spreading the virus. By adding measures to prepare the meeting place as follows

1. The meeting venue is cleaned with disinfectants throughout the area, tables and chairs in the meeting room as well.
2. Before entering the meeting room, there will be a service station for hand sanitizer gel.
3. Reduce the congestion of attendees by arranging chairs to have a distance of about 1 meter.
4. The company refrains from serving tea and coffee in the meeting room.

Actions after the shareholders' meeting

- 1) The Company discloses the resolutions and voting results of each agenda in the shareholders' meeting within the meeting date. or at the latest by 9:00 a.m. on the next business day through the news system of the Stock Exchange of Thailand and company website
- 2) The company prepares the minutes of the shareholders' meeting. which consists of details such as notification of voting methods and vote counting; voting and clearly record the number of votes received for each agenda, indicating approval, disapproval, abstention, or voided ballots. including important clarifications Have questions and answers or comments at a glance. And the company sent the minutes of the meeting to the Stock Exchange of Thailand within 14 days as scheduled. and posted on the Company's website within 30 days from the meeting date so that interested shareholders can study

From the implementation of the quality assessment project for the 2022 Annual General Meeting of Shareholders organized by the Thai Investors Association. The company received a score of 99 percent, which is classified as "Excellent".



1.2 The applicant shall exercise the right and grant permission.

- 1) Separate the closure of the stock suspension notebook for the rights of ordinary shareholders every year. so that the shareholders can consider approving income from profits transfer of shares for the right to receive resources again to preserve the right of shareholders to not receive to obtain or not.
- 2) Determining the meeting place to be convenient for shareholders. The Company held the Annual General Meeting of Shareholders at Mut and Hounds Meeting Room, No. 206 Soi Phatthanakan 20, Suan Luang Subdistrict, Suan Luang District, Bangkok. By providing convenience for shareholders by arranging a bus to pick up and drop off MRT Rama 9 Station Exit 2 (Central Plaza Grand Rama 9 side) from 8.00 a.m. – 8.45 a.m. to the meeting place. The Company's meeting room has an appropriate size. able to

accommodate the attendees adequately And facilitating shareholders to register for the meeting at least 1 hour before the start of the meeting.

- 3) In the event that shareholders are unable to attend the meeting in person, they can appoint a proxy to others. or appoint a proxy to an independent director of the Company can attend the meeting and vote on their behalf By facilitating the ability to download the proxy form. and company information such as financial information meeting information from the company's website.

1.3 Rights of Shareholders to Receive Company Information

The Board of Directors places importance on the disclosure of information that is accurate, complete, transparent and thorough. both financial and general information reports as well as important information that affects the stock price of the company by disseminating various information such for investors and related parties to be informed Both through various channels and media to disseminate information. of stock exchange and company website

2. Equitable Treatments of Shareholders

The organization must ensure that all employees will invest in the company. Therefore, here it must take care of the use of the money that is earned in the best interest of the company and its shareholders. and responsible to all shareholders Treat and protect the exercise of the rights of others as set out in the policy.

2.1 Treatment of Minority Shareholders

- 1) The Board of Directors prescribes criteria for minority shareholders to be able to propose additional meeting agendas and nominate persons to be considered for the Company's directorship prior to the annual shareholders' meeting. along with clarifying procedures and methods that are clear and transparent to shareholders, such as determining the qualifications of shareholders to propose agenda items and/or nominate directors Meeting Agenda Proposal Procedures and/or nomination of directors Determination of Qualifications and Prohibited Characteristics of Directors and independent director Consent of the nominee Delivery of documents related to the presentation and the consideration process of the Board of Directors, etc., which are published on the Company's website 3-4 months prior to the annual shareholders' meeting date. The matters approved by the Board of Directors will be included in the agenda of the next annual shareholders' meeting.
- 2) At the 2022 Annual General Meeting of Shareholders, the Company provides opportunities for shareholders to nominate persons to be considered for appointment as directors in advance. from October 11, 2021 to December 31, 2021 by informing shareholders through the news system of the Stock Exchange of Thailand along with announcing the criteria and specify clear procedures on the Company's website at www.mudandhound.co.th which after receiving the matter Board of Directors Meeting Will consider screening according to the next process However, in the past, there was no nomination.
- 3) Assign independent directors to take care of minority shareholders. Minority shareholders can make suggestions and complaints to independent directors via email. auditcommittee@mudandhound.co.th The

independent directors will consider and proceed as appropriate for each issue. and in the event that it is considered important that affects the stakeholders as a whole or affecting the operations of the company The independent director will propose the matter to the Board of Directors' meeting to consider and set as an agenda for the next shareholders' meeting.

2.2 Supervision of the use of inside information

- 1) The Board of Directors has established policies and measures to prevent wrongful use of inside information (Insider Trading) of related persons, namely: Board of Directors, management and company employees involved in the information including spouse and children who are not yet of legal age clearly By assigning the Company Secretary to inform those concerned about the guidelines for performing duties and penalties. and to follow up on the results of the performance as specified on a regular basis together with a summary of the report to the Audit Committee for further acknowledgment and consideration If using inside information that has not been disclosed to the public in trading securities to take advantage of outsiders (Insider Trading) Persons doing such acts are still liable under the Securities and Exchange Act 1992 by the Office of the SEC.
- 2) Set a policy for directors and executives which must report securities holding and changes in securities holding according to the rules of the Office of the Securities and Exchange Commission A copy must also be made and notified to the Company through the Company Secretary on the same day or on the next business day. since such reporting to present to the Chairman of the Board of Directors/Chairman of the Audit Committee for acknowledgment and continue to store The committee has followed up on the implementation of such measures. The company secretary is responsible for preparing a summary report on the purchase-sale of shares/holding of securities of directors and executives, if there is any change, to the Board of Directors' meeting every time. and such information is disclosed in the annual report.

2.3 Prevention of conflicts of interest

The Board of Directors has established policies and actions as follows:

- 1) Set up a clear and transparent shareholding structure with no cross-shareholding with major shareholders. in order not to cause a conflict of interest for any party And disclose the shareholding structure of the Company and its subsidiaries in the annual report.
- 2) Set a policy for directors and executives to report their interests. and related persons which is an interest related to the management of the Company's business or its subsidiaries According to the rules, conditions and requirements of the Public Company Limited Act and the Securities and Exchange Act Let the company know through the company secretary. To gather and present to the Chairman of the Board of Directors and Chairman of the Audit Committee within 7 working days. from the date the Company received the report and for further storage In this regard, the company secretary is responsible for preparing a summary report on the interests of directors and executives. If there is a change, inform the Board of Directors every time.

- 3) Directors who have interests in considering any agenda or transaction Conflict of interest must be reported before consideration of the agenda or transaction. and if any director has a significant interest Such director must also refrain from participating in the consideration or abstaining from voting on that agenda or transaction.
- 4) Directors, executives and employees shall not operate, operate or make any investment in competition. or may be in competition with the business of the Company
- 5) Directors, executives and employees shall not seek benefits for themselves or others. By relying on confidential information of the company or affiliated companies

3. Role of Stakeholders

Besides protecting the benefits and rights of its shareholders, the Company realizes the significance of other stakeholders contributing to its financial stability and sustainability. These stakeholders include customers, employees, suppliers, creditors, and the surrounding community. The Company has always ensured integrity and fair treatment for each stakeholder through its established business ethics, such as:

Shareholders	Treat all shareholders equally with honesty and take any action with careful, transparency in disclosing important information, including financial information and other relevant information to shareholders, accurately, completely and in a timely manner in order to maintain the interests of both major and minor shareholders and create the highest satisfaction for shareholders with good returns and sustainability growth.
Customers	Developing quality products and better service to customers to meet the needs of customers under fair and reasonable conditions and taking care and responsibility to customers which has unit that monitors and receives complaints from customers to improve the service.
Employees	Treat employees at all levels equally in their work and adhere to the principles of morality and justice in administration Human Resources including compensation, welfare, and provident fund for future stability of employees as well as giving importance to the development of employees at all levels in terms of knowledge and skills and good values at work. In addition, the safety and working environment of employees are taken care of.
Suppliers and creditors	The Company has a policy to treat and be responsible to all business partners and/or creditors equally, equitably and fairly in accordance with trade conditions and/or an agreement between them taking into account the best interests of the company and it is based on obtaining fair returns to both parties, such as providing accurate financial information, paying off debts on time including not giving and not receiving any dishonest benefits.
Competitors	Treat competitors under the rules of good trade competition according to international principles in business practice.

Community and Environment	Operate the business by giving importance to and adhering to environmental protection and occupational safety and health in various activities which is the business of the company including carrying out activities that contribute to the creation of society and communities for the benefit of the economy and society.
Government agencies	The company strictly complies with the laws, rules and regulations of the government sector as well as to cooperate in providing news about the company's business operations and participating in various activities as organized by government agencies.

4. Disclosure of Information and Transparency

The company emphasizes to the disclosure of important information which shall be notified to the Office of the Securities and Exchange Commission of Thailand, The Stock Exchange of Thailand, shareholders and related agencies accurately, completely, transparency within a reasonable period.

1. In addition to dissemination of information according to the specified criteria and through the channels of the Stock Exchange of Thailand Both the annual information disclosure form (Form 56-1 One Report), and also requires that information be published in both Thai and English via the Company's website. And must update the information regularly..
2. Provide a report on the Board of Directors' responsibilities for financial reports. Shown along with the auditor's report. which has contents certifying compliance with accounting principles and have financial reports that are accurate and complete according to the accounting standards by the Chairman of the Board of Directors and the Managing Director is the certifier..
3. Prepare Management Discussion and Analysis (MD&A) to accompany the disclosure of quarterly financial statements. In order for investors to be informed and understand the changes that occur to the financial position and performance of the company. In addition to the numbers in the financial statements alone.
4. Prepare performance results according to the policy to comply with the requirements of corporate governance. business ethics responsibility Care and responsibility for the environment and society It is often impossible to meet such requirements. Through various channels such as in the annual report and the MAS website, etc.
5. Disclose the roles and responsibilities of the Board of Directors and sub-committees. The number of meetings and the number of times each director attended the meeting in the past year. and opinions from the work
6. Report on corporate governance policy and performance according to the policy. Including the policy to take care of the environment and society. and results of policy implementation. This must be disclosed through various channels, such as in the annual information disclosure form (Form 56-1 One Report) and the Company's website.
7. Disclose the remuneration policy for directors and top executives that reflect their duties and responsibilities. including the form or nature of the compensation Including remuneration received from being a director of a subsidiary. and presented to the shareholders for approval annually. If any year is not there, it should be stated that it is not there.
8. Contact persons are required to coordinate information disclosure with the Stock Exchange of Thailand (Contact Person):

- 8.1 Disclosure of information according to the accounting period, including annual financial statements. and quarterly financial statements Annual registration statement (Form 56-1 One Report) by Accounting and Finance Manager
- 8.2 Disclosure of information according to the event, i.e. acquisition/ disposition of assets, connected transactions, date of shareholders' meeting Changes of directors and auditors, resolutions of the Board of Directors' meeting or resolutions of the shareholders' meeting minutes of shareholders' meetings, investment projects, etc. by Operations Manager or Accounting and Finance Manager
9. The Company recognizes the importance of disclosing information to investors in order for investors to receive accurate, complete, clear and transparent information. hold shares institutional investors and analyst You can contact us at email: IR@mudandhound.co.th

5. Responsibilities of the Board of Directors

The Board of Directors emphasizes utmost importance in the responsibility of the Board of Directors to maintain the interests of shareholders and stakeholders.

1. The structure of the Board of Directors consists of 11 directors, 5 of which are independent directors who are not attached to the business or other relationships. This status may influence independent discretion.
2. Let the company be the independent chairman who is not the same person as the executive officer.
3. Fortunately, there is a three-year term of arrival before being elected as a new director.
4. Independent directors must not be less than one-third of the total number of directors and there are at least three of them.
5. An independent director may hold office for a term of not more than three consecutive terms or not more than nine years, whichever is longer. However, if the Board of Directors deems it appropriate for any independent director who has been in office for three consecutive terms or nine years to continue holding office The Board of Directors may extend the term of office of independent directors as they see fit.
6. Determining the number of listed companies in which a director of the company will hold a directorship According to the general practice of listed companies, directors should not hold directorship positions in more than 5 listed companies at the same time. in order to have enough time to perform the duties of the Company's directors well and And being a director in another company must not be an obstacle to the performance of duties as a director of that company. The company's good corporate governance policy has been asked by the Board of Directors to consider in recruiting new directors. That should not hold directorship in more than 5 listed companies at the same time. Currently, no director reported to be a director in more than 5 listed companies at the same time.
7. Segregation of duties between the Board of Directors and the management

The Company has clearly separated roles and responsibilities between the Board of Directors and the management. The Board of Directors is responsible for setting policies and supervising the operations of the management at the policy level. while the management Performing administrative duties in various fields in accordance with the established policy, therefore Chairman and Chief Executive Officer So it's a different person. Both positions must be selected by the Board of Directors. to get the most suitable person

8. The Board of Directors has set up sub-committees by defining the qualifications, duties, responsibilities and term of office which are:

8.1 Audit Committee

8.2 Executive Committee

8.3 Risk Management Committee

6.2 Business code of conduct

The Board of Directors has prepared a code of conduct for business operations, which applies to directors, executives and employees of the Company as well as other people acting on behalf of the company. In 2017, the company published its corporate governance policy and business ethics through the company's website. To create understanding and use as a guideline for good performance of employees at all levels. Including for information to shareholders, Stakeholders, investors and other interested parties and to define and disclose guidelines to promote compliance with the Code of Conduct. And in 2022, the company has reviewed the business ethics, which has been included in the good corporate governance policy, chapter 6, business ethics. The company has required all employees to sign an acknowledgment of the business ethics in the orientation before starting work. passed the internal audit process.

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

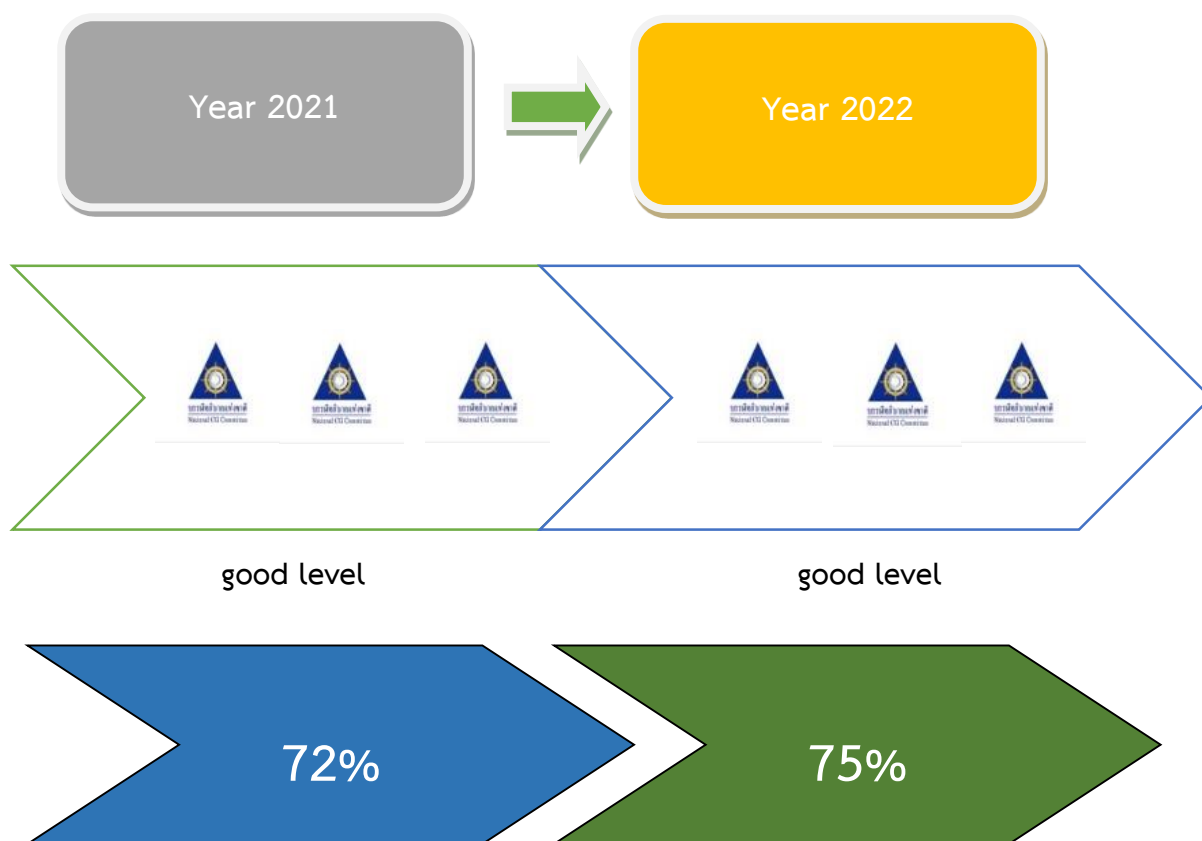
6.3.1 Material changes and developments regarding of policies, guidelines and corporate governance systems or charter of the Board of Directors system in the preceding year.

Mud and Hounds Public Company Limited has established a good corporate governance policy for the Board of Directors, executives and all employees to adhere to as a guideline for their operations. To promote the company to be an efficient company in business operations. There is corporate governance in business operations. It is transparent and verifiable. The company has announced the company's good corporate governance policy and prepared a business ethics handbook for conducting business. For the Board of Directors, executives and all employees of the company to be aware of and consider it as a guideline for the operation by such policies and manuals are published on the company's website.

In 2022, the Company has established a good corporate governance policy. In order to comply with the good corporate governance principles of the year 2017 by the Securities and Exchange Commission. with the approval of the Board of Directors At the Board of Directors Meeting No. 4/2022 on November 10, 2022 In 2022, the company has carried out various activities. according to good corporate governance guidelines And the company was evaluated from the Corporate Governance Report of Thai Listed Companies (CGR) survey project for the year 2022 by the Thai Institute of Directors Association (IOD) for the second year with a score of 75. According to the quality assessment of the 2022 Annual General Meeting of Shareholders (AGM Checklist) from the Thai Investors Association.

Assessment results of corporate governance level of Thai listed companies

Survey results of the Corporate Governance Survey of Thai Listed Companies 2022, the company received a 3-star "good" rating from the National CG Committee surveying Thai listed companies.


6.3.2 Practices in other matters according to the principles of good corporate governance

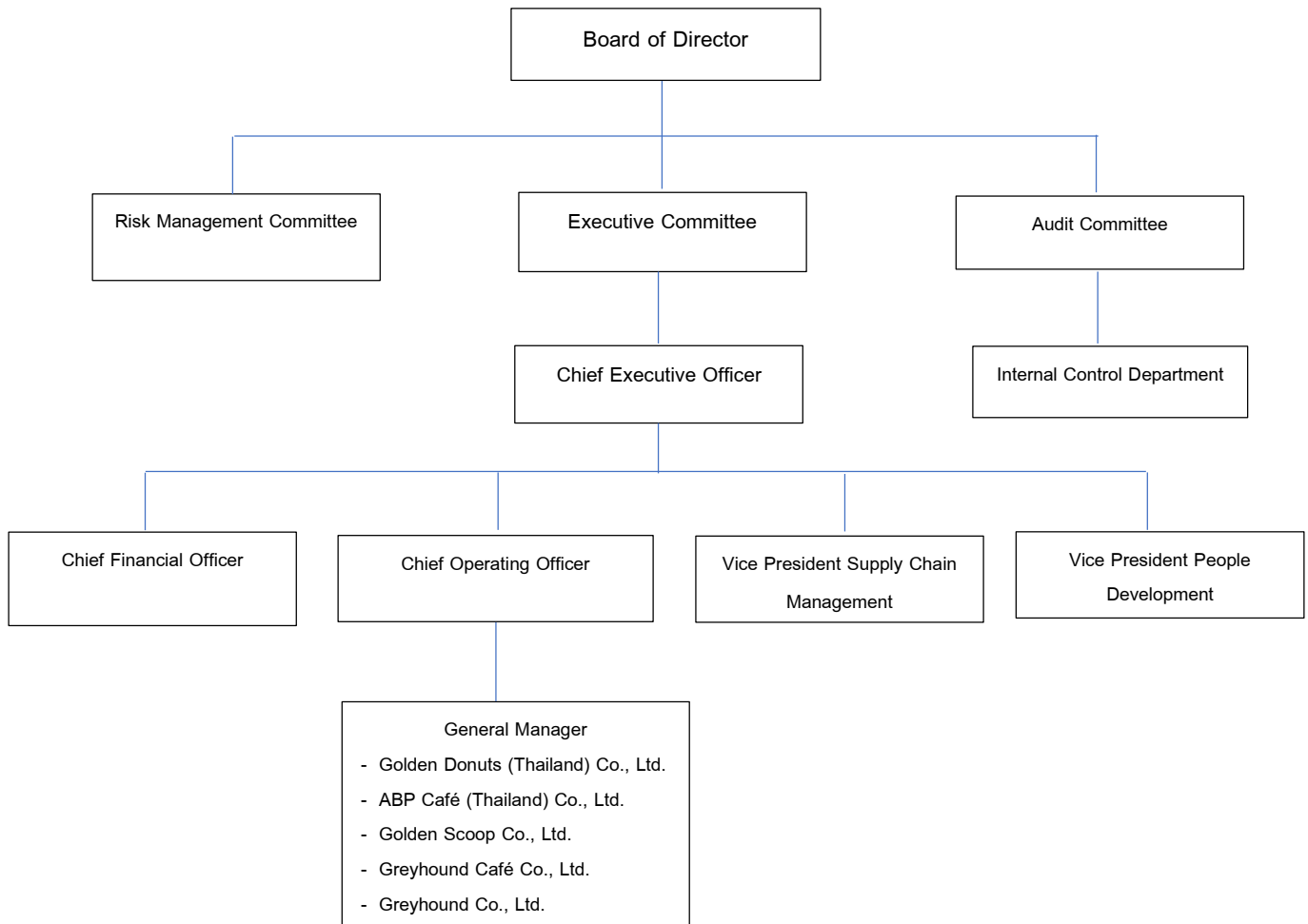
The company's corporate governance policies that the company is unable to comply with the principles of good corporate governance for listed companies in 2017 according to the guidelines of the SEC Office are as follows:

Good Corporate Governance Principles for Listed Companies 2017		Company practices
1	The Board should establish the policy that the tenure of an independent directors should not exceed a cumulative term of 9 year from the first day of service.	The Board of Directors has reasonably considered such necessity because he is qualified appropriately independent of the Company's management and major shareholders able to perform duties very well, bringing knowledge, experience, expertise give useful suggestions to the company according to sustainable development guidelines. and have complete independence qualifications in accordance with the rules prescribed by the SEC

Good Corporate Governance Principles for Listed Companies 2017		Company practices
2.	The company should appoint an external consultant to assist in setting guidelines and providing recommendations for a board assessment at least once every three years. This information should be disclosed in the annual report.	According to the company will begin to evaluate the annual performance of the Board of Directors, sub- committees and individual directors by themselves in 2022. For the provision of external consultants to help formulate guidelines and suggesting issues for evaluating the Board's performance will be considered in the next step when the Board's self- assessment has been arranged.
3.	The number of board meetings should be appropriate to the obligations and responsibilities of the board and nature of the business, but the board should meet at least six times per financial year. If the board meeting are not held monthly, the board should receive a report on the company's performance for the months in which the board does not hold a meeting, so that it can monitor management and company performance continuously and promptly.	At present, the Company has set 4 meetings of the Board of Directors as scheduled per year to approve the financial statements. and acknowledge the operating results every quarter. However, in the past 2021, the board held 6 meetings.
4.	To ensure business continuity, the board should ensure that development and succession plans for the chief executive officer and key executive are in place. The board should annually request reporting on the implementation of the development and succession plans from the chief executive officer.	To expect that a succession plan will be prepared by 2022. The Executive Committee is responsible for preparing the Chief Executive Officer succession plan and reporting the results of the succession plan to the Board of Directors for acknowledgment from time to time at least once a year.

