

(Translation)



Zen Corporation Group Public Company Limited

56-1 One Report

Annual registration statement / Annual report

Ended on 31 December 2022



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Zen Corporation Group Public Company Limited

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Section 1

Business operation and Performance

## 1. Structure and Operation of the Group

### 1.1 Policy and Business Overview



ZEN Corporation Group Public Company Limited (The Company or ZEN Group) operates its businesses as a holding company, holding the shares of other companies in restaurant industry and other related businesses through operations of its subsidiaries consisting of ZEN Restaurant Holding Company Limited (ZRH), AKA Interfood Company Limited (AKA), Tokyo Concept Company Limited (OTT), Gyu Grill Group Company Limited GGG), Spice Synergy Company Limited (SYN), ZEN and Spicy Company Limited (ZPC) and ZEN Supply Chain Management Company Limited (ZSM), Zen And Kosum Interfood Company Limited (ZKC), King Marine Foods (KMF) and other related businesses with the main business groups as follows

1. Restaurant businesses under the Group's brands
2. Franchise businesses under the Group's brands
3. Retail Food Business
4. Other related businesses

As of 31 December 2022, the Group has restaurants that operate under the restaurant brand of the group of companies with total number of 345 branches in both the branches owned by the Group 155 branches and franchise branches 190 branches. In addition, the Group also operates food retails such as seasoning products, frozen seafood products and other imported foods which are used as ingredients for cooking, ready-to-cook, and ready-to-eat products. For other related businesses, there are restaurant-related services under the Group's brand, such as food delivery and on-site catering services.

Currently, there are a total of 13 restaurant brands under the operations of the Group, which can be divided into 2 groups: Japanese restaurant brands 8 brand and Thai restaurant brands 5 brands, as follows:

#### Japanese restaurant brand

Logo	Brand	Restaurant Type
	ZEN	Traditional Japanese restaurant
	ZENBOX	Fast Japanese Restaurant



Logo	Brand	Restaurant Type
	AKA	Japanese Yakiniku Restaurant
	AKA Shabu	Japanese Shabu Restaurant
	On the Table	International Lifestyle Restaurant
	Tetsu	Premium Japanese Yakiniku Restaurant
	Sushi Cyu Carnival Yakiniku	Japanese Restaurant & Premium Yakiniku
	Din's	Taiwanese neo-style restaurant or Chinese fast food

#### Thai restaurant brands

Logo	Brand	Restaurant Type
	Tummour	Thai-Isaan restaurant
	LaoYuan	Thai-Isaan and Vietnamese restaurant
	Pho	Vietnamese noodles
	de Tummour	Premium Thai-Isaan restaurant
	Kiang	Thai Fast food restaurant

As of 31 December 2022, there are a total of 345 branches operate under the Group's brands, both the branches owned by the Group or franchise branches as follow:

Brand	Branches owned by theGroup (branches)	Franchise branches (branches)		Total (Branch)
	Domestic	Domestic	Foreign	
1. ZEN	47	-	-	47
2. ZENBOX	2	-	-	2
3. AKA	40	1	2	43
4. AKA Shabu	1	-	-	1
5. On the Table	30	-	2	32
6. Tetsu	1	-	-	1
7. Sushi Cyu & Carnival Yakiniku	3	-	-