7. Corporate Governance Structure and Important Information about the Board, Sub- Committees, Executives, Employees and Others

7.1 Corporate governance structure



Board of Directors of the Company

As of December 31, 2022, the Board of Directors consisted of 11 directors as followed:

Name	Position
1. Pol. Lt. Col. Thaweesin Rakkatanyu	Chairman and Independent Director
2. Mr. Supasith Sukhanindr	Director
3. Mr. Nadim Xavier Salhani	Director
4. Mr. Somyod Suteerapornchai	Director
5. Nongluck Phinainitisart, Ph.D.	Director
6. Miss Kamornwan Chinthammit	Director
7. Mr. Khem Wanglee	Director
8. Asst. Prof. Tippawan Pinvanichkul, Phd.	Independent Director
9. Mr. Pisit Jeungpraditphan	Independent Director
10. Pol.Gen. Ruangsak Jritake, Ph.D.	Independent Director
11. Benjapol Benjapalakorn, Ph.D.	Independent Director

The 11 members of the Board of Directors are qualified and have no forbidden qualification pursuant to the requirements set forth in the Public Limited Company Act, law on securities and stock exchange, rules, regulations, announcements of the Securities and Exchange Commission, Good corporate governance policy of the Company and other related laws as well as no prohibited characteristics that lack of appropriateness qualifications of executives which has been entrusted to manage the listed companies as specified by the Securities and Exchange Commission.

7.2 Information on the Board of Directors

7.2.1 Composition of the Board of Directors

The Board of Directors of the company shall consist of qualified persons with various experiences in various fields and a number of directors as chosen by shareholders to suit the size of company's business to efficiently perform business, with its Chairman as an independent director. In the Board of Directors, it shall be certain directors who are not executives to be not less than half of it and with actual independent directors without any business relation or other relation that may pose influence not less than one thirds of the total directorship. The Independent Directors' qualifications are in line with the qualifications under the rules of the SEC, which is in accordance with the requirements of independent directors, which is in accordance with the requirements of the Capital Market Supervisory Board No. TorJor. No. 28/2551 on the application for approval, including the deposit of newly issued securities and individual independent recipients to the company, which are not the same person, so that everyone is obligated to comply with the request and regular meeting policy.

7.2.2 The information on each director and controlling person.

Name	Position
1. Pol. Lt. Col. Thaweesin Rakkatanyu	Chairman of Board of Directors Independent Director Chairman of Audit Committee Chairman of Risk Management Committee
2. Mr. Supasith Sukhanindr	Vice Chairman of Board of Directors

Name	Position
	Chairman of Executive Committee Risk Management Committee Chief Executive Officer
3.Mr. Nadim Xavier Salhani	Director Vice Chairman of Executive Committee Risk Management Committee
4.Mr. Somyod Suteerapornchai	Director Executive Committee
5.Nongluck Phinainitisart, Ph.D.	Director Executive Committee
6.Miss Kamornwan Chinthammit	Director
7.Mr. Khem Wanglee	Director
8.Asst. Prof. Tippawan Pinvanichkul, Phd.	Independent Director Audit Committee
9.Mr. Pisit Jeungpraditphan	Independent Director Audit Committee
10.Pol.Gen. Ruangsak Jritake, Ph.D.	Independent Director
11.Benjapol Benjapalakorn, Ph.D.	Independent Director

Authorized Directors

The authorized directors are Mr. Supasith Sukhanindr, Mr. Nadim Xavier Salhani and Mr. Somyod Suteerapornchai, any Two thirds of given directors are to co-sign and affix with the company seal.

7.2.3 Roles and duties of the Board of Directors

The Board of Directors is appointed by the shareholders, whereby the Board of Directors appoints a company secretary to advise and assist the Board of Directors in compliance with the law and related regulations. Additionally, they are responsible for meetings of the Board of Directors and shareholders' meetings, as well as supporting corporate governance under the righteous corporate governance.๒๓

Authorization of the Board of Directors

The Board of Directors has the authority to approve various matters of the company under the scope of duties stipulated by the Law, the Company's Articles of Association, the Board of Directors' charter, manual, authority, and resolutions of the shareholders' meeting. This also includes formulating a policy to review the vision, mission, strategy, and action plan of the company. As well as important subjects such as approval of financial statements, transactions that are required by law that require approval from the Board of Directors, financial policies, investments, annual budgets, appointment of executive directors and Chief Executive Officer, and henceforth.

Category of Director

Name of Directors	Category of Director			
	Representative Shareholders	Non-Executive Director	Independent Director	Executive Director
1. Pol. Lt. Col. Thaweesin Rakkatanyu		/	/	
2. Mr. Supasith Sukhanindr	/			/
3. Mr. Nadim Xavier Salhani				/
4. Mr. Somyod Suteerapornchai	/			/
5. Nongluck Phinainitisart, Ph.D.	/			/
6. Miss Kamornwan Chinthammit	/	/		
7. Mr. Khem Wanglee		/		
8. Asst. Prof. Tippawan Pinvanichkul, Ph.D		/	/	
9. Mr. Pisit Jeungpraditphan		/	/	
10. Pol. Gen. Ruangsak Jritake, Ph.D		/	/	
11. Benjapol Benjapalakorn, Ph.D.		/	/	
Total	4	7	5	4
%	36.36%	63.63%	45.45%	36.36%

Representative Shareholders means a person or juristic person holding shares in the company. which has the right to send someone to be a director in the company

Securities Holding of Directors and Executives for Year 2022
Holding the Company's Shares of the Board of Directors and Managements (as of December 31, 2022)

Name/Position	Nature of Interest	Ordinary Share			
		As of Dec 31,2021	As of Dec 31,2022	Changing During the year 2021	Share holding (%)
1. Lt. Col. Thaweesin Rakkatanyu	-	-	-	-	-
2. Mr. Supasith Sukhanindr	Direct	8,133,937	8,133,937	-	0.77
3. Mr. Nadim Xavier Salhani	-	-	-	-	-
4. Mr. Somyod Suteerapornchai	Direct	202,291	202,291	-	0.02
5. Nongluck Phinainitisart, Ph.D.	-	-	-	-	-
6. Miss Kamornwan Chinthammit	Direct	2,820,841	2,820,841	-	0.27
7. Mr. Khem Wanglee	-	-	-	-	-
8. Asst. Prof. Tippawan Pinvanichkul, Ph.D.	-				

Name/Position	Nature of Interest	Ordinary Share			
		As of Dec 31,2021	As of Dec 31,2022	Changing During the year 2021	Share holding (%)
9. Mr. Pisit Jeungpraditphan	-	-	-	-	-
10. Pol. Gen. Ruangsak Jritake, Ph.D.	-	-	-	-	-
11. Benjapol Benjapalakorn Ph.D.	-			-	-
12. Mr. Somsak Tangprakob	Direct	280,585	585,485	304,900	0.06
13. Mr. Mr. Pakin Penparksakul	Direct	25	64,525	64,500	0.006

The Company separates the duties and responsibilities of the Chairman of the Board of Directors and President and Managing Director in order to balance the power by separating their roles and responsibilities the from each other

Chairman of the Board

The Board of Directors shall elect one of independent directors who has appropriate knowledge, experience and qualifications to be the Chairman of the Board.

Chairman of the Board is not the same person with the Chairman of the Board of Executive Director and is not an employees or management of the Company.

The duties and responsibilities of Chairman of the Board

1. To be responsible in leadership role for The Board of Directors in the supervision, follow- up, overseeing the performance of The Board of Executive Directors and other sub-committees to attain the objectives as planned.
2. Ensure that all directors contribute to the company's ethical culture and good corporate governance.
3. Set the board meeting agenda by discussing with the chief executive officer which important matters should be included
4. To chair in the board's meeting and shareholders' meeting of the company.
5. Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly.
6. To be the final vote in board's meeting when it comes up with equivalent voting,
7. Promote a culture of openness and debate through ensuring constructive relations between the board and management.

Election of directors and term of office

Election of directors and/or independent directors of the Company was done by the shareholders' meeting or the Board of Directors in accordance with the company's Articles of Association and the Public Limited Companies Act B.E. 2535 (including any amendment) based on the standards and methods as follows:

1. One shareholder had one vote per one share
2. The election of director may conduct by mean of voting to elect only one individual, one person in one time or several persons in one time or by any other method as deemed appropriate by the shareholders' meeting but in each resolution, the shareholder shall cast its existing vote as mentioned in clause (1) and it was prohibited to separate their votes.

3. Voting for election of director was adhered to the majority vote, in case of equal votes, the Chairman of the meeting shall have the final vote.
4. Director shall hold office for 3 years a time and the directors who are expired on term may be re-elected and may assume the previous post again, if it is agreed by the shareholders.

Scope of Authority and Responsibilities of the Board of Directors

Scope of Authority and Responsibilities of the Board of Directors including MM's subsidiaries and affiliates

1. To manage the Company in accordance with the laws, the Company's objectives, its Articles of Association and resolutions of the Shareholders' Meeting with integrity, care, and fiduciary duty;
2. To consider and approve key business matters such as vision and mission of the Company, strategy, financial targets, major plans of action and budget of the company and its subsidiaries;
3. To inspect and manage an operating result of the chief executive officer, management team, and any assigned person on the duty of the company and its subsidiaries according to the Company's policy;
4. To regularly monitor the operating results of the Company, subsidiaries, and affiliates per the Company's plan and budget;
5. To ensure the effective and efficient accounting system, prudent internal control system, and proper internal audit system;
6. To prepare and sign the Company's balance sheet and income statement at the year-ended calendar period to propose to the annual general meeting for approval;
7. To consider, select, and nominate the auditor of the Company and subsidiaries and remuneration per the suggestion of the audit committee prior to nominate to the annual general meeting for approval;
8. To conduct the written corporate governance policy of the Company and subsidiaries and to ensure the fair implementation to the stakeholders;
9. To appoint management of the Company and subsidiaries per the given qualifications of the relevant laws and regulations;
10. To appoint sub committees (i.e. audit committee, and other sub committees), to set scope of authorities and responsibilities of the sub committees, to monitor implementation of the sub committees to ensure the compliance of the Company's charter. To review the governance and management policies on yearly basis;
11. To appoint and amend the authorized directors;
12. To appoint the management of the Company and subsidiaries (the management of the Company is based on the definition of Management per SEC/SET), company secretary, and their remuneration;
13. To set remuneration policy including based salary, salary adjustment, bonus, benefits, and etc. To assign the CEO to set remuneration policy for non-management level per the Delegation of Authority Manual;
14. To delegate approval policy with yearly review basis;
15. To seek outside professional opinions (if necessary);

16. To encourage and support the directors and the managements of the Company and subsidiaries to attend seminars or training courses of the Thai Institute of Director Association (IOD) in relation to duty and responsibility of director and management;
17. To ensure the good corporate governance of the subsidiaries / affiliates as a part of the Company, the following transactions or actions are required to be approved by the Company's Board of Directors or the Shareholders (as the case may be):
 - 17.1 Any transaction or action of the subsidiaries in the following cases must be approved by the Company's board of directors or shareholders meeting (as the case may be)
 - (1) Appoint or nominate a person to be director and management team in subsidiaries / affiliates, at least at pro rata basis in such subsidiaries / affiliates, otherwise indicated by the board of director;
 - (2) Capital increase by issuance of the subsidiaries' newly issued shares and allocation of shares, including reduction of the subsidiaries' registered capital which is not pro rata to the existing shareholding of the shareholders, resulting in more than ten percent (10%) decrease in the proportion of the Company's voting rights, direct and/or indirect, in any tier, of the total votes in the subsidiaries' shareholders meeting;
 - (3) Payment of the subsidiaries' annual dividend and interim dividend (if any);
 - (4) Amendment to the Company's articles of association, except for amendment to articles of association with significant matters in accordance with 17.2 (5);
 - (5) The Company's annual budget of the Company and in subsidiaries / affiliates except in case that is determined in Delegation of Authority; and
 - (6) Appoint an auditor of the subsidiaries in only case that such auditor is not a full member of the Company's auditor that the subsidiaries' auditor must be a full member of the Company's auditor.

Items in (7) to (10) are deemed significant transactions, and if entered into, it will significantly affect the Company's financial position and operating results, and therefore approval from the Parent Company's board of directors is required. This is however provided that the size of a transaction entered into by the Company, when compared to the size of the Parent Company (the criteria prescribed in the Notifications of the Capital Market Supervisory Board and of the Stock Exchange of Thailand Commission relating to Acquisition or Disposition of Assets and/or relating to Connected Transactions and/or amended notifications being enforced at the time (as the case may be) shall be applied mutatis mutandis, meets the threshold for consideration and approval from the Parent Company's board of directors. The transactions are as follows:
 - (7) If the Company agrees to enter into a transaction with its connected party, or a transaction relating to acquisition or disposition of its assets as follows:
 - a. Transfer or waiver of rights and privileges, including waiver of claims against the person causing damage to the Company
 - b. Sale or transfer of the Company's business, in whole or in material part, to another party
 - c. Purchase or acceptance of the transfer of another company's business to the Company

- d. Entering into, amendment to or termination of an agreement relating to lease of the Company's business, in whole or in material part; assignment of another party to manage the Company's business; or merger of the Company's business with another party's
 - e. Lease or letting on hire-purchase of the Company's business or assets, in whole or in material part
 - (8) Borrowing money, lending money, giving credits, giving guarantee, taking a juristic act to bind the Company to take on additional financial obligations, or providing any other financial assistance to another party which is not its normal business. Dissolution of the Company's business.
 - (9) Shut down of the subsidiary businesses
 - (10) Any other transaction that is not a normal business transaction and significantly affects the Company
- 17.2 Any transaction or action of the subsidiaries in the following cases must be approved by the shareholders meeting while holding shares with voting rights more than 75 (seventy five) percent of the voting rights from the shareholders who attend in that meeting.
- (1) if the Company agrees to enter into a transaction with its connected party, or a transaction relating to acquisition or disposition of its assets, provided that the size of a transaction entered into by the Company, when compared to the size of the Parent Company (the criteria of transaction calculation as prescribed in applicable notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand Commission shall be applied *mutatis mutandis*), meets the threshold for consideration and approval from the Parent Company's shareholders meeting.
 - (2) Capital increase by issuance of the Company's newly issued shares and allocation of shares, including reduction of the Company's registered capital which is not pro rata to the existing shareholding of the shareholders, resulting in more than ten percent (10%) decrease in the proportion of the Parent Company's voting rights, direct and/or indirect, in any tier, of the total votes in the Company's shareholders meeting; or resulting in decrease in the proportion of the Parent Company's voting rights, direct and/or indirect, in any tier, to be lower than fifty percent (50%) of the total votes in the Company's shareholders meeting.
 - (3) Dissolution of the Company's business, provided that the size of a transaction entered into by the Company, when compared to the size of the Parent Company (the criteria of transaction calculation as prescribed in applicable notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand Commission relating to Acquisition or Disposition of Assets and/or amended notifications being enforced at the time shall be applied *mutatis mutandis*), meets the threshold for consideration and approval from the Parent Company's shareholders meeting.
 - (4) Any other transaction that is not a normal business transaction of the Company and will significantly affect the Company, provided that the size of a transaction entered into by the Company, when compared to the size of the Parent Company (the criteria prescribed in the Notifications of the Capital Market Supervisory Board and of the Stock Exchange of Thailand Commission Re: Acquisition or Disposition of Assets and/or Re: Connected Transactions (as the case may be) shall be applied

mutatis mutandis), meets the threshold for consideration and approval from the Parent Company's shareholders meeting.

- (5) Amendment to the Company's articles of association with respect to matters that might significantly affect its financial position and operating results, including but not limited to amendment to, for example, the Company's articles of association which might affect the Parent Company's voting rights in the Company's board of directors meeting and/or shareholders meeting, or its dividend payment.
18. The Company's directors and executives shall completely and correctly disclose to the Parent Company the data on the Company's financial position and operating results, and connected transactions, and/or acquisition or disposition of assets and/or significant transactions within an appropriate period of time determined by the Parent Company.
19. The Company's directors and executives shall ensure that the Company maintains internal control system, risk management system and anti-corruption system which are appropriate, efficient and circumspect enough to assure that the Company's operations will be truly in accordance with the Parent Company's policies laws on public limited company and securities and exchange, notifications regarding good corporate governance of a listed company, and relevant notifications, regulations and rules of the Capital Market Supervisory Board, the Office of Securities and Exchange Commission, and the Stock Exchange of Thailand. The Company's directors and executives shall provide a clear work system to show that the Company is sufficiently organized to continually and reliably disclose information on significant transactions per the prescribed rules, and shall provide a channel for the Parent Company's directors and executives to acknowledge the Company's information in order to efficiently follow up on the operating results and financial position, transactions between the Company and its directors and executives, and significant transactions of the Company. In addition, the Company's directors and executives shall provide a review mechanism for such work system in the Company by allowing the Parent Company's internal audit team and independent directors to have direct access to data, and report on result of the work system review to the Parent Company's directors and executives to ensure that the Company consistently performs in accordance with the provided system.

Directors, executives or related parties of the Company shall make a transaction with the Company only when such transaction has been approved by the board of directors of the Company and/or Parent Company, and/or the shareholders meeting of the Company and/or Parent Company (as the case may be) based on the transaction size calculated (the criteria of transaction calculation as prescribed in the notifications of the Capital Market Supervisory Board, and the Notification of the Stock Exchange of Thailand Commission relating to Connected Transactions and/or amended notifications being enforced at the time shall be applied mutatis mutandis), unless the transaction is a commercial agreement that a reasonable person would enter into with any contract party in general under the same situation, by the exercise of commercial bargaining power without influence from the position of director, executive or related person, as the case may be, and being approved by the Parent Company's board of directors, or in accordance with the principles approved by the Parent Company's board of directors.

Corporate Secretary

The Meeting of the Board of Directors of the Company No. 6/2021 held on November 11, 2021 had passed the resolution to appoint Mrs. Patcharee Boonnak as the Company Secretary in replacing Miss Limly Thipphongraphas who passed away effective from December 1, 2021 onwards in order to comply with Section 89/1 of the Securities and Exchange Act. Mrs. Patcharee Boonnak has the qualifications for position of the company secretary and she is knowledgeable, competent and experienced in law, management and tasks related to the regulations of the Stock Exchange of Thailand and the SEC and has trained in Fundamental Practice for Corporate Secretary (FPCS 30) and Corporate Secretary Development Program (the qualifications for position of the company secretary appears in Attachment)

The company stipulates the duties of the company secretary in accordance with the Securities and Exchange Commission (No. 4) B.E. 2551 as follows:

- 1) To prepare and keep the following documents:
 - (a) Registration of Directors
 - (b) Invitation letter to attend the Board of Directors ' meeting, minutes of the Board of Directors' meeting and the Company's annual report
 - (c) Invitation letter to attend the Shareholders' meeting and minutes of the Shareholders' Meeting
- 2) To keep and maintain a report of interest as filed by directors and executives.
- 3) To provide a copy of report of interest to the chairman of the board of director and the chairman of audit committee within seven working days after the receiving date. To provide proper document storage system of any material documents or information at least 10 years after such document or information has been created
- 4) To follow other activities per the relevant authorities' guidance

7.3 Sub-committees

7.3.1 Information of each sub-committee

There are three sub-committees of the Company, which are (1) Audit Committee (2) Risk Management Committee and (3) Executive Committee, the detailed are as follows;

(1) Audit Committee

The Audit Committee consists of not less than three directors, of which the chairman and all directors must be independent directors. At least one member of this committee must have knowledge and experience in reviewing financial statements. The audit committee must have the qualifications prescribed by the Stock Exchange of Thailand and the Capital Market Supervisory Board. The Audit Committee has a term of office of three years and can be reappointed as an audit committee but not more than three consecutive terms unless the Board of Directors deems it appropriate to hold the position.

As of December 31, 2022, the Company's Audit Committee consists of 3 members as follows:

Name	Position	Remark
1. Lt. Col. Taweesin Rukkatanyu	Chairman of Audit Committee	-
2. Asst. Prof. Tippawan Pinvanichkul, Ph.D.	Audit Committee	the audit committee who has knowledge and experience in reviewing financial statements
3. Mr. Pisit Jeungraditphan	Audit Committee	

Scope of Authority and Responsibilities of the Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence and performance, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
4. To consider, select, appoint and remove an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend meetings with the auditor without the attendance of the management at least once a year.
5. To review the connected transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the law and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
6. To support and monitor to ensure that the Company acquires the efficient risk management system;
7. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report.
 - (b) an opinion on the adequacy of the Company's risk management and internal control system.
 - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
 - (d) an opinion on the suitability of an auditor.
 - (e) an opinion on the transactions that may lead to conflicts of interests;
 - (f) the number of the audit committee meetings, and the attendance of such meetings by each committee member.
 - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with charter.
 - (h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
8. While the Audit Committee are performing duties and responsibilities, the Audit Committee shall report within a reasonable period of time to the Board of Directors for corrective action if the Audit Committee observed the following transactions or events that may have material impacts to the financial status and performance of the Company
 - 8.1 a transaction which causes a conflict of interest;
 - 8.2 any fraud, irregularity, or material defect in an internal control system; or
 - 8.3 an infringement of the law on securities and exchange, the Exchange's regulations, or any law relating to the Company's business.

If the Board of Directors or relevant executives do not correct the aforementioned matters in due time, any Audit Committee member may further report the finding to the Securities and Exchange Commission and the Stock Exchange of Thailand.

9. To perform any other act as assigned by the Company's Board of Directors, with the approval of the audit committee

(2) Risk Management Committee

The Company's Risk Management Committee consists of 3 Directors who are appointed by the Board of Directors. Risk Management Committee has a term of office as long as holding a position as a director of the company unless the Board of Directors resolves otherwise. As of December 31, 2022, the Risk Management Committee of the company consisted of 3 members as follows:

Name	Position
1. Lt. Col. Taweesin Rukkatanyu	Chairman of Risk Management Committee
2. Mr. Supasith Sukhanindr	Risk Management Committee
3. Mr. Nadim Xavier Salhani	Risk Management Committee

Scope of Authority and Responsibilities of the Risk Management Committee

1. To establish a policy in relation to risk management to cover all business risks of the Company;
2. To set strategy to be in lined with risk levels with scheduled monitoring system to ensure that the risks are in controllable and acceptable level.
3. To support and encourage collaboration of each department in the Company to develop efficient risk management policy with periodic monitoring and reviewing system;
4. To develop risk assessment and risk analysis systems to ensure the smooth business operation in normal situations and crisis;
5. To support and develop risk management as one of the operational process and related to the International standards;
6. Report a problem to the Board of Director for consideration and improvement; and
7. Other operations assigned by the Board of Directors.

(3) Executive Committee

The Executive Committee of the Company consists of not less than 3 directors who are appointed by the Board of Directors. The Executive Committee has a term of office as long as holding a position as a director of the company unless the Board of Directors resolves otherwise. As of December 31, 2022, the Executive Committee of the company consisted of 4 members as follows:

Name	Position
1. Mr. Supasith Sukhanindr	Chairman of Executive Committee
2. Mr. Nadim Xavier Salhani	Vice Chairman of Executive Committee
3. Mr. Somyod Suteerapornchai	Executive Committee
4. Miss Nongluck Phinainitisart	Executive Committee

Scope of Authority and Responsibilities of the Executive Committee

1. To supervise the operation of the Company per the approved policies by the Board of Director and to report the operating outcomes to the Board of Director. The quorum is half of the executive committee with majority voting basis in any agendas;
2. To consider and assign delegation of authority to ensure that the transaction with connected person and related parties will be at arm's length basis with no conflict of interest. The procedure shall be approved by the board of director;
3. To consider annual budget, to seek an approval of the board of director, and to monitor such the approved annual budget;
4. To assess and monitor the business plan with proper amendment per the situations;
5. To approve investment and investment budget per the Delegation of Authorization manual;
6. To approve any agreements or contracts per the Delegation of Authorization manual;
7. To provide sufficient information to the board of director and shareholder for their approval process, including;
8. To consider profit/loss of the Company and propose dividend payment to the Board of directors;
9. To consider new business investments and discontinue any existing business and to propose to the board of director;
10. To establish a procedure to immediately report any material frauds to the board of director; and
11. Any operations to support per the board of director approval.

Any approval matters in the executive committee shall be informed to the board of director in the next meeting.

7.4 Information on executives

7.4.1 Names and positions of the executives

Management Team

As of December 31, 2022, the management team of the Company and its subsidiaries consist of 3 people as follows:

Name	Position
1. Mr. Supasith Sukhanindr	Chief Executive Officer Executive Vice President Supply Chain Management (Acting)
2. Mr. Somsak Tangpakob	Chief Financial Officer (Acting)
3. Mr. Pakin Penparksakul	Chief Operating Officer

7.4.2 Remuneration policy

Policy in respect of Remuneration for the Board of Directors and Committees

(1) Remuneration for directors and sub-committee

Paid in cash

The remuneration for directors, which was approved by the 2022 Annual General Meeting on April 27, 2022, is as followed:

Position	Amount (Baht/Month)	Person	Total (Baht/Year)
1. Chairman of Board of Director	50,000	1	600,000
2. Director	25,000	10	3,000,000
3. Chairman of Audit Committee	15,000	1	180,000

Position	Amount (Baht/Month)	Person	Total (Baht/Year)
4. Audit Committee	5,000	2	120,000
5. Chairman of Risk Management Committee	4,000	1	48,000
6. Risk Management Committee	3,000	2	72,000
7. Chairman of Executive Committee	15,000	1	180,000
8. Vice Chairman of Executive Committee	5,000	1	60,000
9. Executive Committee	2,500	2	60,000
Any other benefits : none			-
Total			4,320,000
Total Remuneration (Not exceeding than)			5,000,000

Unit: THB

Name	Board	EXCOM	AC	RISK	Total
Pol. Lt. Col. Thaweesin Rakkatanyu	600,000	-	180,000	48,000	828,000
Mr. Supasith Sukhanindr	300,000	180,000	-	36,000	516,000
Mr. Nadim Xavier Salhani	300,000	60,000	-	36,000	396,000
Mr. Somyod Suteerapornchai	300,000	30,000	-	-	330,000
Miss Nongluck Phinainitisart, Ph.D.	300,000	30,000	-	-	330,000
Miss Kamornwan Chinthammit	300,000	-	-	-	300,000
Mr. Khem Wanglee	300,000	-	-	-	300,000
Asst. Prof. Tippawan Pinvanichkul, Ph.D.	300,000	-	60,000	-	360,000
Mr. Pisit Jeungpraditphan	300,000	-	60,000	-	360,000
Pol.Gen. Ruangsak Jritake, Ph.D.	300,000	-	-	-	300,000
Benjapol Benjapalakorn, Ph.D.	300,000	-	-	-	300,000
Total	3,600,000	300,000	300,000	120,000	4,320,000

Board: Board of Director

AC: Audit Committee

EXCOM: Executive Committee

RISK: Risk Management Committee

Paid in non-cash

-none-

(2) Chief Executive Officer's Remuneration

The Company prescribes the Chief Executive Officer's remuneration by taking into account qualifications, duties and responsibilities in comparison with the amount paid by other companies in the same industry as well as operating result and size of business so as to be an incentive for developing the Company in a continuous and sustainable manner.

(3) Remuneration for Management

Remuneration for executives is in line with the Company's principles and policies, and relates to the operating result and each individual's performance. The remuneration is prescribed to motivate and keep the qualified executives with the Company.

7.4.3 Total Remuneration of Executive Directors and Executives
Paid in cash

The remuneration including with salary, allowance, bonus, provident fund, social security, and others of Management Team (5 people) of the company and its subsidiaries is totally 29.27 million Bath in 2022.

Paid in non-cash

-None-

7.5 Employees
(1) Number of employees and compensation

The Company and its subsidiaries have all employees. (Excluding management) 3,832 people. In 2022, the Company and its subsidiaries have paid remuneration to employees. (Excluding executives) totaling approximately THB 910 mm, including salary, overtime allowance, living allowance, special bonus, Social Security and contributions to provident fund, etc., with the details as follows

Company (Person)	Amount of Employee as of 31 December 2022		Salary, bonus and other allowance (THB)
	Full Time	Part Time	Year 2022
Mud and Hound	50	1	46,148,636
Golden Donut (Thailand)	1,164	1,115	333,105,443
ABP Café (Thailand)	350	53	97,429,641
Golden Scoop	48	67	12,899,498
Greyhound Café	714	23	191,012,027
Greyhound	118	8	48,482,180
Greyhound U.K.	27	-	24,032,369
Societe Langonnaise des Vins et Hotelleries SAS	36	6	67,559,669
MM FR SAS	9	4	20,090,802
Maison MM1 SAS	9	6	16,731,143
Maison MM2 SAS	14	-	26,408,837
Maison MM3 SAS	21	-	26,163,220
Total	2,560	1,263	910,063,466
Total Amount (Exclude Executive Director)	3,823		910,063,466

(2) Human resource development policy

Human resources are important to create talent and competitive opportunities for the organization. It is necessary to link human resources management in line with the Company's strategic objectives along with the development of corporate culture to build innovation or change and to meet the strategic plan of the organization.

The Company has a policy of human resource management. It aims to develop the capabilities of employees to achieve according to the vision of the Company and support changes and developments in various fields so that employees can have potential with training of employees according to the structure or human resource development plan and manpower planning. The human resource development system can be used throughout the organization.

The Company has a personnel development team to develop a career path plan for employees. The Company has a plan to design a career path for career advancement according to a career level, target job, functional area.

7.6 Other significant information

7.6.1 List of Personnel Directly Responsible for Accounting Supervision / Company Secretary / Internal Audit Supervisor

The person assigned to be directly responsible for accounting supervision	Miss Suwanee Kamkuea
Company Secretary	The Board of Directors has appointed Mrs. Patcharee Boonnak to be the Company Secretary with the powers and duties as stipulated in the Securities and Exchange Act.
Internal Audit	Dharmniti Internal Audit Company Limited

Information of given individuals appears in attachments 1 and 3 of this annual registration statement (Form 56-1, One Report).

7.6.2 Investor Relations and Contact Information

Contact information Tel : 02- 0799765 Email : IR@mudman.co.th

7.6.3 Auditor's Remuneration

The Annual General Meeting of Shareholders for the year 2022, held on Tuesday 27 April, 2022, the Company's shareholders' meeting resolved to appoint auditors from EY Office Limited to be the auditors of the Company and its subsidiaries for the fiscal year ended January 1, 2021 – December 31, 2022 as follows:

List	C.P.A. Registration No.	Number of years of auditing for the company
1. Ms. Kamontip Lertwitworatep	4377	Be the person who signs the financial statements for the year 2020 and 2021 of the company
2. Mr. Wichart Lokatekrawee	4451	Has never been a person who signs the financial statements of the company

3. Ms. Satida Ratananurak	4753	Has never been a person who signs the financial statements of the company
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and approved the auditor's remuneration for the year 2022 as follows:

Unit : Baht

Audit Fee	Year 2021
1. The Company's audit fee	1,692,500.-
2. Non audit fee"	360,000.-

* Impairment test of Asset

7.6.4 Personnel Assigned to Represent Thailand (In case of a foreign company)

-none-

8. Report on key operating results on corporate governance

8.1 Performance Summary of the Board of Directors in the Past Year

8.1.1 Recruitment, Development, and Evaluation of the Board of Directors

Nomination and Appointment of Directors and Top Executives

The Board of Directors consists of independent and non-independent directors, the proportion to warrant independence from the management, independent directors are required to have more specific qualifications than non-independent directors.

Qualifications of Independent Directors

Independent directors must possess all qualifications as prescribed by the Capital Market Supervisory Board and must be able to protect the interests of all shareholders equally and to avoid conflict of interest. Independent directors must attend Board of Directors' meetings and express their opinions independently

(1) Independent Directors

The Independent Directors who is appointed shall have full qualifications under the rules of The Capital Market Supervisory Board. The company has revised the definition of independent directors to be stricter than the definition imposed by The Securities and Exchange Commission (SEC), as follows:

1. The person must hold no more than 1% of shares with voting rights of the Company, the parent Company, the associates, the affiliates, the major shareholders or the entities with the authority to control the Company; inclusive of shareholding by individuals related to such independent directors.
2. The person must not be serving, or have served, as a director who is involved with the management, or a staff member, an employee or a consultant with a monthly wage. The person also must not be or be an individual with the authority to control the Company, the parent Company, the associates, the affiliates, the associates of the same level, the major shareholders or of the entities with the authority to control the Company, with the exception of the case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director. The ineligibility however does not include the case where an independent director has previously served as a public servant or a consultant of a government agency which is a major shareholder of, or an entity with the authority to control the Company.
3. The person must not be related by blood or law as father, mother, spouse, sibling or child, spouse of son or daughter of executives, major shareholders, individuals with the authority to control the Company or candidates for the position of an executive or an individual with the authority to control the Company or an associate.
4. The person must not have, or have had, a business relationship with the Company, the parent Company, the associates, the affiliates, the major shareholders or the entities with the authority to control the Company, in such a manner that may interfere with one's independent discretion. The person also must have not been or has been a shareholder, individuals with the authority to control the Company, of the person who has business relationship with the Company, the parent Company, the associates, the affiliates, the major shareholder or the entities with the authority to control the Company. There is an exception in the case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an

independent director. The business relationship as described in the above paragraph is inclusive of normal trading transactions for the conduct of business; lease or letting of immovable; transactions relating to assets or service; provision or acceptance of financial assistance through acceptance or provision of loans and guarantees, the use of assets as collateral and other such practices which result in the Company or the party to the agreement being under the obligation to repay the other party for an amount from 3% of net tangible assets of the Company or from Twenty Million Baht whichever is lower. The calculation of such obligation to debt is to be in accordance with the related transaction value calculation method as per the Announcement of the Capital Market Supervisory Board on the Related Transaction Criteria with exceptions. The said obligation to debt includes that which has materialized during the period of one year prior to the day of business relationship with the same individual.

5. The person must not be, or has been, an auditor of the Company, the parent Company, the associates, the affiliates, the major shareholders or the entities with the authority to control the Company. The person also must not be a significant shareholder, an individual with the authority to control or a partner of the audit office with which the auditor the Company, the parent Company, the associates, the affiliates, the major shareholders or the entities with the authority to control the Company is associated. There is an exception in such case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director.
6. The person must not be, or has been, a provider of a professional service including the service as a legal consultant or a financial consultant for which greater than Two Million Baht of fee is paid per year by the Company, the parent Company, the associates, the affiliates, the major shareholders or the entities with the authority to control the Company. The person also must not be a significant shareholder or an individual with the authority to control or a partner of such provider of professional service. There is an exception in such case where he or she has retired from such a position for at least two years prior to the day on which he or she is appointed as an independent director.
7. The person must not be a director appointed to represent a director of the Company, a major shareholder or a shareholder who is related to a major shareholder.
8. The person must not be in a business of the same nature as, and of significant competition to, that of the Company or an associate. The person also must not be a significant partner in a partnership; a director who is involved with the management; a staff member; an employee; a consultant with a monthly wage; as well as, a shareholder who holds more than 1% of shares with voting rights of another Company which is engaged in a business of the same nature as and of significant competition to that of the Company or an associate.
9. The person must not have any other characteristic which is an obstacle to the giving of free opinion on the operation of the Company.
10. Not being a director appointed for representation of company directors, major shareholders or shareholder related with the major shareholder of the company and
11. The person must not be a director of the Company, the parent Company, the associates, the affiliates, or the entities with the authority to control the Company.

(2) The selection of Directors and Management

Since there is no the Nomination and Remuneration Committee who has been assigned to select qualified persons having appropriate qualifications to be nominated as Company directors and CEO, the shareholder, professional, director, independent director, and management team to nominate a qualified candidate per the following procedure and criteria:

The selection of the Directors

1. Director is a person with relevant industry knowledges and experiences, integrity, accountability, ethic, and dedication;
2. Directors must be qualified under the stated qualification under the SET/SEC regulations, and relevant laws and regulations;
3. In case of the appointment of independent directors, the Nomination Committee shall consider the independence of persons to be nominated as independent directors pursuant to the criteria of the Securities and Exchange Commission (SEC) and the Company. In the case that the existing independent director shall take the directorship for another term, the duration of the directorship from the first date of appointment as an independent director should not be more than nine (9) years in a row;
4. A director must not, whether on his own account or on account of a third person, undertake any business of the same nature as and competing with that of the company, become a partner in an ordinary partnership or a partner with unlimited liability in a limited partnership or any other company undertaking any business of the same nature as and competing with that of the company, unless such fact has been notified to the meeting of shareholders prior to the resolution electing such director; and
5. In case of existing directors who shall take the directorship for another term, the Nomination Committee may consider the dedication and performance of such directors while taking the directorship, as well as the number of listed companies in which such directors take the directorship that the total number should not be more than five (5) listed companies.

Criteria and Procedures for Selecting and Withdraw the Directors as follows:

1. A company must, for the operation of its business, have a board of directors consisting of at least five directors, provided that not less than one half of the total number of directors must have a residence in the Kingdom.
2. The shareholders' meeting was authorized to appoint Company directors according to the criteria and method as follows:
 - (1) One shareholder shall have one vote per one share
 - (2) Each shareholder must exercise all of the votes he or she has under the first paragraph to elect one or several persons to be a director or directors and must not allot his or her votes to any person in any number
 - (3) The persons receiving the highest number of votes, followed by those with descending highest number of votes shall be elected as the directors fulfilling the number of directorship required to be elected by the shareholder's meeting. In case the number of votes for the candidates in descending order are equal and exceed the number of directors to be elected at said meeting, the Chairman shall cast the deciding vote

3. At every annual ordinary meeting of shareholders, there shall be an election of the board of directors en masse on the same occasion, provided that the original board of directors may remain in office to serve as the acting board of directors in furtherance of the operation of the business of the company for the time being and to the extent necessary until the new board of directors takes office, in which case one-third of the number of directors shall vacate office. If the number of directors is not a multiple of three, then the number nearest to one-third shall vacate office. The directors to vacate office in the first and second years following the registration of the company shall, unless otherwise provided in the articles of association, be drawn by lots. In every subsequent year, the directors who have been longest in office shall vacate office. The director who vacates office under this section may be re-elected
4. Any director intending to resign shall submit a resignation letter to the company. The resignation takes effect as from the date on which the resignation letter reaches the company
5. In the case where the office of a director becomes vacant by any reason other than the expiration of the term, the board of directors shall elect a person possessing the qualifications and being under no prohibitions under section 68 as a replacing director at the next meeting of the board of directors, unless the remaining term of office of such director is less than two months. The resolution of the board of directors under paragraph one must be supported by votes of not less than three-fourths of the number of the remaining directors

A meeting of shareholders may pass a resolution removing any director from office prior to the expiration of the term, with the votes of not less than three fourths of the number of shareholders present at the meeting and entitled to vote and also with the aggregate number of shares of not less than one half of the number of shares held by the shareholders present at the meeting and entitled to vote.

The Selection of the Management

Since there is no the Nomination and Remuneration Committee who has been assigned to select qualified persons having appropriate qualifications to be nominated as Management, the Company shall select the Management per the following procedure:

The selection of the Chief Executive Officer

The shareholder, professional, director, and management to nominate a qualified candidate as Chief Executive Officer. The board of director shall consider and approve the candidate to be Chief Executive Officer.

The selection of management positions below Chief Executive Officer

In addition to the definition of Management per SEC/SET regulations, the CEO or head of department is authorized to select and appoint a qualified candidate to be a position below Management level per the definition of SEC/SET regulations. However, the head of internal audit or internal control shall be approved by the Audit Committee.

Succession Plan Policy

The Company has a succession plan policy for key positions, namely Chief Executive Officer. Executive Vice President and executive director level In the event of an emergency or retirement to prevent affecting business operations And to build confidence among investors, organizations, and employees that the company's operations will be continued in a timely manner if a senior management position becomes vacant. The Board of Directors is responsible

for determining criteria and a succession plan for the Chief Executive Officer. As for positions below Chief Executive Officer, the Chief Executive Officer shall determine criteria and succession plans.

However, in the year 2022, it is in the process of selecting personnel within the organization with suitable qualifications. Therefore, the name has not yet been proposed to the Board of Directors for consideration.

development of directors and executives

Orientation and continuous knowledge development of directors

In taking up the position of Company Director and/or Independent Director Each director receives important information about the company. Articles of Association specifying the scope of duties and responsibilities of the Board of Directors. obtaining legal advice Rules and conditions To be a director of a listed company on the stock exchange Including gaining an understanding of the nature and business of the company. This includes understanding the objectives, main goals, vision, mission, values of the organization.

The company will arrange for new directors to have an orientation by attending training courses organized by the Thai Institute of Directors Association in order to obtain information as follows:

- (1) Importance of the Board of Directors
- (2) Roles and responsibilities of directors according to good corporate governance principles
- (3) Legal duties and responsibilities of directors
- (4) Guidelines for Directors in Compliance with Laws and Best Practices of the Stock Exchange of Thailand

Securities and Exchange Commission

For new directors who take positions in the Board of Directors of the Company The company has prepared documents for new directors to acknowledge the business policy. Including relevant information such as capital structure, shareholders, results of operations Including laws, rules and regulations as well as handing over a director's handbook, which is useful information for being a director of the company to the directors.

1. Public Company Limited Act B.E. 2551 (revised version)
2. Securities and Exchange Act (No. 5) B.E. 2559
3. Best practices for directors of listed companies
4. Corporate Governance Policy Business Ethics Manual including related policies
5. Company Certificate Objectives and Regulations
6. SEC Listed Company Director Handbook
7. Connected transactions of listed companies
8. Principles of good corporate governance for listed companies (Effective version)
9. The latest company annual disclosure report

In the case of a director who has not yet completed the training course for the Company's directors The company will send them to attend the training. by Thai Institute of Directors Association (IOD)

The company encourages the directors to receive training and develop their knowledge continuously. To have an understanding of the laws, rules, standards, risks and environment related to business operations. Including regularly receiving updated information especially training in various courses Organized by the Stock Exchange of Thailand and the Thai Institute of Directors Association The company pays the expenses. To help directors perform their duties and efficiently supervise the company's business. and disclose information on training and continuous knowledge development of the Board of Directors in the annual report.

- In 2022, the company sent Mr. Kem Wanglee, a new director who was appointed in December 2021, to attend the Director Accreditation Program (DAP) class 196/2022. by the Thai Institute of Directors Association (IOD). In addition, the Chief Financial Officer has also been sent to attend the CFO Orientation and CFO Refresher Course, Class 1.

knowledge development

The Board of Directors encourages directors, executives and company secretaries to Attend training seminars from various courses Organized by the Thai Institute of Directors Association (IOD), the Stock Exchange of Thailand, the SEC Office or other independent organizations. to enhance knowledge improve performance and benefits for performing duties more efficiently At present, all directors have attended the Director Accreditation Program (DAP) course organized by the Thai Institute of Directors Association (IOD).

performance appraisal

The Board of Directors has assessed its own performance as a group. At least once a year in order to comply with the Company's good corporate governance policy. and to review whether there have been supervisions for the formulation and/or actions sufficiently And used as information to support the management to improve and develop management to be more efficient.

The evaluation of the performance of the Board of Directors can be divided into (1) the evaluation of the entire Board of Directors (as a group) (2) the evaluation of all sub-committees as a whole, i.e. the Audit Committee. Board of Directors and the Risk Management Oversight Committee (3) Individual self-assessment (individual) by the evaluation form of the Board of Directors and every sub-committee has the same evaluation criteria. and is consistent with the evaluation form of the Corporate Governance Development Center for listed companies on the Stock Exchange of Thailand.

1. Board Self-Assessment (Self-assessment) is divided into 6 parts with the following assessment topics:

1). Structure and Qualifications of the Board of Directors	average score 4
2) Roles, Duties and Responsibilities of the Board of Directors	average score 4
3). Board meetings	average score 4
4). Duties of Directors	average score 4
5). Relationship with management	average score 4
6). Self-development of directors and development of executives	average score 4

List	Year 2022	
	average rating	%
Board self-assessment results	4.00	100

- Average score = 4.00 or equal to 100% which is in excellent criteria.

2. Self-assessment of sub-committees as a group

There are the following evaluation topics:

List	risk board	Audit Committee
	Year 2022	Year 2022
1. The structure and qualifications of the Board of Directors are appropriate. make the work of the board effective	3.13	4.00
2. Meetings of sub-committees have been conducted so that the Board of Directors can perform their duties in meetings efficiently.	3.72	4.00
3. Roles, duties and responsibilities of sub-committees has given importance take time to consider review and perform duties adequately	3.73	4.00
average rating	3.53	4.00
%	88.25	100.00

- The average score of the Risk Management Committee is over 80%, which is considered good.
- Board of Directors of the Audit Committee more than 90% which is in excellent criteria.

3. Self-assessment of the Board of Directors and individual committees

There are the following evaluation topics:

- 1). Structure and Qualifications of the Board of Directors received an average score of 3.82
- 2). Board meetings received an average score of 3.84
- 3) Roles, Duties and Responsibilities of the Board of Directors received an average score of 3.87

List	Year 2022	
	average rating	%
Result of self-assessment of the Board of Directors and sub-committees individually	3.85	96.28

- Average score = 3.85 or equal to 96.28% which is in excellent criterion.

4. Evaluation of the Managing Director's performance

is divided into 9 parts with the following evaluation topics:

- 1). Leadership received an average score of 3.81
- 2) Strategic setting received an average score of 3.83
- 3). Strategy implementation received an average score of 3.88

4). Financial Planning and Performance	received an average score of 3.88
5). Relationship with the Board of Directors	received an average score of 3.83
6) External relations	received an average score of 3.88
7). Management and relations with personnel	received an average score of 3.84
8). Knowledge of products and services	received an average score of 3.90
9). Personal characteristics	received an average score of 3.89

List	Year 2022	
	average rating	%
Result of Managing Director's performance appraisal	3.86	91.11

• Average score = 3.86 or equal to 91.11% which is in excellent criterion.

Meaning of Rating

- Score Range	90-100% Excellent	80-89% Very Good	70-79% Good
	60-69% Fair	50-59% Pass Below	50% Need improvement

Assessment of performance of the Chief Executive Officer

The Board of Directors of the Company requires that the performance of the Chief Executive Officer be evaluated annually. Since the Chief Executive Officer is responsible for managing operations in accordance with the policies of the Board of Directors. by having each director evaluate by using goals and evaluation criteria linked to the success of the company's strategic plan to determine appropriate compensation and incentives by using the evaluation form of the Center for Corporate Governance Development of Listed Companies the Stock Exchange of Thailand as a criterion The details of the assessment topics and assessment results are as follows:

3. Board Self-Assessment (Self-assessment) is divided into 9 parts with the following assessment topics:

1). Leadership	received an average score of 3.81
2) Strategic setting	received an average score of 3.83
3). Strategy implementation	received an average score of 3.88
4). Financial Planning and Performance	received an average score of 3.88
5). Relationship with the Board of Directors	received an average score of 3.83
6) External relations	received an average score of 3.88
7).Management and relations with personnel	received an average score of 3.84
8).Knowledge of products and services	received an average score of 3.90

9). Personal characteristics

received an average score of 3.89

List	Year 2022	
	average rating	%
Board self-assessment results	3.64	91.11

• Average score = 3.64 or equal to 91.11% which is in excellent criterion.

8.1.2 Meeting attendance

Board meetings are held at least every quarter by setting the meeting date in advance throughout the year and informing each committee by making an annual meeting schedule.

Quorum of the Board of Directors

At a meeting of the Board of Directors, not less than one- half of the total number of members must be present to constitute a quorum. In this regard, the Board of Directors has established a policy regarding the minimum quorum at the time of the directors' resolution at the Board of Directors meeting that there must be not less than two-thirds of the total number of directors.

In 2022, the Company provided meeting facilities in the form of electronic media so that directors can attend the Board of Directors meeting and give valuable opinions or suggestions to executives or the Company's operations, under the Emergency Decree on Conferencing via Electronic Media, B.E. 2020, and related regulations.

In 2022, the Company held a total of 4 Board of Directors' meetings. During the meeting, the Chairman allocated enough time for the management to propose matters and enough for the directors to carefully discuss important issues. The rate of attendance of directors accounted for approximately 80% , with details of each director's attendance as follows:

Directors' attendance at the meeting in each committee for year 2021 (1 January - 31 December 2022)

Directors	Board of director (4 meetings)	Audit Committee (4 meetings)	Executive Committee (4 meetings)	Risk Management Committee (1 meeting)
1. Pol. Lt. Col. Thaweesin Rakkatanyu	4/4	4/4	-	1/1
2. Mr. Supasith Sukhanindr	4/4	-	4/4	1/1
3. Mr. Nadim Xavier Salhani	4/4	-	4/4	1/1
4. Mr. Somyod Suteerapornchai	4/4	-	4/4	-
5. Miss Nongluck Phinainitisart	4/4	-	4/4	-
6. Miss Kamornwan Chinthammit	4/4	-	-	-
7. Mr. Khem Wanglee	4/4	-	-	-
8. Asst. Prof. Tippawan Pinvanichkul	4/4	4/4	-	-
9. Mr. Pisit Jeungpraditphan	4/4	4/4	-	-
10. Pol.Gen. Ruangsak Jritake	4/4	-	-	-
11. Mr. Benjapol Benjapalakorn	2/4	-	-	-

8.1.3 Supervision of Subsidiaries and Associated Companies

Governance for subsidiaries and associates performance

In order to comply with governance and protect the Company's investment, the Board appoints directors of the parent company to be directors in subsidiaries and associated companies in proportion to the shareholding. The directors who represent the Company shall participate in decision of policies that are important to business operations.

Board of Directors of the Subsidiary

Golden Donuts (Thailand) Co., Ltd.

As of December 31, 2022, the Board of Directors of GDT consisted of 3 directors as follows:

Name	Position
Mr. Supasith Sukhanindr	Chairman of the Board of Directors
Mr. Nadim Xavier Salhani	Director
Mr. Somsak Tangprakob	Director

The authorized directors: Mr. Supasith Sukhanindr, Mr. Nadim Xavier Salhani, and Mr. Somsak Tangprakob; Any Two of those directors are co-sign with company seal.

ABP Café (Thailand) Co., Ltd.

As of December 31, 2022, the Board of Directors of ABP consisted of 3 directors as follows:

Name	Position
Mr. Supasith Sukhanindr	Chairman of the Board of Directors
Mr. Nadim Xavier Salhani	Director
Mr. Somsak Tangprakob	Director

The authorized directors: Mr. Supasith Sukhanindr, Mr. Nadim Xavier Salhani, and Mr. Somsak Tangprakob; Any Two of those directors are co-sign with company seal.

Golden Scoop Co., Ltd.

As of December 31, 2022, the Board of Directors of GS consisted of 3 directors as follows:

Name	Position
Mr. Supasith Sukhanindr	Director
Mr. Nadim Xavier Salhani	Director
Mr. Somsak Tangprakob	Director

The authorized directors: Mr. Supasith Sukhanindr, Mr. Nadim Xavier Salhani, and Mr. Somsak Tangprakob; Any Two of those directors are co-sign with company seal.

Greyhound Café Co., Ltd.

As of December 31, 2022, the Board of Directors of GHC consisted of 3 directors as follows:

Name	Position
Mr. Supasith Sukhanindr	Director
Mr. Nadim Xavier Salhani	Director
Mr. Somsak Tangprakob	Director
Mr. Pakin Penparksakul	Director

The authorized directors: Any Two of those directors are co-sign with company seal.

Greyhound Co., Ltd.

As of December 31, 2022 the Board of Directors of GH consisted of 3 directors as follows:

Name	Position
Mr. Supasith Sukhanindr	Director
Mr. Nadim Xavier Salhani	Director
Mr. Somsak Tangprakob	Director
Mr. Pakin Penparksakul	Director

The authorized directors: Any Two of those directors are co-sign with company seal.

GHC Café (UK) Limited

As of December 31, 2022, the Board of Directors of GHC UK consisted of 4 directors as follows:

Name	Position
Mr. Supasith Sukhanindr	Director
Mr. Nadim Xavier Salhani	Director
Mr. Bhanu Inkawat	Director
Mr. Supachai Sukhanindr	Director

The authorized directors: Mr. Supasith Sukhanindr, Mr. Nadim Xavier Salhani, Mr. Bhanu Inkawat, and Mr. Supachai Sukhanindr; Any One of those directors' sign.

Mudman International Limited

As of December 31, 2022, the Board of Directors of MM Inter consisted of 4 directors as follows:

Name	Position
Mr. Supasith Sukhanindr	Director
Mr. Nadim Xavier Salhani	Director
Ms. Beatrice Lan Kung Wa	Director
Mr. Ashive Kanoosingh	Director

The authorized directors: Mr. Supasith Sukhanindr, and Mr. Nadim Xavier Salhani, Ms. Beatrice Lan Kung Wa, and Mr. Ashive Kanoosingh; Any Two of those directors are co-sign with company seal.

Societe Langonnaise des Vins et Hotelleries SAS

As of December 31, 2022, the director and authorized director of SLVH is Mr. Nadim Xavier Salhani.

MM FR SAS

As of December 31, 2022, the director and authorized director of MM FR is Mr. Nadim Xavier Salhani.

Maison MM1

As of December 31, 2022, the director and authorized director of Maison MM1 is Mr. Nadim Xavier Salhani.

Maison MM2

As of December 31, 2022, the director and authorized director of Maison MM2 is Mr. Nadim Xavier Salhani.

Maison MM3

As of December 31, 2022, the director and authorized director of Maison MM3 is Mr. Nadim Xavier Salhani.

Management of the subsidiary

The position of the top Management of the Company in 5 subsidiaries consisted of 4 persons as follows;

Name	Position	Position in Company				
		GDT	ABP	GS	GHC	GHF
1. Mr. Supasith Sukhanindr	Chief Executive Officer	✓	✓	✓	✓	✓
2. Mr. Somsak Tangpakob	Chief Financial Officer (Acting)	✓	✓	✓	✓	✓
3. Mr. Supasith Sukhanindr	Executive Vice President Supply Chain Management (Acting)	✓	✓	✓	✓	✓
4. Mr. Pakin Penparksakul	Chief Operating Officer	✓	✓	✓	✓	✓

GDT: Golden Donuts (Thailand) Co., Ltd.

ABP: ABP Café (Thailand) Co., Ltd.

GS: Golden Scoop Co., Ltd.

GHC: Greyhound Café Co., Ltd.

GHF: Greyhound Co., Ltd.

8.1.4 Monitor to Ensure Compliance with Corporate Governance Policies and Practices

1. The Use of Internal Information

Since the board of director has been placed good corporate governance as priority to ensure the transparency and to prevent conflict of interest from the misuse of internal information before public disclosure, the board of director sets the use of internal information policy as followed:

1. Educating directors, executives, and Executive Director of Accounting & Financial field about the duty to report their securities holding and the holding of their spouse and minor children to SEC pursuant to Section 59 and penalty provisions under section 275 of the Securities and Exchange Act B.E.1996 (include the amendment).
2. Ensuring the directors, executive officers, and Executive Director of Accounting & Financial field of the Company including their spouse and minor children report the holding of securities and report through the secretary of the company within 30 days since the appointment or trading securities within 3 days since sale, purchase, and transfer its.

3. The Directors, executive officers, Executive Director of Accounting & Financial field and employees of the Company and subsidiaries that received inside information which may affect the stock price needs to be careful when trading securities of the Company in the last month before the financial statements or internal information is disclosed to the public. And during 24 hours after the information of the Company has disclosed to the public those related to inside information must not disclose it to anyone unless they have indicated that data to the stock market.

The penalties for the violation are regarded as a disciplinary offense under the regulations of the Company and the Company will consider sanctions as appropriate such as verbal warning, written warning, probation and expelling, dismissal or removal depending on the case of violation.

2. Anti-corruption

The company has set the anti-corruption policy in the company's good corporate governance policy as follows:

Anti-Corruption Policy

1. The Company has a policy against all forms of corruption-related actions. either directly or indirectly by supporting and encouraging personnel at all levels to see the importance and have awareness of anti-corruption
2. All personnel of the company will not be involved in any form of corruption. both directly and indirectly by all personnel of the Company must not offer, make, contract, make claims Or accept corruption for the benefit of the organization, yourself or others (such as family, friends or acquaintances, etc.). Both involving government officials and between agencies in the private sector that may be considered corruption and must operate in accordance with relevant laws. Especially the anti-corruption laws in Thailand and in every country where the company operates.
3. All personnel of the company must demonstrate their commitment to anti-corruption as well as must jointly create values and Raise awareness of operating with integrity, honesty, transparency and without corruption. into the culture of the organization
4. Executives must prepare guidelines to comply with this policy, which covers the following operations.

4.1 Assessment of corruption risks and designing internal control systems that take into account corruption risks. Corruption, especially in marketing and sales processes Purchasing and contract preparation Human Resource Management Data Storage and Recording Reimbursement of certain types of expenses that are at risk of corruption (eg reimbursement of donations, sponsorships, entertainment or giving gifts, etc.), as well as the process related to contacting various government agencies

4.2 Establishment of written anti-corruption measures for executives and operators to follow This is to prevent the risk of corruption from the operation as well as the preparation of disclosure requirements. Information related to anti-corruption measures to third parties.

4.3 Establishing communication procedures as well as communicating the anti-corruption policy and guidelines. Related to anti-corruption to the personnel of the company. as well as outsiders be informed regularly

4.4 Establishing an audit of internal processes To ensure the efficiency and effectiveness of the internal controls that the Company has designed and implemented, including Determining procedures for reporting audit results in accordance with the anti-corruption policy and guidelines to the relevant committees regularly and procedures for urgent reporting of issues found to high-ranking executives and the Board of Directors

4.5 Determination of safe channels for whistleblowing as well as channels for seeking advice. In case of corruption

5. Company personnel must not neglect or neglect to report actions that fall within the scope of corruption through the channels specified by the company. The company will provide protection to those who report such actions.

6. The company will provide fairness and protection to the personnel of the company who refuse to commit corruption. It will not demote, punish, or cause negative consequences to employees who refuse to commit corruption, even if it causes loss to the company. Business opportunities Any action that violates this policy will be subject to disciplinary action according to the regulations set by the company. This includes termination of employment if the Company deems it necessary. In addition, those who violate this regulation may be subject to legal penalties. If it can be proven that Such actions are illegal.

Whistleblowing or complaints

The company has provided measures for whistleblowing. or complaints against unlawful acts, ethics, or behaviors that may imply corruption or misconduct of persons in the organization both from employees and other stakeholders Including inaccurate financial reports or defective internal control systems, and measures to protect whistleblowers. To allow stakeholders to participate in monitoring the interests of the Company. more efficiently In this regard, in case the Company receives a complaint that there may be offense There will be an investigation committee consisting of representatives from non-interested parties. in such matters to consider investigating and taking action in accordance with the regulations

Whistle-blowing channels or complaints

whistleblower or complaints can be reported through the following channels:

o Sealed letter addressed to the Chairman of the Audit Committee Chief Executive Officer or Company Secretary according to the address of the head office

Mud and Hounds Public Company Limited

No. 206 Soi Phatthanakan 20, Suan Luang Subdistrict, Suan Luang District

Bangkok 10250

o Electronic mail (e-mail) sent to

- Audit Committee e-mail : auditcommittee@mudandhound.co.th or

- Company Secretary e-mail: companysecretary@mudandhound.co.th

- Chief Executive Officer e-mail: supasith@mudandhound.co.th

o Company website

<http://www.mudandhound.co.th>

Protection for whistleblowers or complaints and related persons

The company will provide fairness and protection. whistleblower or complaint and related persons who report clues about fraud and corruption related to the company or complaints By using protection measures for complainants or those who cooperate in notifying and reporting fraud and corruption as specified by the Company in the whistleblowing or complaints policy. For example, there is no change in job position, job description, workplace, suspension, intimidation, interfering with work, termination of employment, or any other acts that are unfair to that person. including information about Matters reported and complaints will be kept secret not disclosed to unrelated persons Unless required to be disclosed in accordance with legal requirements.

In this regard, any person receiving knowledge of the complaint or information related to complaints under this procedure Complaint information must be protected. or related to complaints keep secret and not disclosed to anyone else taking into account the safety and damage of the complainant source of information or related person If information is disclosed Disciplinary action and/or legal action will be taken against violators, depending on the case.

9. Internal Control and Related Transaction

9.1 Internal Control

1. Director's comment

The company emphasizes on having a good internal control system and the principles of good corporate governance to ensure the transparency, check-and-balance system, integrity, and accountability of the Company leading to maximize shareholders' wealth, stakeholders, business partners, communities, and all related parties. Therefore, the Board of Director has appointed the Audit Committee to review the internal control process to ensure that the Company operates its business in accordance with the law and rules related to the Securities and Exchange Commission and the Stock Exchange of Thailand and other applicable laws.

According to the Board of Directors' Meeting No. 2/2022 on February 24, 2022, which all Audit Committee members attended the meeting and the Board of Directors has considered and prepared an assessment of the sufficiency of the Company's internal control system in 2022 by asking information from the management and refer to the internal control system sufficiency assessment report prepared by Internal Audit Department of the Company. The Board of Directors had opinion that the Company has sufficient internal control system and appropriate in accordance with the internal control system adequacy assessment form of the Securities and Exchange Commission. Board of Directors has considered and assessed the sufficiency of the Company's internal control system in all 5 areas as follows:

1. Control Environment
2. Risk Management
3. Control Activities
4. Information & Communication
5. Monitoring Activities

2. Internal audit's comment

The Audit Committee appointed by the Company's Board of Directors consists of 3 independent directors with the qualifications of all Audit Committee's members have passed the criteria laid down by the Office of the Securities and Exchange Commission (SEC). The Audit Committee has carried out its work within the scope of duties and responsibilities specified in the Audit Committee Charter.

In 2022, the Audit Committee convened four meetings with the Company's executives, internal auditors, and the auditors. In addition, the Audit Committee met with the auditors to discuss financial statements without the presence of the Company's Management. The work of the Audit Committee during 2022 can be summarized as follows:

Review of quarterly financial statements and full year 2022 of financial statement

The Audit Committee reviewed the quarterly financial statements and full year 2022 financial statement including the connected transactions and transaction that may have a conflict of interest with executives, internal audit department and auditors. The Audit Committee inquired and received explanations from executives of the Company's finance and accounting units as well as the auditors concerning the accuracy of the Company's financial statements and consolidated financial statements, and also the adequacy of information disclosure and notes to the financial statements. After the review, the Audit Committee agreed with the auditors that fairly the financial statements were accurate in all material aspects and were reliable in accordance with the generally accepted

accounting standard. The financial statements were also presented to the Company's Board of Directors for approval.

Review of internal-control operations and system

The Audit Committee reviewed the internal control based on the report from the internal audit department together with executives every quarter to consider the business operation, use of resources, asset management, fraud, the reliability of financial reports, and compliance with laws and regulations. The Audit Committee did not find any material defect. The Audit Committee also reviewed the auditor's report which also indicated that there was no any material defect, all branches and all units have efficient processes. The internal audit department works independently to assess all major systems of the Company based on the approved audit plan and report directly to the Audit Committee.

Review of compliance with laws and regulations

The Audit Committee reviewed the compliance with internal-audit team and relevant executives. The review showed the audited units proceeded in line with prescribed laws and regulations. They also kept abreast of any change in law, accounting standard and relevant issues through quarterly consultations with external auditor. Updated knowledge of laws, regulations and relevant issues allowed the Company to study and understand the changed requirements well for proper compliance.

Review of connected transactions or transactions that may cause conflict of interest

The Audit Committee reviewed the appropriateness of connected transactions or transactions that may cause conflict of interest. The review showed that the connected transactions by the Company in 2022 were done based on normal business practice, reasonable, and in the best interest of the Company's business. These connected transactions were transparent, with related information disclosed fully and accurately.

Promotion of Good Corporate Governance

The Audit Committee reviewed the Company's compliance with the Securities and Exchange Act, the regulations of the SEC and SET, and other relevant laws related to the Company's business. The Audit Committee concluded that the Company fully complied with the aforementioned regulatory requirements in all material aspects. In addition, the Audit Committee encouraged executives and employees of the Company to follow the policy as good corporate governance shall boost the Company's efficiency.

Consider the appointment of the auditor

The Audit Committee reviewed the performance of auditor during the past year on the basis of his/her/their reliability, independence, competency and abilities to provide services, counseling on accounting standards, auditing, and certifying financial statements in a timely manner. Based on the review, the Audit Committee recommended to the Board of Directors that EY Office Limited be appointed as the Company's auditor for the year 2023. The appointment will be subjected to the approval from the 2023 Annual General Meeting of Shareholders.

In conclusion, after having thoroughly carried out its duties as defined in the Audit Committee Charter, the Audit Committee has the opinion that the Company accurately reported its financial information and operations; that not only the Company had internal-control system and internal audit in place but it also complied with relevant laws, rules and regulations; that its connected transactions were duly disclosed and the Company's operations responded to the

principle of good corporate governance in an adequate, transparent and reliable manner; and that the Company constantly improved its operation systems so as to deliver quality and respond well to changing business environme

9.2 Related party transactions

9.2.1 The group of person who may have a conflict of interest

For the year ending on 31 December 2022 , the key related party transactions entered into the Company can be summarized as follows:

Person/Juristic Entity with Possible Conflict of Interests	Relationship	Shareholding/ ¹	Position in the Company
Sub Sri Thai Plc. ("SST") <u>Business Nature</u> SST provides storage service for documents, products, and assets	Major shareholders of the Company, with shared directors Mr. Supasith Sukhanindr and Mr. Somyot Suteerapornchai	66.65%	-none-
Mr. Supasith Sukhanindr	Major shareholder with shareholding of 18.35% ^{/2} of SST and director of MM	0.7%	- Chief Executive Officer - Vice Chairman of the Board of Director - Chairman of the Board of Executive Director - Risk Management Committee
Mr. Supachai Sukhanindr	Older brother of Mr. Supasith Sukhanindr, and major shareholder with 10.5% ^{/2} shareholding in SST.	-none-	- Consultant to the Management Team

Note: ^{/1} Data on March 10, 2022

^{/2} Data on March 11, 2022

9.2.2 Related party transaction of the company and subsidiaries

Related party transaction of the Company and subsidiaries with those who may have conflict of interest for the period year ended 31 December 2022 are as follows

Person/Juristic Person who may have conflict of interest and nature of relationship	Type of Transactions	Transaction Size (THB mm)	Characteristic of Transactions
SST	Document storage services provided by SST		<u>Necessity and Details of The Transactions</u> • Document storage service expenses incurred by the company and its subsidiaries • Service fees are at fair-market price
	- Account receivables	0.59	
	- Other creditors	0.00	<u>Auditor's Opinion</u> The auditors have assessed the rationality with regards to the transactions and have concluded that the storage services are regular activities of the company and its subsidiaries. Referential documents have stated that the service fees are at fair-market price, as if dealing with a third- party provider (Arm's Length Basis). Hence, the transactions are within reasons and appropriate.
นาย ศุภชัย สุขะนินทร์	Consultation Fees Scope and Responsibilities • Offer advice on the operation of the business as a whole and the future trend in the industry • Provide recommendations on investment	0.30	<u>Necessity and Details of The Transactions</u> • Given fierce competition within the industry, the company must seek new opportunities and retain its competitive advantages • The committee has decided on 7/2013 to appoint Mr. Supachai Sukhanindras board of director within the scope offering his expertise on land scouting, seeking investment opportunity, and collaborating with related entities. His services are based on new projects.

Person/Juristic Person who may have conflict of interest and nature of relationship	Type of Transactions	Transaction Size (THB mm)	Characteristic of Transactions
	opportunities on land and properties • Counsel on the related business entities within the industry		<ul style="list-style-type: none"> Consultation fee is THB 25,000 per month and is at a fair-market price <p><u>Auditor's Opinion</u></p> <p>The auditors have assessed the appropriateness of the transaction and have declared Mr. Supachai Sukhanindr to be a qualified consultant with the service fee is within a reasonable range concerning the scope and responsibilities. As a result the transaction is within it reasons and necessity as if dealing with a third-party service provider (Arm's Length Basis).</p>

1. Connected transaction approval procedure

All related-party / connected transactions of the Company and subsidiaries with any potential conflict of interest person / connected person, related person, or any potential conflict of interest person in the future shall be reviewed by the audit committee with opinion on the necessity and rationality of the transactions in aspects of pricing, terms and conditions to ensure that the transactions are arm's length basis. If necessary, external advisors, experts, or auditor shall be engaged in order to provide independent opinion on the transactions to the board of director, audit committee, or shareholder (if applicable). The connected director, beneficial director, or anyone with potential conflict of interest will not be authorized to vote / approve the transactions. In addition, the related-party / connected transaction will be disclosed in notes of the audited / reviewed financial statement by auditor.

2. Trend of related transaction in the future

The Company and subsidiaries have the policy to execute related-party / connected transactions in the future accordingly to the SET and/or SEC regulations, accounting standards re: disclosure of related / connected transaction stipulated by Accountant and Auditors Association.

With ongoing related-party / connected transactions as normal business course, the Company and subsidiaries establish guidance policy to ensure that the transaction is at fair price, normal business practice as third party, and at arm's length basis. The audit committee will consider and approve the guidance policy.

If necessary, external advisors, experts, or auditor shall be engaged in order to provide independent opinion on the transactions to the board of director, audit committee, or shareholder (if applicable) in order to ensure that the transaction is not provide any beneficial transfer between the Company and subsidiaries and connected person. In additional, the Company is maximizing shareholders' wealth.

Part 3

Financial Statements

Board of Directors' Statement of Responsibility for Financial Reports

The Board of Director of Mud and Hound Public Company Limited strongly values the duties and responsibilities in accordance with good corporate governance. The Board of Directors is responsible for the financial statements of the Company and its subsidiaries including financial information presented in the annual report and the annual financial statements for the year ended December 31, 2022, which are prepared according to Financial Reporting Standards. The Board of Directors has selected and consistently followed an appropriate accounting policy. The aforementioned financial statements are prepared using careful judgment and the best estimation. In addition, important information is adequately disclosed in the Notes to the Financial Statements. The financial statements have been examined by an independent external auditor. Therefore, the financial statements are transparently and can be used for the benefit of shareholders and investors.

The Board of Directors has appointed the Audit Committee, which comprises of independent directors, to review the quality of the financial reports and to evaluate the internal control system, risk management system, and various systems to support effective financial documentation to ensure that accounting records are correct, complete, timely. The Audit Committee's opinion is presented in the Audit Committee's Report which is a part of this annual report.

The Board of Directors believes that the Company's overall internal control system is able to create credibility and reliability for the financial statements of Mud and Hound Public Company Limited and subsidiaries for the period ended December 31, 2022

(Lt. Col. Taweessin Rukkatanyu)
Chairman of Audit Committee

Mr. Supasith Sukhanindr
Chief Executive Office

Independent Auditor's Report

To the Shareholders of Mud & Hound Public Company Limited and its subsidiaries

Opinion

I have audited the accompanying consolidated financial statements of Mud & Hound Public Company Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Mud & Hound Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mud & Hound Public Company Limited and its subsidiaries and of Mud & Hound Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

Revenues from sales and services are the Group's main transactions that have significant volume of transactions and amounts, and directly affect profit or loss of the Group. The Group has numerous sales and services made by cash and credit cards through a large number of branches nationwide. In addition, because of the intensified competition of the food and beverage industry, the Group has to continually adapt its marketing strategies and promotional activities in order to boost sales. I have therefore focused on the revenue recognition of the Group.

I examined the Group's revenue recognition by assessing and testing the Group's internal controls with respect to the revenue cycle by making enquires of responsible executives, gaining an understanding of controls and selecting representative samples to test the operation of the designed controls. In addition, I applied a sampling method to select sales and service transactions occurring during the year and near the end of the accounting period to examine the supporting documents. I also performed analytical procedures on disaggregated data to detect possible irregularities in sales and service transactions throughout the period, particularly for accounting entries made through journal vouchers.

Impairment on investments in subsidiaries, goodwill and trademark

I have focused my audit on the consideration of impairment on investments in subsidiaries, goodwill and trademark arising from business combination, as discussed in Note 12 , 14 and 15 to the consolidated financial statements. This is due to the risk in respect of the possible impairment due to inability to achieve the expected profits of certain entities in the Group, which might affect to the recoverable amounts of the investments in subsidiaries. In addition, the Group has goodwill and trademark amounting to Baht 1,939.9 million and Baht 376.5 million, respectively. The Group has a risk of impairment of goodwill and trademark as future cashflows of the underlying business may not reach expectations. The assessment of impairment of investments in subsidiaries, goodwill and trademark is a significant accounting estimate requiring management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of investments in subsidiaries, goodwill and trademark.

In performing the impairment of investments in subsidiaries, the recoverable amounts are estimated by using the projected cash flows, approved by the management and assumptions used by the management. I assessed the process for identifying impairment indicator and gained understanding of impairment assessment. I assessed the appropriateness of the input data used in preparing cash flow projection. I also assessed the appropriateness of the key assumptions against external and internal data of the Group. I also evaluated the discount rate applied by management through analysis of the weighted average finance costs of the Group and of the industry. I considered the adequacy of the disclosures in accordance with Thai Financial Reporting Standards.

In performing the impairment review of goodwill and trademark, I assessed the identification of cash generating units and the financial models selected by management by gaining an understanding of management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgement in estimating the cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average finance costs of the Group and of the industry and involving internal expert to assist in the assessment of this information by comparing it to external sources based on an expert's knowledge and past experience, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed the disclosures made with respect to the impairment assessment for goodwill and trademark, as well as sensitivity of the impact of changes in key assumptions to the cash flow projections.

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- ☐ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ☐ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ☐ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ☐ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ☐ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ☐ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Kamontip Lertwitworatep

Certified Public Accountant (Thailand) No. 4377

EY Office Limited

Bangkok: 24 February 2023

Mud & Hound Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets					
Current assets					
Cash and cash equivalents	8	224,414,443	206,469,150	60,475,215	26,586,229
Trade and other receivables	7, 9	113,243,802	113,101,646	55,681,933	75,939,151
Short-term loans to related parties	7	-	-	950,729,984	927,712,384
Inventories	10	200,467,559	177,737,413	76,325	47,523
Other current financial assets	11	9,196,000	19,307,400	-	-
Other current assets		32,084,575	31,168,243	536,608	469,034
Total current assets		579,406,379	547,783,852	1,067,500,065	1,030,754,321
Non-current assets					
Restricted bank deposits	33.4.2	1,291,236	1,279,806	-	-
Investments in subsidiaries	12	-	-	2,977,073,089	2,977,073,089
Building and equipment	13	778,976,185	575,883,810	30,803,750	31,649,411
Right-of-use assets	18	1,129,693,850	972,373,022	23,452,008	26,460,259
Goodwill	14	1,939,883,533	1,939,883,533	-	-
Intangible assets	15	677,007,014	715,334,052	197	197
Other non-current assets		146,063,787	144,017,824	16,121,562	22,634,034
Total non-current assets		4,672,915,605	4,348,772,047	3,047,450,606	3,057,816,990
Total assets		5,252,321,984	4,896,555,899	4,114,950,671	4,088,571,311

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

Mud & Hound Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Bank overdraft and short-term loans from financial institutions	16	220,686,576	233,353,198	132,500,000	124,000,000
Trade and other payables	7, 17	448,354,246	420,811,524	16,847,563	14,917,517
Short-term loans from related party	7	-	-	127,000,000	211,000,100
Current portion of lease liabilities	18	276,608,421	198,380,216	6,084,536	5,272,874
Current portion of long-term loans from financial institutions	19	169,334,655	76,529,626	76,345,163	28,250,000
Current portion of debentures	20	515,851,200	-	515,851,200	-
Current portion of other long-term loans	21	-	165,214,444	-	165,214,444
Income tax payable		3,007,027	2,108,615	-	-
Other current liabilities		27,990,942	35,001,811	3,862,353	3,847,014
Total current liabilities		1,661,833,067	1,131,399,434	878,490,815	552,501,949
Non-current liabilities					
Lease liabilities - net of current portion	18	675,349,400	567,408,072	18,972,599	23,006,278
Long-term loans from financial institutions - net of current portion	19	295,229,399	325,980,718	74,750,000	151,095,163
Long-term debentures - net of current portion	20	288,757,404	513,276,073	288,757,404	513,276,073
Provision for long-term employee benefits	22	20,097,870	19,424,330	2,038,934	2,005,134
Other non-current provision	23	52,699,410	47,325,910	200,000	200,000
Deferred tax liabilities	30	123,293,631	158,823,908	229,467	-
Other non-current liabilities		7,321,477	23,030,428	417,880	388,980
Total non-current liabilities		1,462,748,591	1,655,269,439	385,366,284	689,971,628
Total liabilities		3,124,581,658	2,786,668,873	1,263,857,099	1,242,473,577

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

Mud & Hound Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital	24				
Registered					
1,685,418,800 ordinary shares of Baht 1 each		1,685,418,800	1,685,418,800	1,685,418,800	1,685,418,800
Issued and fully paid					
1,053,386,750 ordinary shares of Baht 1 each		1,053,386,750	1,053,386,750	1,053,386,750	1,053,386,750
Share premium	26	1,792,710,984	1,953,348,039	1,792,710,984	1,953,348,039
Surplus on business combination under common control		212,355,818	212,355,818	-	-
Retained earnings					
Appropriated - statutory reserve	26, 27	245,969	19,730,565	245,969	19,730,565
Unappropriated (deficit)	26	(870,345,823)	(1,074,572,856)	4,749,869	(180,367,620)
Other component of shareholders' equity		(12,426)	(13,419,128)	-	-
Equity attributable to owners of the Company		2,188,341,272	2,150,829,188	2,851,093,572	2,846,097,734
Non-controlling interests of the subsidiaries		(60,600,946)	(40,942,162)	-	-
Total shareholders' equity		2,127,740,326	2,109,887,026	2,851,093,572	2,846,097,734
Total liabilities and shareholders' equity		5,252,321,984	4,896,555,899	4,114,950,671	4,088,571,311
		-	-	-	-

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

Mud & Hound Public Company Limited and its subsidiaries

Statements of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Profit or loss					
Revenues					
Sales and service income	32	3,062,180,260	2,169,598,710	7,348,319	5,612,323
Management service income		-	-	126,813,556	108,833,909
Other income		106,253,140	146,802,074	20,933,265	34,127,913
Total revenues		3,168,433,400	2,316,400,784	155,095,140	148,574,145
Expenses	28				
Cost of sales and services		1,224,608,851	848,651,342	63,265,855	60,854,933
Selling and distribution expenses		1,562,881,856	1,181,804,124	5,721,695	4,312,741
Administrative expenses		291,545,601	303,174,815	8,936,254	8,746,430
Total expenses		3,079,036,308	2,333,630,281	77,923,804	73,914,104
Operating profit (loss)		89,397,092	(17,229,497)	77,171,336	74,660,041
Finance cost	29	(112,849,814)	(98,752,250)	(72,041,607)	(63,932,862)
Profit (loss) before income tax		(23,452,722)	(115,981,747)	5,129,729	10,727,179
Income tax	30	27,140,413	4,734,306	(210,352)	-
Profit (loss) for the year		3,687,691	(111,247,441)	4,919,377	10,727,179
Other comprehensive income					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currencies		15,168,316	(14,909,275)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		15,168,316	(14,909,275)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain (loss)	22	(1,261,835)	-	95,576	-
Less: Income tax effect	30	259,128	-	(19,115)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods: - net of income tax		(1,002,707)	-	76,461	-
Other comprehensive income for the year		14,165,609	(14,909,275)	76,461	-
Total comprehensive income for the year		17,853,300	(126,156,716)	4,995,838	10,727,179

Mud & Hound Public Company Limited and its subsidiaries

Statements of comprehensive income (continued)

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Profit (loss) attributable to:					
Equity holders of the Company		24,105,382	(101,096,275)	4,919,377	10,727,179
Non-controlling interests of the subsidiaries		(20,417,691)	(10,151,166)		
		<u>3,687,691</u>	<u>(111,247,441)</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		37,512,084	(114,550,982)	4,995,838	10,727,179
Non-controlling interests of the subsidiaries		(19,658,784)	(11,605,734)		
		<u>17,853,300</u>	<u>(126,156,716)</u>		
Earnings (loss) per share					
	31				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>0.023</u>	<u>(0.096)</u>	<u>0.005</u>	<u>0.010</u>

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

Mud & Hound Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
	<div> <div>Issued and paid-up share capital</div> <div>Share premium</div> <div>Surplus on business combination under common control</div> <div>Treasury stocks</div> </div>				<div> <div>Retained earnings</div> <div>Appropriated - statutory reserve</div> <div>Reserve for treasury stocks</div> <div>Unappropriated (deficit)</div> </div>			Other component of equity		Total other component of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total		
								Exchange differences on translation of financial statements in foreign currencies							
														income	
Balance as at 1 January 2021	1,054,903,750	1,953,348,039	212,355,818	(3,941,135)	19,194,206	3,941,135	(974,651,266)	35,579	35,579	2,265,186,126	(29,336,428)	2,235,849,698			
Loss for the year	-	-	-	-	-	-	(101,096,275)	-	-	(101,096,275)	(10,151,166)	(111,247,441)			
Other comprehensive income for the year	-	-	-	-	-	-	-	(13,454,707)	(13,454,707)	(13,454,707)	(1,454,568)	(14,909,275)			
Total comprehensive income for the year	-	-	-	-	-	-	(101,096,275)	(13,454,707)	(13,454,707)	(114,550,982)	(11,605,734)	(126,156,716)			
Transferred profit for the year to statutory reserve	-	-	-	-	536,359	-	(536,359)	-	-	-	-	-			
Sales of treasury stocks (Note 25)	-	-	-	240,339	-	-	(46,295)	-	-	194,044	-	194,044			
Reduced share capital to write-off treasury stocks (Note 25)	(1,517,000)	-	-	3,700,796	-	-	(2,183,796)	-	-	-	-	-			
Reversal of reserve for treasury stocks (Note 25)	-	-	-	-	-	(3,941,135)	3,941,135	-	-	-	-	-			
Balance as at 31 December 2021	1,053,386,750	1,953,348,039	212,355,818	-	19,730,565	-	(1,074,572,856)	(13,419,128)	(13,419,128)	2,150,829,188	(40,942,162)	2,109,887,026			
Balance as at 1 January 2022	1,053,386,750	1,953,348,039	212,355,818	-	19,730,565	-	(1,074,572,856)	(13,419,128)	(13,419,128)	2,150,829,188	(40,942,162)	2,109,887,026			
Loss for the year	-	-	-	-	-	-	24,105,382	-	-	24,105,382	(20,417,691)	3,687,691			
Other comprehensive income for the year	-	-	-	-	-	-	-	13,406,702	13,406,702	13,406,702	758,907	14,165,609			
Total comprehensive income for the year	-	-	-	-	-	-	24,105,382	13,406,702	13,406,702	37,512,084	(19,658,784)	17,853,300			
Transferred profit for the year to statutory reserve	-	-	-	-	245,969	-	(245,969)	-	-	-	-	-			
Transferred share premium to compensate deficit (Note 26)	-	(160,637,055)	-	-	-	-	160,637,055	-	-	-	-	-			
Transferred statutory reserve to compensate deficit (Note 26)	-	-	-	-	(19,730,565)	-	19,730,565	-	-	-	-	-			
Balance as at 31 December 2022	1,053,386,750	1,792,710,984	212,355,818	-	245,969	-	(870,345,823)	(12,426)	(12,426)	2,188,341,272	(60,600,946)	2,127,740,326			

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

Mud & Hound Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Separate financial statements						
			Retained earnings				
	Issued and paid-up		Treasury	statutory	Reserve for	Unappropriated	
	share capital	Share premium	stocks	reserve	treasury stocks	(deficit)	Total
Balance as at 1 January 2021	1,054,903,750	1,953,348,039	(3,941,135)	19,194,206	3,941,135	(192,269,484)	2,835,176,511
Profit for the year	-	-	-	-	-	10,727,179	10,727,179
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	10,727,179	10,727,179
Transferred profit for the year to statutory reserve	-	-	-	536,359	-	(536,359)	-
Sales of treasury stocks (Note 25)	-	-	240,339	-	-	(46,295)	194,044
Reduced share capital to write-off treasury stocks (Note 25)	(1,517,000)	-	3,700,796	-	-	(2,183,796)	-
Reversal of reserve for treasury stocks (Note 25)	-	-	-	-	(3,941,135)	3,941,135	-
Balance as at 31 December 2021	1,053,386,750	1,953,348,039	-	19,730,565	-	(180,367,620)	2,846,097,734
Balance as at 1 January 2022	1,053,386,750	1,953,348,039	-	19,730,565	-	(180,367,620)	2,846,097,734
Profit for the year	-	-	-	-	-	4,919,377	4,919,377
Other comprehensive income for the year	-	-	-	-	-	76,461	76,461
Total comprehensive income for the year	-	-	-	-	-	4,995,838	4,995,838
Transferred profit for the year to statutory reserve	-	-	-	245,969	-	(245,969)	-
Transferred share premium to compensate deficit (Note 26)	-	(160,637,055)	-	-	-	160,637,055	-
Transferred statutory reserve to compensate deficit (Note 26)	-	-	-	(19,730,565)	-	19,730,565	-
Balance as at 31 December 2022	1,053,386,750	1,792,710,984	-	245,969	-	4,749,869	2,851,093,572

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

Mud & Hound Public Company Limited and its subsidiaries

Statements of cash flows

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit (loss) before tax	(23,452,722)	(115,981,747)	5,129,729	10,727,179
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	413,130,389	441,644,253	8,228,343	6,550,433
Reduction in lease payments by lessors	(10,121,189)	(75,033,003)	-	(764,560)
Allowance for expected credit losses	-	346,357	-	-
Reduction of cost of inventories to net realisable value (reversal)	(11,199,432)	3,132,306	-	-
Loss on changed in fair value of other current financial assets	459,800	689,550	-	-
Loss on disposal of other current financial assets	545,775	-	-	-
Impairment loss on assets	3,094,662	-	-	-
Loss on disposals and write-off of equipment	2,777,867	24,202,640	6	24
Loss on write-off of right-of-use assets	828,066	2,590,988	-	-
Loss on write-off of intangible assets	1,936,399	-	-	-
Provision for long-term employee benefits	4,965,393	5,556,337	129,376	126,309
Amortisation of deferred costs relating to the issuance of debentures	3,092,731	2,628,362	3,092,731	2,628,362
Interest income	(199,719)	(204,128)	(10,586,192)	(26,660,249)
Interest expenses	109,757,084	96,123,888	68,948,876	61,304,500
Profit from operating activities before changes in operating assets and liabilities	495,615,104	385,695,803	74,942,869	53,911,998

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

Mud & Hound Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities (continued)				
Operating assets (increase) decrease				
Trade and other receivables	(142,156)	16,392,989	3,618,229	1,344,088
Inventories	(11,530,714)	(30,657,797)	(28,802)	(3,798)
Other current assets	(916,332)	2,339,010	(67,574)	(32,642)
Restricted bank deposits	(11,430)	(2,398)	-	-
Other non-current assets	(13,135,831)	(3,005,512)	(4,577,396)	(1,234,350)
Operating liabilities increase (decrease)				
Trade and other payables	12,003,852	54,810,736	338,284	(1,958,601)
Other current liabilities	(7,010,870)	1,359,094	15,339	18,204
Provision for long-term employee benefits	(5,125,369)	(9,363,323)	-	(1,475,113)
Other non-current liabilities	(15,708,951)	(1,875,927)	28,900	(3,042,791)
Cash from operating activities	454,037,303	415,692,675	74,269,849	47,526,995
Cash received from dividend income	11,089,868	-	11,089,868	-
Cash paid for income tax	(7,232,323)	(4,453,715)	-	-
Net cash from operating activities	457,894,848	411,238,960	85,359,717	47,526,995
Cash flows from investing activities				
Cash paid for short-term loans to related parties	-	-	(153,717,600)	(216,488,350)
Cash received from short-term loans to related parties	-	-	130,700,000	65,051,350
Cash paid for other current financial assets	-	(19,996,950)	-	-
Proceeds from disposals of other current financial assets	9,105,825	-	-	-
Cash paid for acquisitions of building and equipment	(296,943,744)	(212,973,600)	(2,300,858)	(23,634,721)
Proceeds from disposals of equipment	212,399	2,013,338	-	-
Cash paid for right-of-use assets	(3,519,817)	(1,200,000)	(374,767)	-
Cash paid for intangible assets	(13,440,234)	(18,712,248)	-	-
Cash received from interest income	199,719	776,511	27,225,181	52,512,171
Net cash from (used in) investing activities	(304,385,852)	(250,092,949)	1,531,956	(122,559,550)

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

Mud & Hound Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	368,019,391	235,724,450	262,500,000	151,100,000
Repayment of short-term loans from financial institutions	(371,961,737)	(179,118,338)	(254,000,000)	(96,400,000)
Cash received from short-term loans from related parties	-	-	15,000,000	249,222,018
Repayment of short-term loans from related parties	-	-	(99,000,100)	(244,221,918)
Payment of lease liabilities	(264,005,084)	(230,317,868)	(6,880,549)	(5,744,240)
Cash received from long-term loans from financial institutions	159,089,012	124,336,757	-	-
Repayment of long-term loans from financial institutions	(100,069,369)	(111,842,221)	(28,250,000)	(39,187,186)
Cash received from issuance of debentures	288,239,800	296,350,000	288,239,800	296,350,000
Cash paid for redemption of debentures	-	(333,120,000)	-	(333,120,000)
Cash received from other long-term loans	-	162,700,000	-	162,700,000
Cash paid for repayment of other long-term loans	(170,000,000)	-	(170,000,000)	-
Cash received from sales of treasury stocks	-	194,044	-	194,044
Cash paid for interest expenses	(64,570,180)	(61,165,719)	(60,611,838)	(62,561,122)
Net cash from (used in) financing activities	(155,258,167)	(96,258,895)	(53,002,687)	78,331,596
Exchange differences on translation of financial statements				
in foreign currencies	19,694,464	(23,096,432)	-	-
Net increase in cash and cash equivalents	17,945,293	41,790,684	33,888,986	3,299,041
Cash and cash equivalents at beginning of year	206,469,150	164,678,466	26,586,229	23,287,188
Cash and cash equivalents at end of year (Note 8)	224,414,443	206,469,150	60,475,215	26,586,229

Supplement disclosures of cash flows information

Non-cash transactions from investing activities

Accounts payable for acquisitions of

building and equipment	52,611,565	32,280,108	613,113	1,222,162
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Increase in right-of-use assets from leases	443,708,846	284,689,238	2,682,627	-
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Adjustment of franchise accrual	(9,507,159)	-	-	-
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Non-cash transaction from financing activities

Convert short-term loan to long-term loan	7,335,880	-	-	-
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The accompanying notes are an integral part of the financial statements.

Mud & Hound Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

1. General information

Mud & Hound Public Company Limited (“the Company”) was incorporated as a limited company under Thai laws and subsequently registered the change of its status to a public limited company under the Public Limited Companies Act, and domiciled in Thailand. Its parent company and ultimate parent of the Group is Sub Sri Thai Public Company Limited. The Company is principally engaged in investment holding, management service for related parties and distribution of foods. The registered office of the Company is at 206, Soi Pattanakarn 20, Suan Luang, Suan Luang, Bangkok.

On 27 April 2021, the Annual General Meeting of the Company’s shareholders passed a resolution approving the change of the Company’s name from “Mudman Public Company Limited” to “Mud & Hound Public Company Limited”. The Company registered the change of its name with the Ministry of Commerce on 21 May 2021.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the notes on accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Mud & Hound Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) (collectively “the Group”) as follows:

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			Percent	Percent
<u>Subsidiaries (held by the Company)</u>				
Golden Donuts (Thailand) Co., Ltd.	Distribution of food and beverage	Thailand	100	100
ABP Café (Thailand) Co., Ltd.	Distribution of food and beverage	Thailand	100	100
Golden Scoop Co., Ltd.	Distribution of food and beverage	Thailand	100	100
Greyhound Co., Ltd.	Production and distribution of ready-made clothing and leather goods	Thailand	100	100
Greyhound Café Co., Ltd.	Restaurant	Thailand	100	100
Mudman International Limited	Holding company	Republic of Mauritius	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			Percent	Percent
<u>Subsidiary</u> (held by Greyhound Café Company Limited)				
GHC CAFÉ (UK) Co., Ltd.	Restaurant	United Kingdom	100	100
<u>Subsidiaries</u> (held by Mudman International Limited)				
Societe Langonnaise des Vins et Hotelleries SAS	Restaurant	France	100	100
MM FR SAS	Restaurant	France	67	67
<u>Subsidiaries</u> (held by MM FR SAS)				
MAISON MM1	Restaurant	France	100	100
MAISON MM2	Restaurant	France	100	100
MAISON MM3	Restaurant	France	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- g) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- h) The excess of the fair value of net assets at the date of the acquisition of the subsidiaries over related cost of investment is accounted as "Goodwill" in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

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

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Change in accounting estimates

During the current year, the Group changed its accounting estimates with respect to the useful life of right-of-use building space in respect of leasehold rights from 9 years to 20 years. The management of the Group believes that the new useful life of such assets is more appropriate and consistent with their expected economic benefits provided to the Group.

The Group applied the change in accounting estimates prospectively. The change had the effects of increasing right-of-use building space in the consolidated statement of financial position as at 31 December 2022 of Baht 11.5 million and decreasing loss in the consolidated statements of comprehensive income for the year then ended of Baht 11.5 million (Baht 0.011 per share).

5. Significant accounting policies

5.1 Revenue and expense recognition

Sales and service income - food and beverage and restaurant business

Sales of foods and beverages are recognised upon goods being delivered and services being rendered. Sales and service income are the invoiced value, excluding value added tax, of goods supplied and services rendered after deducting discounts and allowances.

Sales of goods - production and distribution of ready-made clothing and leather goods business

Revenue from sales of goods is recognised at the point in time when control of asset is transferred to the customer, generally upon delivery of the goods. The Group does not recognise consignment sales when delivering the goods, but when the goods are sold. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Management service income

Management service income is recognised overtime the period of management agreement in accordance with terms and conditions stipulated in the agreements.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Dividends

Dividends are recognised when the right to receive the dividends is established.

Other income

Other income is recognised on an accrual basis.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Inventories

Inventories are valued at the lower of cost (first-in, first-out method) and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

5.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

5.5 Building and equipment and depreciation

Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building and building improvement	5 - 20 years
Equipment	5 - 10 years
Furniture and office equipment	5 - 10 years
Motor vehicles	10 years

Depreciation is included in determining income. No depreciation is provided on assets under construction and installation.

An item of building and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.6 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

5.7 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to the profit or loss.

A summary of intangible assets with finite useful lives is as below.

	<u>Useful lives</u>
Franchise	7 - 28 years
Computer software	3 - 5 years

Intangible assets with indefinite useful lives, which represent trademark, are not amortised, but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

5.8 Related party transactions

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

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

5.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets is calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Right-of-use building space	3 - 20 years
Building improvement	10 years
Equipment	5 years
Furniture and office equipment	5 years
Motor vehicles	5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounts the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion

of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

5.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the building and equipment, right-of-use assets and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired.

The Group also carries out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives.

An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

5.12 Employee benefits

Short-term benefits

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

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by the employees and the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

5.13 Provisions

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

5.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.15 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVOCI (debt instruments)

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and selling and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Regular way purchases and sales of financial assets

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset / the settlement date, i.e., the date on which an asset is delivered.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For

those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

5.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation techniques that are appropriate in the circumstances and maximises 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 categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different cash-generating units are disclosed and further explained in Note 14.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

7. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and its subsidiaries and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2022	2021	2022	2021	
<u>Transactions with parent company</u>					
Rental income	140	-	140	-	Contract rate
Service income	312	-	312	-	Contract rate
Other expenses	32	-	32	-	Mutually agreed-upon price
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Management service income	-	-	126,814	108,834	At the higher of the 2.5% of sales and the cost plus margin of 5% - 15%
Rental income	-	-	5,556	4,777	Contract rate
Service income	-	-	3,438	437	Contract rate
Interest income	-	-	10,541	26,621	3.75% - 5.25% p.a. (2021: 3.75% - 12.56% p.a.)
Interest expenses	-	-	5,760	6,044	3.22% p.a. (2021: 3.22% - 3.75% p.a.)

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade and other receivables - related parties				
(Note 9)				
Parent company	24	55	-	-
Subsidiaries	-	-	51,121	72,251
Related company (related by common shareholders)	425	-	325	-
Total trade and other receivables - related parties	<u>449</u>	<u>55</u>	<u>51,446</u>	<u>72,251</u>
Short-term loans to related parties				
Subsidiaries	-	-	1,216,755	1,193,737
Less: Allowance for expected credit losses	-	-	(266,025)	(266,025)
Short-term loans to related parties - net	<u>-</u>	<u>-</u>	<u>950,730</u>	<u>927,712</u>
Trade and other payables - related parties (Note 17)				
Parent company	45	19	33	-
Subsidiaries	-	-	24	2
Related company (related by common shareholders)	3	-	3	-
Total trade and other payables - related parties	<u>48</u>	<u>19</u>	<u>60</u>	<u>2</u>
Short-term loans from related party				
Subsidiary	<u>-</u>	<u>-</u>	<u>127,000</u>	<u>211,000</u>

Short-term loans to related parties

As at 31 December 2022, these represent short-term loans in form of promissory notes, carrying interests between 3.80 and 5.25 percent per annum (2021: between 3.75 and 11.76 percent per annum). The loans have no collateral and are repayable on demand.

Short-term loans from related party

As at 31 December 2022, these represent short-term loans in form of promissory notes, carrying interest at 3.22 percent per annum (2021: 3.22 percent per annum). The loans have no collateral and are repayable on demand.

Movements of loans to and loans from related parties for the year ended 31 December 2022 are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
Loan to / Loan from	Related by	Balance as at			Balance as at
		1 January 2022	Increase	Decrease	31 December 2022
<u>Short-term loans to related parties</u>					
ABP Café (Thailand) Co., Ltd.	Subsidiary	63,000	15,000	(38,000)	40,000
Golden Scoop Co., Ltd.	Subsidiary	47,800	4,000	-	51,800
Greyhound Café Co., Ltd.	Subsidiary	326,963	82,000	(25,000)	383,963
Greyhound Co., Ltd.	Subsidiary	198,851	-	(67,700)	131,151
Mudman International Limited	Subsidiary	557,123	52,718	-	609,841
Total		1,193,737	153,718	(130,700)	1,216,755
Less: Allowance for expected credit losses		(266,025)	-	-	(266,025)
Net		927,712	153,718	(130,700)	950,730
<u>Short-term loans from related party</u>					
Golden Donuts (Thailand) Co., Ltd.	Subsidiary	211,000	15,000	(99,000)	127,000
Total		211,000	15,000	(99,000)	127,000

Allowance for expected credit losses was allowance on short-term loans to Mudman International Limited and Greyhound Co., Ltd. of Baht 204 million and Baht 62 million, respectively.

Directors and management's benefits

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	28,729	25,568	11,705	11,457
Post-employment benefits	546	2,107	-	1,618
Total	<u>29,275</u>	<u>27,675</u>	<u>11,705</u>	<u>13,075</u>

During the year 2021, the Company paid post-employment benefits to its directors and management of approximately Baht 9.11 million (the Company only: Baht 1.48 million) (2022: Nil).

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 33.4.1.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash	28,271	17,290	45	43
Bank deposits	196,143	189,179	60,430	26,543
Total	<u>224,414</u>	<u>206,469</u>	<u>60,475</u>	<u>26,586</u>

As at 31 December 2022, bank deposits in savings accounts carried interests between 0.05 and 0.35 percent per annum (2021: between 0.05 and 0.125 percent per annum).

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	24	55	24,226	22,551
Past due				
Up to 3 months	-	-	4,846	1,712
3 - 6 months	-	-	4,289	2,427
6 - 12 months	-	-	-	10,356
Over 12 months	-	-	-	1,355
Total trade accounts receivable - related parties	<u>24</u>	<u>55</u>	<u>33,361</u>	<u>38,401</u>
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	53,306	57,363	1,045	767
Past due				
Up to 3 months	3,977	3,283	-	-
3 - 6 months	220	502	-	-
6 - 12 months	12	1	-	-
Over 12 months	<u>6,013</u>	<u>6,020</u>	<u>-</u>	<u>-</u>
Total	63,528	67,169	1,045	767
Less: Allowance for expected credit losses	<u>(5,938)</u>	<u>(5,938)</u>	<u>-</u>	<u>-</u>
Total trade accounts receivable - unrelated parties - net	<u>57,590</u>	<u>61,231</u>	<u>1,045</u>	<u>767</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade accounts receivable - related parties</u>				
Total trade accounts receivable - net	57,614	61,286	34,406	39,168
<u>Other receivables</u>				
Other receivables - related parties	425	-	18,085	33,850
Other receivables - unrelated parties	14,711	14,568	231	324
Prepaid expenses	40,494	37,248	2,960	2,597
Total other receivables	55,630	51,816	21,276	36,771
Total trade and other receivables - net	113,244	113,102	55,682	75,939

The normal credit term is 15 to 30 days.

10. Inventories

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finished goods	63,737	70,942	-	-
Work in process	7,066	4,698	-	-
Raw materials	110,834	102,317	37	23
Packing materials	17,527	13,301	17	5
Goods in transit	-	4,144	-	-
Others	29,924	22,154	22	20
Total	229,088	217,556	76	48
Less: Reduce cost to net realisable value	(28,620)	(39,819)	-	-

Total inventories	<u>200,468</u>	<u>177,737</u>	<u>76</u>	<u>48</u>
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During the current year, the subsidiary reversed the reduction in value of inventories to net realisable value amounting to Baht 11.2 million by deducting from the value of inventories recognised as an expense during the year (2021: reduced cost of inventories to net realisable value by Baht 3.1 million, which was included in cost of sales and services).

11. Other current financial assets

As at 31 December 2022 and 2021, other current financial assets consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
<u>Other current financial assets at FVTPL</u>		
Investments in equity instruments listed in SET	<u>9,196</u>	<u>19,307</u>
Total other current financial assets	<u>9,196</u>	<u>19,307</u>

Movements of other current financial assets during the years ended 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Balance at beginning of year	19,307	-
Add: Cash paid for purchase of investments	-	19,997
Less: Proceeds from sales of investments	(9,106)	-
Loss on change in fair value of investments	<u>(1,005)</u>	<u>(690)</u>
Balance at end of year	<u>9,196</u>	<u>19,307</u>

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment loss		Carrying amount based on cost method - net	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Thousand Baht)	(Thousand Baht)	(Percent)	(Percent)						
Golden Donut (Thailand) Co., Ltd.	300,000	300,000	100	100	842,447	842,447	-	-	842,447	842,447
ABP Café (Thailand) Co., Ltd.	40,000	40,000	100	100	382,147	382,147	-	-	382,147	382,147
Golden Scoop Co., Ltd.	125,000	125,000	100	100	125,000	125,000	(84,000)	(84,000)	41,000	41,000
Greyhound Café Co., Ltd.	10,784	10,784	100	100	1,492,606	1,492,606	-	-	1,492,606	1,492,606
Greyhound Co., Ltd.	96,990	96,990	100	100	361,194	361,194	(142,321)	(142,321)	218,873	218,873
	(Thousand US dollar)	(Thousand US dollar)								
Mudman International Limited	30	30	100	100	976	976	(976)	(976)	-	-
Total					3,204,370	3,204,370	(227,297)	(227,297)	2,977,073	2,977,073

The Company pledged the share certificates of a subsidiary in Thailand as collateral against long-term debentures, as described in Note 20 to the financial statements.

13. Building and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Building	Building improvement	Equipment	Furniture and office equipment	Motor vehicles	Assets under construction and installation	Total
Cost							
1 January 2021	-	749,094	316,748	322,527	5,024	11,213	1,404,606
Additions	-	80,349	43,249	36,089	-	54,043	213,730
Disposals/write-off	-	(58,359)	(17,364)	(18,205)	-	-	(93,928)
Transfers in (out)	22,793	3,715	1,067	7,376	-	(34,951)	-
31 December 2021	22,793	774,799	343,700	347,787	5,024	30,305	1,524,408
Additions	-	157,850	76,412	51,181	583	31,248	317,274
Disposals/write-off	-	(50,803)	(6,706)	(9,262)	-	-	(66,771)
Transfers in (out)	-	27,592	1,535	847	-	(29,974)	-
31 December 2022	22,793	909,438	414,941	390,553	5,607	31,579	1,774,911
Accumulated depreciation							
1 January 2021	-	445,372	230,864	238,251	1,989	-	916,476
Depreciation for the year	119	45,181	25,218	31,725	305	-	102,548
Depreciation on disposals/write-off	-	(35,795)	(15,223)	(16,091)	(603)	-	(67,712)
31 December 2021	119	454,758	240,859	253,885	1,691	-	951,312
Depreciation for the year	1,083	48,557	27,311	25,393	591	-	102,935
Depreciation on disposals/write-off	-	(48,325)	(6,313)	(9,143)	-	-	(63,781)
31 December 2022	1,202	454,990	261,857	270,135	2,282	-	990,466
Allowance for impairment loss							
1 January 2021	-	7,668	10	-	-	-	7,678
31 December 2021	-	7,668	10	-	-	-	7,678
Increase during the year	-	12	2,941	142	-	-	3,095
31 December 2022	-	7,680	2,951	142	-	-	10,773
Translation adjustment							
31 December 2021	-	7,794	906	1,692	-	74	10,466
31 December 2022	-	4,428	941	(65)	-	-	5,304

Net book value

31 December 2021	<u>22,674</u>	<u>320,167</u>	<u>103,737</u>	<u>95,594</u>	<u>3,333</u>	<u>30,379</u>	<u>575,884</u>
31 December 2022	<u>21,591</u>	<u>451,196</u>	<u>151,074</u>	<u>120,211</u>	<u>3,325</u>	<u>31,579</u>	<u>778,976</u>

Depreciation for the year

2021 (Baht 11.68 million included in cost of sales and services, and the balance in selling and administrative expenses)	<u>102,548</u>
2022 (Baht 13.02 million included in cost of sales and services, and the balance in selling and administrative expenses)	<u>102,935</u>

(Unit: Thousand Baht)

	Separate financial statements					Total
	Building	Building improvement	Equipment	Furniture and office equipment	Asses under construction and installation	
Cost						
1 January 2021	-	3,132	501	8,874	9,309	21,816
Additions	-	-	-	10	20,388	20,398
Disposals/write-off	-	-	(16)	(354)	-	(370)
Transfers in (out)	22,793	2,740	950	3,214	(29,697)	-
31 December 2021	22,793	5,872	1,435	11,744	-	41,844
Additions	-	645	51	996	-	1,692
Disposals/write-off	-	-	-	(44)	-	(44)
Transfers in (out)	-	-	-	-	-	-
31 December 2022	22,793	6,517	1,486	12,696	-	43,492
Accumulated depreciation						
1 January 2021	-	1,700	422	7,523	-	9,645
Depreciation for the year	119	172	26	603	-	920
Depreciation on disposals/write-off	-	-	(16)	(354)	-	(370)
31 December 2021	119	1,872	432	7,772	-	10,195
Depreciation for the year	1,083	432	110	912	-	2,537
Depreciation on disposals/write-off	-	-	-	(44)	-	(44)
31 December 2022	1,202	2,304	542	8,640	-	12,688
Net book value						
31 December 2021	22,674	4,000	1,003	3,972	-	31,649
31 December 2022	21,591	4,213	944	4,056	-	30,804
Depreciation for the year						
2021 (Baht 0.79 million included in cost of sales and services, and the balance in selling and administrative expenses)						920

2022 (Baht 2.19 million included in cost of sales and services, and the balance in selling and administrative expenses)

2,537

As at 31 December 2022 and 2021, certain equipment items of the Group have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 683.6 million and Baht 721.6 million, respectively (the Company only: Baht 11.6 million and Baht 7.3 million, respectively).

14. Goodwill

For the purpose of annual impairment testing, the Company allocated goodwill acquired in business combinations to each of the cash generating units (CGUs), as presented below.

	(Unit: Thousand Baht)			
	Donuts unit	Bakery unit	Restaurant unit	Total
Goodwill	484,370	298,192	1,157,322	1,939,884

The recoverable amount of each CGU is determined based on a value-in-use calculation, using cash flow projections extracted from financial budgets approved by the management. The cash flow projections cover a 4.5-year period.

Key assumptions used in value in use calculations are summarised below.

	(Unit: percent per annum)		
	Donuts unit	Bakery unit	Restaurant unit
Long-term revenue growth rate	2.0	2.0	1.6 - 2.0
Discount rate	12.2	12.2	9.3 - 12.2

In 2020, the Company assessed the recoverable amount of goodwill for the restaurant business and its result was concluded that the recoverable amount was lower than the carrying amount. The Company therefore recognised allowance for impairment loss on such goodwill amounting to Baht 200 million in profit or loss in the consolidated statement of comprehensive income for the year 2020.

15. Intangible assets

	(Unit: Thousand Baht)				
	Consolidated financial statements				Separate financial statements
	Franchise	Trademark	Computer software	Total	Computer software
1 January 2021	349,882	376,563	7,490	733,935	5
Additions	14,640	-	4,072	18,712	-

Amortisation for the year	(35,604)	-	(2,125)	(37,729)	(5)
Translation adjustment	-	387	29	416	-
31 December 2021	328,918	376,950	9,466	715,334	-
Additions	6,847	-	6,593	13,440	-
Write-off	(11,435)	-	(8)	(11,443)	-
Amortisation for the year	(37,344)	-	(2,575)	(39,919)	-
Translation adjustment	-	(405)	-	(405)	-
31 December 2022	286,986	376,545	13,476	667,007	-

Trademark acquired through business combination for restaurant business that has allowed the Group to determine that this asset has an indefinite useful life was tested for impairment annually, together with goodwill, as described in Note 14 to the financial statements.

Management has considered and believes that trademark with indefinite useful life is not impaired.

16. Short-term loans from financial institutions

Short-term loans from financial institutions consisted of:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term loans from financial institutions	220,687	233,353	132,500	124,000

The interest rates of short-term borrowings are as follows:

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term loans from financial institutions	2.00 - 3.55, MLR - 2.50	2.00 - 3.55, MLR - 2.50	2.00 - 3.55	2.20 - 3.55

As at 31 December 2022, the Group had short-term credit facilities, which have not yet been drawn down, of Baht 34.5 million (2021: Baht 70.5 million), of which Baht 19.5 million (2021: Baht 28.5 million) are guaranteed by the Company and its subsidiaries as described in Note 33.4.1 to the financial statements.

17. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade payables - unrelated parties	213,214	176,945	1,385	1,196
Other payables - related parties	48	19	60	2
Other payables - unrelated parties	50,010	58,727	894	568
Payables for purchase of assets	52,611	32,280	613	1,222
Accrued expenses	116,449	140,405	13,884	11,911
Deferred income	14,785	11,178	-	-
Others	1,237	1,258	12	19
Total	448,354	420,812	16,848	14,918

18. Leases
The Group as a lessee

The Group has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 1 and 20 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Right-of-use building space	Building improvement	Equipment	Furniture and office equipment	Motor vehicles	Total
1 January 2021	969,386	34,439	227	318	9,726	1,014,096
Additions	241,499	4,947	9,183	-	30,260	285,889
Disposals/write-off - net book value at disposal/write-off date	(26,545)	(3,170)	(4,292)	(46)	(2,847)	(36,900)

Depreciation for the year	(282,051)	(5,061)	(1,859)	(158)	(12,238)	(301,367)
Translation adjustment	10,655	-	-	-	-	10,655
31 December 2021	912,944	31,155	3,259	114	24,901	972,373
Additions	419,225	7,885	-	-	20,119	447,229
Disposals/write-off - net book value at disposal/write-off date	(8,460)	(1,379)	(1,028)	-	-	(10,867)
Depreciation for the year	(251,750)	(4,928)	(1,592)	(114)	(11,894)	(270,278)
Translation adjustment	(8,763)	-	-	-	-	(8,763)
31 December 2022	1,063,196	32,733	639	-	33,126	1,129,694

(Unit: Thousand Baht)

	Separate financial statements			
	Right-of-use building space	Building improvement	Motor vehicles	Total
1 January 2021	31,787	140	158	32,085
Depreciation for the year	(5,447)	(20)	(158)	(5,625)
1 January 2022	26,340	120	-	26,460
Additions	-	-	2,683	2,683
Depreciation for the year	(5,447)	(20)	(224)	(5,691)
31 December 2022	20,893	100	2,459	23,452

b) Lease liabilities

Lease liabilities as at 31 December 2022 and 2021 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Lease payments	1,057,320	869,422	28,872	33,238
Less: Deferred interest expenses	(105,362)	(103,634)	(3,815)	(4,959)

Total	951,958	765,788	25,057	28,279
Less: Portion due within one year	(276,608)	(198,380)	(6,084)	(5,273)
Lease liabilities - net of current portion	675,350	567,408	18,973	23,006

Movements of lease liabilities during the years ended 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at beginning of year	765,788	787,242	28,279	33,237
Add: Additions during the year	435,823	279,743	2,308	-
Accretion of interest	38,199	37,454	1,351	1,550
Less: Payments during the year	(264,005)	(230,318)	(6,881)	(5,744)
Decrease from cancellation of lease contracts	(10,039)	(34,309)	-	-
Reduction in lease payments by lessors	(10,121)	(75,033)	-	(764)
Translation adjustment	(3,687)	1,009	-	-
Balance at end of year	951,958	765,788	25,057	28,279

A maturity analysis of lease payments is disclosed in Note 35 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	270,278	301,367	5,691	5,625
Interest expense on lease liabilities	38,199	37,454	1,351	1,550
Expense relating to short-term leases	57,011	6,111	-	-

Expense relating to leases of low-value

assets	11,832	608	-	-
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Expense relating to variable lease payments

that do not depend on an index or a rate	201,617	143,152	-	-
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The Group has lease contracts for building space that contains variable payments based on sales. The lease term is 1 - 3 years.

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 534.5 million (2021: Baht 380.2 million) and of the Company amounting to Baht 6.9 million (2021: Baht 5.7 million), including the cash outflows related to short-term leases, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

19. Long-term loans from financial institutions

			(Unit: Thousand Baht)			
	Interest rate (Percent per annum)		Consolidated financial statements		Separate financial statements	
Loan		Repayment schedule	2022	2021	2022	2021
<u>The Company</u>						
1.	MLR - 1.00	Quarterly installments as from February 2019 to February 2027	97,750	103,500	97,750	103,500
2.	4.25	Monthly installments as from January 2020 to December 2023	53,345	75,845	53,345	75,845
			151,095	179,345	151,095	179,345
<u>Subsidiaries</u>						
3.	2.75	Monthly installments as from December 2021 to December 2024	6,611	9,666	-	-
4.	1.00	Quarterly installments as from August 2019 to May 2026	36,354	45,181	-	-
5.	1.30	Quarterly installments as from August 2019 to June 2026	32,830	31,152	-	-
6.	1.23	Monthly installments as from July 2019				

		to June 2026	-	1,673	-	-
7.	1.30	Monthly installments as from January 2019				
		to December 2026	33,846	41,764	-	-
8.	1.45	Monthly installments as from October 2020				
		to September 2027	30,473	37,688	-	-
9.	2.00	Monthly installments as from April 2022				
		to April 2025	27,296	20,000	-	-
10.	2.75	Monthly installments as from April 2021				
		to December 2024	22,792	36,042	-	-
11.	2.00	Monthly installments as from January 2022				
		to December 2025	4,500	-	-	-
12.	2.75	Monthly installments as from February 2022				
		to January 2025	4,886	-	-	-
13.	2.75	Monthly installments as from March 2022				
		to February 2025	4,886	-	-	-
14.	2.75	Monthly installments as from April 2022				
		to March 2025	2,932	-	-	-
(Unit: Thousand Baht)						
	Interest rate		Consolidated		Separate	
	(Percent per		financial		financial	
	annum)		statements		statements	
Loan		Repayment schedule	2022	2021	2022	2021
Subsidiaries (continued)						
15.	2.75	Monthly installments as from April 2022				
		to March 2025	7,717	-	-	-
16.	2.00	Monthly installments as from January 2022				
		to December 2025	4,500	-	-	-
17.	2.75	Monthly installments as from May 2022				
		to April 2025	3,872	-	-	-
18.	7.50	Monthly installments as from July 2022				
		to June 2025	34,652	-	-	-

19.	2.75	Monthly installments as from October 2022 to September 2025	9,244	-	-	-
20.	7.50	Monthly installments as from September 2022 to August 2025	8,247	-	-	-
21.	2.75	Monthly installments as from October 2022 to September 2025	16,260	-	-	-
22.	2.75	Monthly installments as from December 2022 to November 2025	9,562	-	-	-
23.	2.75	Monthly installments as from November 2022 to October 2025	12,009	-	-	-
			<u>313,469</u>	<u>223,166</u>	<u>-</u>	<u>-</u>
Total			464,564	402,511	151,095	179,345
Less: Current portion			<u>(169,335)</u>	<u>(76,530)</u>	<u>(76,345)</u>	<u>(28,250)</u>
Long-term borrowings - net of current portion			<u>295,229</u>	<u>325,981</u>	<u>74,750</u>	<u>151,095</u>

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at beginning of year	402,511	382,023	179,345	218,532
Converted from short-term loan	7,336	-	-	-
Additional borrowings	159,089	124,337	-	-
Repayments	(100,069)	(111,842)	(28,250)	(39,187)
Translation adjustment	<u>(4,303)</u>	<u>7,993</u>	<u>-</u>	<u>-</u>
Balance at end of year	<u>464,033</u>	<u>402,511</u>	<u>151,095</u>	<u>179,345</u>

During the year 2021, the Company entered into the Amendment Agreement to the Credit Facility Agreement with a financial institution to extend the repayment period of the outstanding principal for 8 months starting from 1 August 2021, and one

year starting from 1 November 2021. Therefore, the loans shall be repaid again in March 2022 and in October 2022, respectively.

On 5 June 2022, a subsidiary made an amendment of short-term loan agreement of Baht 7.3 million with bank to be long-term loan agreement.

The long-term loans from financial institutions of the subsidiaries of Baht 143 million are guaranteed by the Company.

The loan agreements contain certain covenants which, among other things, require the Group and a subsidiary to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

In December 2022, the Group received the waiver letter from the financial institutions, approving a waiver for certain financial conditions including a waiver for maintenance of the debt service coverage ratio and debt- to-equity ratio for the year ended 31 December 2022.

20. Long-term debentures

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2022	2021
Face value	809,600	517,700
Less: Deferred transaction costs relating to the issuance of debentures	(4,992)	(4,424)
Total	804,608	513,276
Less: Current portion	(515,851)	-
Long-term debentures - net of current portion	288,757	513,276

Movements of debentures during the years ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2022	2021
Balance at beginning of year	513,276	547,417
Add: Net cash received from issuance of debentures during the year	288,240	296,350

Amortisation of transaction costs during the year	3,092	2,629
Less: Redemption of debentures during the year	-	(333,120)
Balance at end of year	804,608	513,276

The outstanding balances of debentures as at 31 December 2022 and 2021 are as follows:

No.	Debentures period		Number of units (Units)	Amount (Million Baht)	Coupon rate (Percent per annum)	Outstanding balance (Million Baht)	
	Issue Date	Maturity Date				2022	2021
MM237A	1 Oct 2020	1 Jul 2023	217,700	218	5.8	218	218
MM23NA	20 May 2021	20 Nov 2023	300,000	300	6.0	300	300
MUD255A	11 Aug 2022	11 May 2025	291,900	292	5.8	292	-
						810	518

Debentures no. MM23NA are guaranteed by the pledge of the share certificates of a subsidiary.

On 11 August 2022, the Company issued 291,900 units of debentures by way of private placement to specific institutional investors and/or major investors at a par value of Baht 1,000 each, totaling Baht 291.9 million. The term of the debentures is 2 years and 9 months with the redemption date on 11 May 2025 and the fixed interest at 5.8 percent per annum.

Under the conditions of debenture issuance, the Company is required to maintain debt-to-equity at the rate prescribed in the debenture conditions.

Fair value of debentures, which was the latest price as at 31 December 2022 and 2021, was presented below.

No.	Fair value per unit		Fair value	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Baht)	(Baht)	(Million Baht)	(Million Baht)
MM237A	997.70	1,000.62	217	218
MM23NA	993.89	999.20	298	300
MUD255A	1,001.47	-	293	-
			808	518

21. Other long-term loans

During the year 2021, the Company entered into the long-term loan agreements with individuals for loans of Baht 170 million, carrying interest at 8 percent per annum. There were transaction costs of Baht 7.3 million which are recorded as

deferred transaction costs and are amortised over the period of the loan agreements. The loans are guaranteed by the pledge of the share certificates of a subsidiary and fall due in December 2022.

During the current year, the Company already repaid the above long-term loans with individuals and redeemed the pledge of the share certificates of a subsidiary.

22. Provision for long-term employee benefits

22.1 Defined contribution plans

The Group and its permanent employees have jointly registered a provident fund scheme under Provident Fund Act B. E. 2530. Such fund is monthly contributed by both the employees and the Group at rates of 2 to 4 percent of the employees' basic salaries. The fund, which is managed by Bualuang Asset Management Company Limited and Tisco Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2022, the contributions of the Group amounting to Baht 4.64 million (2021: Baht 3.46 million) and of the Company amounting to Baht 0.65 million (2021: Baht 0.74 million) were recognised as expenses.

22.2 Defined benefit plans

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Provision for long-term employee benefits				
at beginning of year	19,424	23,186	2,005	3,354
Included in profit or loss:				
Current service cost	4,725	5,301	101	101
Interest cost	240	255	28	25
Included in other comprehensive income:				
Actuarial (gain) loss				
Financial assumptions changes	(839)	-	(129)	-
Experience adjustments	2,101	-	34	-
Benefits paid during the year	(5,125)	(9,363)	-	(1,475)
Translation adjustment	(428)	45	-	-

Provision for long-term employee benefits

at end of year	<u>20,098</u>	<u>19,424</u>	<u>2,039</u>	<u>2,005</u>
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The Group expects to pay Baht 2.6 million for long-term employee benefits during the next year (the Company only: Baht 1.1 million) (2021: Baht 4.2 million, the Company only: Baht 1.2 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefits of the Group is 8 - 21 years (the Company only: 8 years) (2021: 9 - 15 years, the Company only: 9 years).

Significant actuarial assumptions are summarised below.

(Unit: % per annum)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Discount rate	2.80 - 3.85	1.35 - 1.71	2.80	1.35
Future salary increase rate	2.15 - 4.39	2.50 - 3.96	4.39	2.50
Turnover rate	0 - 70	0 - 73	0 - 39	0 - 50

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase	Decrease	Increase	Decrease
	0.5%	0.5%	0.5%	0.5%
Discount rate	(769)	822	(52)	55
Future salary increase rate	801	(757)	51	(49)
Turnover rate	(861)	921	(56)	60

(Unit: Thousand Baht)

	As at 31 December 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(623)	666	(63)	66
Future salary increase rate	722	(681)	72	(69)
Turnover rate	(784)	771	(87)	71

23. Other non-current provision

Other non-current provision is provision for dismantling and restoring cost.

Movements in the provision for dismantling and restoring cost for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance as at 1 January	47,326	46,344	200	200
Add: Increase during the year	7,885	4,947	-	-
Less: Reversal during the year	(2,512)	(3,965)	-	-
Balance as at 31 December	<u>52,699</u>	<u>47,326</u>	<u>200</u>	<u>200</u>

24. Share capital

24.1 On 12 January 2021, the meeting of the Board of Directors of the Company No. 1/2021 passed the following resolutions.

- To approve the reselling of 98,500 treasury shares which are shares repurchased before the commencement of the project and could not be registered for capital reduction. The shares were resold on the Stock Exchange of Thailand, with incurred loss of Baht 46,295.
- To approve the reduction of the Company's registered share capital of Baht 1,517,000 from Baht 1,054,903,750 (1,054,903,750 ordinary shares of Baht 1 each) to Baht 1,053,386,750 (1,053,386,750 ordinary share of Baht 1 each) in order to cut the Company's registered shares that were repurchased.

24.2 On 27 April 2021, the Annual General Meeting of the Company's shareholders passed a resolution to approve the increase in the Company's registered share capital from Baht 1,053,386,750 million (1,053,386,750 ordinary shares of Baht 1 each) to Baht 1,685,418,800 million (1,685,418,800 ordinary shares of Baht 1 each) by issuing 632,032,050 new ordinary shares with a par value of Baht 1 each. The Company registered its registered share capital increase with the Ministry of Commerce on 7 May 2021.

25. Treasury stocks

On 23 May 2019, the meeting of the Company's Board of Directors approved the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 100 million or approximately 20 million shares, which is approximately 1.9% of total issued shares at par value of Baht 1 per share by repurchasing in the Stock Exchange of Thailand, which the repurchase price shall not be exceeding 115 percent of the average closing stock price prior to 5 working days on the date of sale of treasury stocks.

The Company has to disclose the proposed share repurchase not later than 14 days prior to the date on which the shares will be repurchased. The implementation period shall not exceed 6 months. The Company's Board of Directors has delegated the Executive Committee to disclose the share repurchase period. The Executive Committee determined the repurchase period from 24 September 2019 to 24 March 2020. The Board of Directors would reconsider the periods of stocks resell within 6 months from the date of complete repurchasing the stocks but not more than 3 years. The reselling price would not be less than 85 percent of the average closing stock price prior to 5 working days on the date of sale of treasury stocks.

As at 24 March 2020, the share repurchase period approved by the Company's Board of Directors was expired. The Company had an outstanding treasury stocks of 1,615,500 shares in the account with an average cost of Baht 2.44 per share. The total cost was Baht 3,941,136. The treasury stocks of 1,615,500 shares have a par value of Baht 1.00 per share with retained earnings of Baht 3,941,136 being appropriated as reserve for treasury stocks. The Company can hold treasury stocks not longer than three years after repurchasing the stocks. During 1 - 14 January 2021, the Company resold 98,500 treasury stocks which were shares repurchased before the commencement of the program and could not be registered for capital reduction.

On 15 January 2021, the Company registered the reduction of its registered and paid-up share capital from Baht 1,054,903,750 to Baht 1,053,386,750 with the Ministry of Commerce to cut the remaining 1,517,000 treasury stocks of Baht 3,700,796. The Company recognised the difference amounting to Baht 2,183,796, resulting from the reduction of its share

capital at par value by means of writing off the treasury stocks, to unappropriated retained earnings. Moreover, the Company reversed reserve for treasury stocks of Baht 3,941,136 to unappropriated retained earnings.

26. Offsetting accumulated losses

On April 27, 2022, the Annual General Meeting of the Company's shareholders No. 1/2022 passed a resolution approving the Company to transfer the statutory reserve amounting to Baht 19,730,565.08 and the share premium amounting to Baht 160,637,054.51 to compensate for the accumulated loss of the Company amounting to Baht 180,367,619.59.

27. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

28. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Salaries and wages and other employee benefits	910,063	728,765	46,148	49,681
Raw materials and consumables used	925,428	608,545	3,370	2,319
Depreciation and amortization	413,130	441,644	8,228	6,550
Rental and related service expenses	270,460	149,871	-	-
Utilities expenses	95,750	67,416	2,299	1,543
Franchise fees	67,460	53,000	-	-
Transportation expenses	56,749	36,558	100	202
Marketing expenses	35,214	25,452	8	1
Maintenance expenses	32,633	24,423	822	1,004
Impairment loss on assets	3,095	-	-	-
Changes in finished goods and work in process	4,837	(2,822)	-	-

29. Finance cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Interest expenses on borrowings	74,651	61,298	70,691	62,383
Interest expenses on lease liabilities	38,199	37,454	1,351	1,550
Total	112,850	98,752	72,042	63,933

30. Income tax

Income tax for the years ended 31 December 2022 and 2021 is made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Current income tax charge	8,131	5,008	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(35,271)	(9,742)	210	-
Income tax reported in profit or loss	(27,140)	(4,734)	210	-

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax relating to actuarial gain (loss)	(259)	-	19	-
Income tax charged to other comprehensive income	(259)	-	19	-

The reconciliation between accounting profit (loss) and income tax for the years ended 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit (loss) before tax	(23,453)	(115,982)	5,130	10,727

Applicable tax rate	5% 15%, 19%, 5% 20%, 25%	20%	20%
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Accounting profit (loss) before tax multiplied by income tax rate	(8,243)	(24,849)	1,026	2,145
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Effects of:

Income not subject to tax	4,141	7,638	1,871	1,320
Additional expense deductions allowed	(2,693)	(5,751)	(1,376)	(2,491)
Taxable income	8,678	4,776	8,678	4,776
Previously unrecognised deductible temporary differences and tax losses that were recognised or utilised in the current year				

	(29,942)	(8,264)	(9,989)	(5,771)
Deductible temporary differences and unused tax loss that is not recognised as deferred tax assets				
	919	21,716	-	21
Total	<u>(18,897)</u>	<u>20,115</u>	<u>(816)</u>	<u>(2,145)</u>
Income tax reported in profit or loss	<u>(27,140)</u>	<u>(4,734)</u>	<u>210</u>	<u>-</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

Statements of financial position				
as at 31 December				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax assets				
Unused tax losses	21,224	-	-	-
Provision for long-term employee benefits	3,481	2,767	408	-
Inventories	5,424	-	-	-
Leases	6,283	3,949	341	-
Provision for decommissioning	5,341	4,546	20	-
Loss on change in fair value of investments	161	138	-	-
Deferred income	35	82	-	-
Others	<u>38</u>	<u>683</u>	<u>-</u>	<u>-</u>
Total	<u>41,987</u>	<u>12,165</u>	<u>769</u>	<u>-</u>
Deferred tax liabilities				
Depreciation	2,658	2,097	-	-

Amortisation	29,475	29,475	-	-
Intangible assets	132,150	139,417	-	-
Others	998	-	998	-
Total	165,281	170,989	998	-
Net deferred tax liabilities	(123,294)	(158,824)	(229)	-

As at 31 December 2022, the Group has deductible temporary differences and unused tax losses totaling Baht 549.6 million (2021: Baht 607.3 million), on which deferred tax assets have not been recognised as the Group considers that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses. The unused tax losses of the Group amounting to Baht 41 million (the Company only: Nil) will expire by 2023 - 2026.

31. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the years attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

31.1 Weighted average number of ordinary shares

	(Unit: Thousand shares)	
	Consolidated/Separate financial statements	
	2022	2021
Balance brought forward	1,053,387	1,053,288
Less: Ordinary shares reduced during the year	-	(1,459)
Add: Treasury stocks sold during the year	-	95
Weighted average number of ordinary shares	1,053,387	1,051,924

31.2 Reconciliation of earnings (loss) per share

The following table sets forth the computation of basic earnings (loss) per share.

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit (loss) for the year				
(Thousand Baht)	24,105	(101,096)	4,919	10,727
Weighted average number of ordinary shares				
(Thousand shares)	1,053,387	1,051,924	1,053,387	1,051,924
Basic earnings (loss) per share (Baht/share)	0.023	(0.096)	0.005	0.010

32. Operating segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services. The Group has the following two reportable segments.

1. The food and beverage segment produces and distributes snacks, drinks, ice cream and operates restaurant.
2. Garment segment produces and distributes clothing and leather work.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following table presents revenue and loss information regarding the Group's operating segments for the years ended 31 December 2022 and 2021.

					(Unit: Million Baht)	
	Food and beverage segment		Garment segment		Consolidated financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue						
Sales and service income	2,810	2,006	252	164	3,062	2,170
Operating results						

Segment profit (loss)	(55)	(155)	39	(9)	(16)	(164)
Other income					106	147
Finance cost					(113)	(99)
Loss before income tax					(23)	(116)
Income tax					27	5
Profit (loss) for the year					<u>4</u>	<u>(111)</u>

Geographic area information

Financial information by geographic area for the years ended 31 December 2022 and 2021 of the Group is as follows:

(Unit: Million Baht)

	Domestic		Overseas		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue from external customers	2,732	1,940	330	230	3,062	2,170

Disaggregation of revenue

The Group derives its revenue from the sales of goods and services overtime and at a point in time in the following major products. This is consistent with the revenue information that is disclosed for each reportable segment under TFRS 8 "Operating Segments".

(Unit: Million Baht)

	Food and beverage segment		Garment segment		Consolidated financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Timing of revenue recognition						
At a point in time	2,798	1,977	252	164	3,050	2,141
Overtime	12	29	-	-	12	29
Total revenue	<u>2,810</u>	<u>2,006</u>	<u>252</u>	<u>164</u>	<u>3,062</u>	<u>2,170</u>

Major customers

For the years 2022 and 2021, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

33. Commitments and contingent liabilities

33.1 Capital commitments

As at 31 December 2022, the Group had capital commitments of Baht 24.3 million (2021: Baht 28.7 million), relating to the improvement of buildings and acquisitions of equipment.

33.2 Lease and service commitments

The Group has entered into several lease agreements and other service agreements. The terms of the agreements are generally between 1 and 5 years.

As at 31 December 2022 and 2021, future minimum payments required under these lease and service contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Payable:				
Within 1 year	24.7	35.1	-	-
In over 1 year and up to 5 years	6.3	3.6	-	-
Total	31.0	38.7	-	-

The above future payments do not include certain long-term lease agreements with rental fees based on percentage of sales.

33.3 Franchise agreements

33.3.1 On 10 March 1981, a subsidiary entered into a master franchise agreement with Dunkin' Donuts of America Inc. Under the agreement, the subsidiary has been granted the franchise to open bakery shops in Thailand. Under such agreement, the subsidiary has been granted the franchise to operate bakery shops for 20 years from the opening date of each shop and the right to extend the agreement period for another 20 years. The subsidiary is obliged to pay the franchisor a franchise fee calculated at a percentage of sales as stipulated in the agreement.

On 13 May 2022, the subsidiary entered into a master franchise agreement with Dunkin' Donuts Franchising LLC which became an owner of franchise after Dunkin' Donuts of America Inc.. The contract determines the expiration date of the master franchise agreement to be the last shop operated under the former agreement and those shops have been granted to operate for 20 years after the opening date of each shop.

33.3.2 On 1 April 2006, a subsidiary entered into a master franchise agreement with ABP Corporation for a period of 28 years. Under the agreement, the subsidiary, which has been granted the franchise to operate bakery shops in Thailand, is obliged to pay the franchisor a franchise fee calculated at a percentage of sales as stipulated in the agreement.

33.3.3 On 2 July 2012 a subsidiary entered into a master franchise agreement with Baskin-Robbins Franchising LLC. in the United States of America for a period of 10 years from the opening date of each shop. Under the agreement, the subsidiary, which has been granted the franchise to operate ice cream shops in Thailand, is obliged to pay the franchisor a franchise fee.

33.4 Guarantees

33.4.1 As at 31 December 2022, the Company and its subsidiaries have jointly guaranteed the revolving credit facilities of the Group in an amount not exceeding Baht 170 million (2021: Baht 250 million).

33.4.2 As at 31 December 2022, there were outstanding letters of guarantee of Baht 11.2 million issued by banks on behalf of the subsidiaries to guarantee rental payments and electricity use (2021: Baht 18.1 million). Such amounts included the letters of guarantee of Baht 1.29 million which were guaranteed by the pledge of the subsidiaries' bank deposits (2021: Baht 1.28 million).

34. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets that were measured at fair value and the liabilities for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in equity instruments	9	-	-	9

(Unit: Million Baht)

	Consolidated/Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Liabilities for which fair value was disclosed				
Long-term debentures	-	808	-	808

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2021				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in equity instruments	19	-	-	19

(Unit: Million Baht)

Consolidated/Separate financial statements				
As at 31 December 2021				
	Level 1	Level 2	Level 3	Total
Liabilities for which fair value was disclosed				
Long-term debentures	-	518	-	518

35. Financial instruments

35.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, trade payables, loans, short-term and long-term borrowings and long-term debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Market risk

There are two types of market risk comprising currency risk and interest risk.

Foreign currency risk

The Group's exposure to the foreign currency risk relates mainly from purchase transactions, the payment of franchise fees and the receipt of franchise income that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate.

As at 31 December 2022 and 2021, the Group had no outstanding foreign exchange forward contracts.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its bank deposits, loans, short-term and long-term borrowings and long-term debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2022

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)	
	Within	Over 5 years						
	1 year							1 - 5 years
Financial assets								
Cash and cash equivalents	-	-	-	153	71	224	0.05 - 0.35	
Trade and other receivables	-	-	-	-	113	113	-	
Other current financial assets	-	-	-	-	9	9	-	
Restricted bank deposits	1	-	-	-	-	1	0.60 - 1.20	
	1	-	-	153	193	347		

Short-term loans from financial institutions	171	-	-	50	-	221	2.00 - 3.55, MLR - 2.50
Trade and other payables	-	-	-	-	448	448	-
Lease liabilities	276	467	209	-	-	952	4.53 - 5.23
Long-term loans from financial institutions	146	220	-	98	-	464	1.00 - 7.50, MLR - 1.00
Long-term debentures	516	289	-	-	-	805	5.80 - 6.00
	1,109	976	209	148	448	2,890	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2021

Fixed interest rates

Within		Over 5	Floating	Non-	Effective	
1 year	1 - 5 years	years	interest	bearing	Total	interest rate
			rate			
						(% per annum)

Financial assets

Cash and cash equivalents	-	-	-	96	110	206	0.05 - 0.125
Trade and other receivables	-	-	-	-	113	113	-
Other current financial assets	-	-	-	-	19	19	-
Restricted bank deposits	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	0.02
	1	-	-	96	242	339	

Financial liabilities

Short-term loans from financial institutions	178	-	-	55	-	233	2.00 - 3.55, MLR - 2.50
Trade and other payables	-	-	-	-	421	421	-
Lease liabilities	198	415	153	-	-	766	4.53 - 5.23
Long-term loans from financial institutions	77	215	7	104	-	403	1.00 - 4.25, MLR - 1.00
Long-term debentures	-	513	-	-	-	513	5.80 - 6.00
Other long-term loans	165	-	-	-	-	165	8.00

618	1,143	160	159	421	2,501
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(Unit: Million Baht)

Separate financial statements as at 31 December 2022

	Fixed interest rates						Effective interest rate (% per annum)
	Within		Over 5	Floating	Non- interest		
	1 year	1 - 5 years	years	interest rate	bearing	Total	
Financial assets							
Cash and cash equivalents	-	-	-	59	1	60	0.15 - 0.35
Trade and other receivables	-	-	-	-	56	56	-
Short-term loans to related parties	951	-	-	-	-	951	3.80 - 5.25
	951	-	-	59	57	1,067	
Financial liabilities							
Short-term loans from financial institutions	133	-	-	-	-	133	2.00 - 3.55
Trade and other payables	-	-	-	-	17	17	-
Short-term loans from related party	127	-	-	-	-	127	3.22
Lease liabilities	6	13	6	-	-	25	4.53 - 5.23
Long-term loans from financial institutions	76	-	-	75	-	151	4.25, MLR - 1.00
Long-term debentures	516	289	-	-	-	805	5.80 - 6.00
	858	302	6	75	17	1,258	

(Unit: Million Baht)

Separate financial statements as at 31 December 2021

	Fixed interest rates					Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non- interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	26	1	27	0.05 - 0.125
Trade and other receivables	-	-	-	-	76	76	-
Short-term loans to related parties	928	-	-	-	-	928	3.75 - 11.76
	<u>928</u>	<u>-</u>	<u>-</u>	<u>26</u>	<u>77</u>	<u>1,031</u>	
Financial liabilities							
Short-term loans from financial institutions	124	-	-	-	-	124	2.20 - 3.55
Trade and other payables	-	-	-	-	15	15	-
Short-term loans from related party	211	-	-	-	-	211	3.22
Lease liabilities	5	15	8	-	-	28	4.53 - 5.23
Long-term loans from financial institutions	22	53	-	104	-	179	4.25, MLR - 1.00
Long-term debentures	-	513	-	-	-	513	5.80 - 6.00
Other long-term loans	<u>165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165</u>	<u>8.00</u>
	<u>527</u>	<u>581</u>	<u>8</u>	<u>104</u>	<u>15</u>	<u>1,235</u>	

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's loss before tax to a reasonably possible change in interest rates on that portion of floating rate loans from affected as at 31 December 2022 and 2021, with all other variables held constant.

As at 31 December 2022				
Currency	Consolidated financial statements		Separate financial statements	
	Interest rate	Effect on loss before tax	Interest rate	Effect on profit before tax
	Increase/decrease	Increase/decrease	Increase/decrease	Increase/decrease
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Baht	0.5	740	0.5	490

As at 31 December 2021				
Currency	Consolidated financial statements		Separate financial statements	
	Interest rate	Effect on loss before tax	Interest rate	Effect on profit before tax
	Increase/decrease	Increase/decrease	Increase/decrease	Increase/decrease
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Baht	0.5	795	0.5	520

The above analysis has been prepared assuming that the amounts of the floating rate loans from financial institutions and all other variables remain constant over one year. Moreover, the floating legs of these loans from financial institutions are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation.

Liquidity risk

The Group monitors the risk of shortage of liquidity through the use of bank loans and lease contracts. Approximately 52% of the Group's debts will mature in less than one year as at 31 December 2022 (2021: 39%) (the Company only: 69%, 2021: 44%).

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2022				
	Within 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	221	-	-	221
Trade and other payables	448	-	-	448
Lease liabilities	312	516	229	1,057
Long-term loans from financial institutions	186	314	-	500
Long-term debentures	557	315	-	872
Total non-derivatives	1,724	1,145	229	3,098

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2021				
	Within 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	237	-	-	237
Trade and other payables	421	-	-	421
Lease liabilities	225	484	160	869
Long-term loans from financial institutions	89	337	11	437
Long-term debentures	31	540	-	571
Other long-term loans	183	-	-	183
Total non-derivatives	1,186	1,361	171	2,718

(Unit: Million Baht)

Separate financial statements as at 31 December 2022				
	Within 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	133	-	-	133
Trade and other payables	17	-	-	17
Lease liabilities	7	16	6	29
Long-term loans from financial institutions	83	85	-	168
Long-term debentures	557	315	-	872
Total non-derivatives	797	416	6	1,219

(Unit: Million Baht)

Separate financial statements as at 31 December 2021				
	Within 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	124	-	-	124
Trade and other payables	15	-	-	15
Lease liabilities	7	17	9	33
Long-term loans from financial institutions	35	164	6	205
Long-term debentures	31	540	-	571
Other long-term loans	183	-	-	183
Total non-derivatives	395	721	15	1,131

35.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

36. Capital management

The primary objective of the Group's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2022, the Group's debt-to-equity ratio was 1.47:1 (2021: 1.32:1) and the Company's was 0.44:1 (2021: 0.44:1).

37. Events after the reporting period

On 24 February 2023, the meeting of the Board of Directors of the Company No. 2/2023 passed the following resolutions.

- To approve the extension of allocation of the newly issued ordinary shares of the Company in the amount of not exceeding 632,032,050 shares, which will be due on the date of the 2023 Annual General Meeting of Shareholders. The details and all conditions remain in all respects, as those approved by the 2021 Annual General Meeting of Shareholders on 27 April 2021.
- To approve the issuance and offering of debt instruments in the form of bills and/ or debentures in the amount not exceeding Baht 2,000 million or equivalent in other currencies, which is the same amount and with the same conditions that were approved by the shareholders' meeting.

38. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2023.

Attachments

Attachment 1 : Details of directors, executives, controlling persons and the Company's secretary



Lt.Col. Taweessin Rukkatanyu

Independent Director

Chairman of Board of Director

Chairman of Audit Committee

Chairman of Risk Management Committee



Mr. Supasith Sukhanindr

Vice Chairman of Board of Director

Chairman of Executive Committee

Member of Risk Management Committee

Chief Executive Officer



Mr. Nadim Xavier Salhani

Director

Vice Chairman of Executive Committee

Member of Risk Management Committee

Mr. Somyod Suteerapornchai

Director

Executive Director



Miss Nongluck Phinainitisart

Director

Executive Director

Miss Kamornwan Chinthammit

Director





Mr. Khem WangleeDirector

Asst. Prof. Tippawan Pinvanichkul

Independent Director

Audit Committee



Mr. Pisit Jeungpraditphan

Independent Director

Audit Committee



Pol.Gen. Ruangsak Jritake

Independent Director

Mr. Benjapol Benjapalakorn

Independence Director



1. POL. LT. COL. THAWEESIN RAKKATANYU Age 71 year Director qualified as an independent director	
Position Independent Director/ Chairman of the Board Director / Chairman of Audit Committee / Chairman of Risk Management Committee Date of Appointment as a Director <input type="checkbox"/> 6 June 2013 Education/Training <input type="checkbox"/> Certificate, Management of Government and Private Sectors Class No.8, King Prajadhipok's Institute <input type="checkbox"/> B.Ss. (Engineering) Hons. Royal Military College of Science (SHRIVENHAM) <input type="checkbox"/> M.Sc. (Soil Mechanics), Imperial College University of London <input type="checkbox"/> D.I.C. (Diploma of Membership of Imperial College) Imperial College University of London Director Training <input type="checkbox"/> Director Certification program (DCP) Class 124/2006 Thai Institute of Directors Association (IOD) <input type="checkbox"/> Advanced Audit Committee Program (AACP) Class 23/2016 Thai Institute of Directors Association (IOD)	Working experience 2008 - 2011 Governor The Expressway Authority of Thailand Board Member/Management in Other Listed Company (None) Position in Other Company /Organization/Institution (None) Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: (None) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)
2. MR. SUPASITH SUKHANINDR Age 48 year	
Position Director / Vice - Chairman of the Board Director / Chairman of the Board of Executive Director (Authorized signatory) / Member of Risk Management Committee / Chief Executive Officer Date of Appointment as a Director <input type="checkbox"/> 9 January 2012 Education/Training <input type="checkbox"/> M.B.A. Specialized in Finance, Marketing and International Business, University of Miami U.S.A. <input type="checkbox"/> Bachelor of Business Administration Program in Marketing, Thammasat University	Board Member/Management in Other Listed Company 2004 – Present Director Sub Sri Thai Public Company Limited 2016 – Present Chief Executive Officer and President Sub Sri Thai Public Company Limited Position in Other Company /Organization/Institution 2001 – Present Director Super Enterprises Co., Ltd. 2009 – Present Director SST Warehouse Co., Ltd. 2012 – Present Director Golden Donut (Thailand) Co., Ltd. 2012 – Present Director ABP Café (Thailand) Co., Ltd. 2012 – Present Director Golden Scoop Co., Ltd. 2014 – Present Director Greyhound Café Co., Ltd. 2014 – Present Director Greyhound Co., Ltd. 2016 – Present Director GHC Café (UK) Co., Ltd.

<p>Director Training</p> <p><input type="checkbox"/> Director Accreditation Program (DAP) Class 50/2006</p> <p>Thai Institute of Directors Association (IOD)</p>	<p>2016 – Present Director Tinbaron Co., Ltd.</p> <p>2017 – Present Director Mudman International Ltd.</p> <p>2017 – Present Director SST REIT Management Co., Ltd.</p> <p>(* Subsidiary Company)</p> <p>Shareholding (Ordinary Shares) (as of 31 December 2021)</p> <p>- Own: 8,133,937 Shares (0.77%)</p> <p>- Held by Spouse or minor children: (None)</p> <p>Family Relationship among Directors and Executives</p> <p>(None)</p>
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<p>3. MR. NADIM XAVIER SALHANI</p> <p>Age 63 year</p>	
<p>Position Director / Vice - Chairman of the Board of Executive Director (Authorized signatory) / Member of Risk Management Committee</p> <p>Date of Appointment as a Director</p> <p><input type="checkbox"/> 9 January 2012</p> <p>Education/Training</p> <p><input type="checkbox"/> Bachelor degree of Hospitality and Recreation MKTG-OPS, School of Hotel Administration at Cornell University</p> <p><input type="checkbox"/> Starbucks Coffee University Certification, Seattle USA</p> <p><input type="checkbox"/> Sales & Marketing Course, Dusit Thani College</p> <p><input type="checkbox"/> Accounting for Non-Accountant, Dusit Thani College</p> <p><input type="checkbox"/> Workshop, Paradigm Prism, Robert Perry</p> <p>Director Training</p> <p><input type="checkbox"/> Director Accreditation Program (DAP) Class 104/2013</p> <p>Thai Institute of Directors Association (IOD)</p>	<p>Working experience</p> <p>1997 – 2003 Manager Starbucks Coffee (Thailand) Co., Ltd.</p> <p>1992 – 1997 Manager Dusit Thani Public Company Limited</p> <p>Board Member/Management in Other Listed Company</p> <p>(None)</p> <p>Position in Other Company /Organization/Institution</p> <p>2003 – Present Director Golden Donut (Thailand) Co., Ltd.</p> <p>2003 – Present Director ABP Café (Thailand) Co., Ltd.</p> <p>2012 - Present Director Golden Scoop Co., Ltd.</p> <p>2014 - Present Director Greyhound Café Co., Ltd.</p> <p>2014 – Present Director Greyhound Co., Ltd.</p> <p>2016 - Present Director GHC Café (UK) Co.,Ltd.</p> <p>2017 - Present Director Mudman International Ltd.</p> <p>2018 – Present Director Societe Langonnaise des Vins et Hotelleries SAS</p> <p>2019 - Present Director MM FR SAS</p> <p>2020 - Present Director Maison MM1 SAS, Maison MM2 SAS, Maison MM3 SAS</p> <p>(* Subsidiary Company)</p> <p>Shareholding (Ordinary Shares) (as of 31 December 2022)</p> <p>- Own: (None)</p> <p>- Held by Spouse or minor children: (None)</p> <p>Family Relationship among Directors and Executives</p> <p>(None)</p>

4. MR. SOMYOD SUTEERAPORNCHAI	
Age 57 year	
Position Director / Executive Director (Authorized signatory) Date of Appointment as a Director <input type="checkbox"/> 1 December 2019 Education/Training <input type="checkbox"/> Master of Law, New South Wales, Australia <input type="checkbox"/> Bachelor of Law, Chulalongkorn University Director Training <input type="checkbox"/> Director Accreditation Program (DPA) Class 119/2015 Thai Institute of Directors Association (IOD)	Board Member/Management in Other Listed Company 2015 – Present Director AP (Thailand) PCL. 2017 – Present Director and Audit Committee AP (Thailand) PCL 2020 – Present Director Sub Sri Thai PCL. Position in Other Company /Organization/Institution 2010 – Present Director Green Partners Holding Co., Ltd. 2010 – Present Director Wayu and Partners Co., Ltd. 2014 – Present Director Joint ventures companies between AP subsidiary companies and Mitsubishi Estate group. 2020 – Present Director Bio Skinresq Co., Ltd Shareholding (Ordinary Shares) (as of 31 October 2022) - Own: 202,291 Shares (0.0192%) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)

5. MISS NONGLUCK PHINAINITSART	
Age 63 year	
Position Director / Executive Director Date of Appointment as a Director <input type="checkbox"/> 1 September 2019 Education/Training <input type="checkbox"/> Doctorate Degree in Electrical Engineering, Chulalongkorn University <input type="checkbox"/> Master Degree in Electrical Engineering, University of Missouri, USA <input type="checkbox"/> Bachelor Degree in Electrical Engineering, Chulalongkorn University <input type="checkbox"/> Executive Program, Harvard University, USA <input type="checkbox"/> Stanford Executive Program, Stanford University, USA Director Training <input type="checkbox"/> Director Accreditation Program (DAP) 4/2003 Thai Institute of Directors Association (IOD) <input type="checkbox"/> Director Certification Program (DCP) 71/2006 Thai Institute of Directors Association (IOD)	Working experience 2012 – 2014 Independent Director / Chairman of Risk Management Committee Government Saving Bank 2009 – 2014 Chairman of Board of Director / Independent Director Thailand Post Co., Ltd. 2007 – 2014 Chief Commercial Officer Thaicom PCL Board Member/Management in Other Listed Company 2010 – Present Independent Director / audit Committee Khon Kaen Sugar Industry PCL Position in Other Company /Organization/Institution (None) Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: (None) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)

6. MISS KAMORNWAN CHINTHAMMIT	
Age 46 year	
Position Director Date of Appointment as a Director <input type="checkbox"/> 17 September 2014 Education/Training <input type="checkbox"/> Master of Law, Southern Methodist University, USA <input type="checkbox"/> Master of Law, Case Western Reserve University, USA <input type="checkbox"/> Bachelor of Law, Chulalongkorn University, Director Training <input type="checkbox"/> Director Accreditation Program (DAP) Class 137/2017 Thai Institute of Directors Association (IOD)	Board Member/Management in Other Listed Company 2008 – 2019 Senior Manager Khon Kaen Sugar Industry PCL Position in Other Company /Organization/Institution (None) Shareholding (Ordinary Shares) (as of 31 December 2021) - Own: 2,820,841 Shares (0.2678%) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)
7. MR. KHEM WANGLEE	
Age 47 year	
Position Director Date of Appointment as a Director <input type="checkbox"/> 1 December 2021 Education/Training <input type="checkbox"/> Bachelor's Degree of Science at Rensselaer Polytechnic Institute, USA <input type="checkbox"/> Master Degree of Engineering at Rensselaer Polytechnic Institute, USA Director Training <input type="checkbox"/> Director Accreditation Program (DAP) 196/2022	Board Member/Management in Other Listed Company (None) Position in Other Company /Organization/Institution 2015 - Present Director, SMS Corporation Co., Ltd Director, Thanakorn Vegetable Oil Products Company Limited Director, Dole Thailand Co., Ltd. Shareholding (Ordinary Shares) (as of 31 December 2021) - Own: (None) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)

8. ASST. PROF. TIPPAWAN PINCVANICHKUL, PH.D. Age 57 year Director qualified as an independent director	
Position Independent Director / Audit Committee Date of Appointment as a Director <input type="checkbox"/> 6 June 2013 Education/Training <input type="checkbox"/> Bachelor of Accounting, Thammasat University <input type="checkbox"/> M.B.A. Management of Technology, Asia Institute of Technology (AIT) <input type="checkbox"/> Ph.D. Management of Technology, Asia Institute of Technology (AIT) <input type="checkbox"/> Capital Market Academy Class 25 Director Training <input type="checkbox"/> Director Accreditation Program (DAP) Class 104/2013 Thai Institute of Directors Association (IOD) <input type="checkbox"/> Advanced Audit Committee Program (AACP) class 23/2016 Thai Institute of Directors Association (IOD)	Board Member/Management in Other Listed Company 2010 – Present Vice President for Finance and Property King Mongkut's University of Technology Thonburi 2021 – Present Director, the Venture Capital Investment Committee development bank, small and medium enterprises of Thailand 2019 - Present Director, BGIC Co., Ltd. 2019 – Present Director, Advisor, Baker Tilly (Thailand) Company 2015 – Present Director, Association of Business Incubators and Thai Science Park 2014 – Present Director, Nawawiwat Co., Ltd. Position in Other Company /Organization/Institution 2021 – Present Director, Internet Thailand Public Company Limited 2019 – Present Director, SE-EDUCATION PUBLIC COMPANY LIMITED Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: (None) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)
9. MR. PISIT JEUNGPRADITPHAN Age 51 year Director qualified as an independent director	
Position Independent Director / Audit Committee Date of Appointment as a Director <input type="checkbox"/> 6 June 2013 Education/Training <input type="checkbox"/> BBA in Banking & Management, Assumption University <input type="checkbox"/> Chartered Alternative Investment Analyst, CAIA Association <input type="checkbox"/> Chartered Financial Analyst, CFA Institute Director Training	Working experience 2006 – 2019 Mutual Fund Manager Siam Knight Fund Management Securities Co., Ltd Board Member/Management in Other Listed Company 2012 – Present Senior Director (Investment Banking) IV Global Securities Public Company Limited Position in Other Company /Organization/Institution 2011 - Present Director Gereje Advisory Asia Pte., Ltd 2015 - Present Director KT Restaurant Co., Ltd. Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: (None) - Held by Spouse or minor children: (None)

<input type="checkbox"/> Director Accreditation Program (DAP) Class 104/2013 Thai Institute of Directors Association (IOD) <input type="checkbox"/> Advanced Audit Committee Program (AACP) Class 19/2015 Thai Institute of Directors Association (IOD)	Family Relationship among Directors and Executives (None)
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10. POL. GEN. RUANGSAK JRITAKE, PH.D. Age 68 year Director qualified as an independent director	
Position Director / Independent Director Date of Appointment as a Director <input type="checkbox"/> 13 August 2013 Education/Training <input type="checkbox"/> Bachelor of Public administration in Public Administration, Bangkokthonburi University <input type="checkbox"/> Faculty of Political Science, Chulalongkorn University <input type="checkbox"/> Faculty of Political Science, Royal Police Cadet Academy Director Training <input type="checkbox"/> Director Accreditation Program (DAP) Class 124/2016 Thai Institute of Directors Association (IOD)	Working experience 2011 - 2012 Commander (Education) Royal Thai Police 2012 - 2014 Assistant Royal Thai Police 2014 - 2015 Deputy Commissioner General Royal Thai Police Board Member/Management in Other Listed Company (None) Position in Other Company /Organization/Institution (None) Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: (None) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)

11. MR. BENJAPOL BENJAPALAKORN Age 45 year Director qualified as an independent director	
Position Director / Independent Director Date of Appointment as a Director <input type="checkbox"/> 1 June 2020 Education/Training <input type="checkbox"/> Bachelor of Education, Faculty of Education, Chulalongkorn University <input type="checkbox"/> Master of Education, Faculty of Education, Chulalongkorn University <input type="checkbox"/> Doctor of Education, Bio-behavioral Sciences, Columbia University, Teachers College Director Training -	Working experience 2015 - 2018 Head of Conditioning coaches Vajiravudh College Board Member/Management in Other Listed Company (None) Position in Other Company /Organization/Institution 2004 - Present Lecture Faculty of Sports Sciences, Chulalongkorn University 2013 – Present Senior Exercise Specialist Samitivej Sukumvit Hospital Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: (None) - Held by Spouse or minor children: (None)

	Family Relationship among Directors and Executives (None)
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13. MR. SOMSAK TANGPRAKOB Age 61 year	
Position Executive Vice President Accounting and Finance (Acting) Date of Appointment as a Director <input type="checkbox"/> 1 July 2020 Education/Training <input type="checkbox"/> B.A. of Accountancy, Chulalongkorn University <input type="checkbox"/> Modern Marketing Management (MMM), Faculty of Commerce and Accountancy, Chulalongkorn University <input type="checkbox"/> CFO Orientation Course, TSI, The Stock Exchange of Thailand (SET) <input type="checkbox"/> CFO Refresher Course No.1	Working experience 1998-2006 Accounting Manager, United Tactical Communication Ltd. (UTC) 2007-2018 Assistant Accounting and Finance Manager, Sub Sri Thai Plc Board Member/Management in Other Listed Company 2019 – Present Accounting and Finance Manager, Sub Sri Thai Plc. Position in Other Company /Organization/Institution 2021 – Present Director Golden Donut (Thailand) Co., Ltd. 2021 – Present Director ABP Café (Thailand) Co., Ltd. 2021 - Present Director Golden Scoop Co., Ltd. 2021 – Present Director Greyhound Co., Ltd. 2021 - Present Director Greyhound Café Co., Ltd. Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: 585,485 Shares (0.06%) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)

14. MRS. PATCHAREE BOONNAK Age 65 year	
Position Company Secretary Date of Appointment as a Director <input type="checkbox"/> 1 December 2021 Education/Training <input type="checkbox"/> B.A. In Law Ramkhamhaeng University <input type="checkbox"/> Corporate Secretary Development Program Faculty of Commerce and Accountancy, Chulalongkorn University	Board Member/Management in Other Listed Company 2009 – Present Senior Operation Manager Sub Sri Thai Plc. 2021 – Present Company Secretary, Sub Sri Thai Plc. Position in Other Company /Organization/Institution (None) Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: 151,256 Shares (0.01 %) - Held by Spouse or minor children: (None)

<input type="checkbox"/> Organizational Risk Management Program Sasin Graduate Institute of Business Administration of Chulalongkorn University <input type="checkbox"/> Entrepreneurs Development for Manufacturer program: Sustainable Innovation Management (SIM) Department of Industrial promotion, Ministry of Industry <input type="checkbox"/> CSR for Corporate Sustainability Class 2 <input type="checkbox"/> Workshop for Stengthening Practical skills in CSR Sustainable Business Development Institute, Stock Exchange of Thailand <input type="checkbox"/> Fundamental Practice for Corporate Secretary (FPCS 30)	Family Relationship among Directors and Executives (None)
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14. MR. PAKIN PENPARKSAKUL Age 51 year	
Position Chief Operating Officer Date of Appointment as a Director <input type="checkbox"/> 1 October 2021 Education/Training <input type="checkbox"/> Master of X-MBA, Ramkhamhaeng University <input type="checkbox"/> Higher Diploma Program in Public Economic Management For senior executives, Class 15 <input type="checkbox"/> Management Science Program for Senior Executives, Class 1 <input type="checkbox"/> Executive Relations Development Program, Royal Thai Air Force, Class 15	Working experience 2003-2012 Operation Manager, Golden Donut Co., Ltd. (Thailand) Co., Ltd.* 2012-2013 Operation Manager, Golden Scoop Company Limited* 2013-2019 General Manager, ABP Café (Thailand) Co., Ltd.* 2019-2021 Managing Director, Golden Donut Co., Ltd. (Thailand) Co., Ltd.* Board Member/Management in Other Listed Company (None) Position in Other Company /Organization/Institution 2021 – Present Chief Operating Officer Golden Donut (Thailand) Co., Ltd.* ABP Café (Thailand) Co., Ltd.* Golden Scoop Co., Ltd.* Greyhound Co., Ltd.* Greyhound Café Co., Ltd.* (*Subsidiaries of the Company) Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: 64,525 Shares (0.006%) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)

14. MRS. SUWANEE KAMKUEA	
Age 46 year	
Position Accounting and Finance Director Date of Appointment as a Director <input type="checkbox"/> 1 March 2018 Education/Training <input type="checkbox"/> B.A. In Accounting - Rajanagarindra Rajabhat University <input type="checkbox"/> Master's Degree in Banking and Finance - Ramkhamhaeng University MBA MMM	Board Member/Management in Other Listed Company 2005 – 2018 Accounting and Finance Manager, Golden Donuts (Thailand) Co., Ltd. Board Member/Management in Other Listed Company (None) Position in Other Company /Organization/Institution (None) Shareholding (Ordinary Shares) (as of 31 December 2022) - Own: 103,272 Shares (0.009%) - Held by Spouse or minor children: (None) Family Relationship among Directors and Executives (None)

Attachment 2 : Details of the directors of subsidiaries

No.	Director Name	MM	GDT	ABP	GS	GHC	GHC (UK)	GHF	MMI	France group
1	Pol. Lt. Col. Thaweesin Rakkatanyu	C, V, X,II	-	-	-	-	-	-	-	-
2	Mr. Supasith Sukhanindr	I, IV,XI.VI	C	C	C	C	I	C	I	-
3	Mr. Nadim Xavier Salhani	I, IV, VI	I	I	I	I	I	I	I.XI	I.XI
4	Asst. Prof. Tippawan Pinvanichkul, Phd.	III, X	-	-	-	-	-	-	-	-
5	Mr. Pisit Jeungpraditphan	III, X	-	-	-	-	-	-	-	-
6	Mr. Somyod Suteerapornchai	I, IV	-	-	-	-	-	-	-	-
7	Nongluck Phinainitisart, Ph.D.	I, IV	-	-	-	-	-	-	-	-
8	Miss Kamornwan Chinthammit	I	-	-	-	-	-	-	-	-
9	Pol.Gen. Ruangsak Jritake, Ph.D.	X	-	-	-	-	-	-	-	-
10	Benjapol Benjapalakorn, Ph.D.	X	-	-	-	-	-	-	-	-
11	Mr. Supachai Sukhanindr	-	-	-	-	-	I	-	-	-
12	Mr. Khem Wanglee	I	-	-	-	-	-	-	-	-
13	Mr. Somsak Tangprakob	XI	XI	XI	XI	XI	-	XI	-	-
14	Mr. Pakin Phenpakkul	XI	XI	XI	XI	XI	-	XI	-	-

C	Chairman of Board of Directors	III	Audit Committee	X	Independent Director
I	Director	IV	Executive Director	XI	Executive
II	Chairman of Audit Committee	V	Chairman of Risk Management Committee	VI	Risk Management Committee

Attachment 3 : Corporate Governance Policies

Mud and Hounds Public Company Limited has established a good corporate governance policy for the Board of Directors, executives and all employees to adhere to as a guideline for their operations. To promote the company to be an efficient company in business operations. There is corporate governance in business operations. It is transparent and verifiable. The company has announced the company's good corporate governance policy and prepared a business ethics handbook for conducting business. For the Board of Directors, executives and all employees of the company to be aware of and consider it as a guideline for the operation by such policies and manuals are published on the company's website. You can study by following the link https://www.mudandhound.co.th/ir_index.php?corporate_governance.

Attachment 4 : Report of Audit Committee

To: The Shareholders of Mudman Public Company Limited

The Audit Committee appointed by the Company's Board of Directors consists of three independent directors. Chaired by Lt. Col. Taweesin Rukkatanyu, the Committee has Asst. Prof. Tippawan Pinvanichkul, Ph.D. and Mr. Pisit Jeungpraditphan as 3 audit members. The qualifications of all Audit Committee's members have passed the criteria laid down by the Office of the Securities and Exchange Commission (SEC). The Audit Committee has carried out its work within the scope of duties and responsibilities specified in the Audit Committee Charter.

In 2022, the Audit Committee convened four meetings with the Company's executives, internal auditors, and the auditors. In addition, the Audit Committee met with the auditors to discuss 2022 financial statements without the presence of the Company's Management. The work of the Audit Committee during 2022 can be summarized as follows:

1. Review of quarterly financial statements and full year financial statement

The Audit Committee reviewed the quarterly financial statements and full year financial statement including the connected transactions and transaction that may have a conflict of interest with executives, internal audit department and auditors. The Audit Committee inquired and received explanations from executives of the Company's finance and accounting units as well as the auditors concerning the accuracy of the Company's financial statements and consolidated financial statements, and also the adequacy of information disclosure and notes to the financial statements. After the review, the Audit Committee agreed with the auditors that fairly the financial statements were accurate in all material aspects and were reliable in accordance with the generally accepted accounting standard. The financial statements were also presented to the Company's Board of Directors for approval.

2. Review of internal-control operations and system

The Audit Committee reviewed the internal control based on the report from the internal audit department together with executives every quarter to consider the business operation, use of resources, asset management, fraud, the reliability of financial reports, and compliance with laws and regulations. The Audit Committee did not find any material defect. The Audit Committee also reviewed the auditor's report which also indicated that there was no any material defect, all branches and all units have efficient processes. The internal audit department works independently to assess all major systems of the Company based on the approved audit plan and report directly to the Audit Committee.

3. Review of compliance with laws and regulations

The Audit Committee reviewed the compliance with internal-audit team and relevant executives. The review showed the audited units proceeded in line with prescribed laws and regulations. They also kept abreast of any change in law, accounting standard and relevant issues through quarterly consultations with external auditor. Updated knowledge of laws, regulations and relevant issues allowed the Company to study and understand the changed requirements well for proper compliance.

4. Review of connected transactions or transactions that may cause conflict of interest

The Audit Committee reviewed the appropriateness of connected transactions or transactions that may cause conflict of interest. The review showed that the connected transactions by the Company in 2022 were done based on normal business practice, reasonable, and in the best interest of the Company's business. These connected transactions were transparent, with related information disclosed fully and accurately.

5. Promotion of Good Corporate Governance

The Audit Committee reviewed the Company's compliance with the Securities and Exchange Act, the regulations of the SEC and SET, and other relevant laws related to the Company's business. The Audit Committee concluded that the Company fully complied with the aforementioned regulatory requirements in all material aspects. In addition, the Audit Committee encouraged executives and employees of the Company to follow the policy as good corporate governance shall boost the Company's efficiency.

6. Consider the appointment of the auditor

The Audit Committee reviewed the performance of auditor during the past year on the basis of his/her/their reliability, independence, competency and abilities to provide services, counseling on accounting standards, auditing, and certifying financial statements in a timely manner. Based on the review, the Audit Committee recommended to the Board of Directors that EY Office Limited be appointed as the Company's auditor for the year 2022. The appointment will be subjected to the approval from the 2023 Annual General Meeting of Shareholders.

In conclusion, after having thoroughly carried out its duties as defined in the Audit Committee Charter, the Audit Committee has the opinion that the Company accurately reported its financial information and operations; that not only the Company had internal-control system and internal audit in place but it also complied with relevant laws, rules and regulations; that its connected transactions were duly disclosed and the Company's operations responded to the principle of good corporate governance in an adequate, transparent and reliable manner; and that the Company constantly improved its operation systems so as to deliver quality and respond well to changing business environment.

Yours Sincerely,

(Lt. Col. Taweessin Rukkatanyu)

Chairman of Audit Committee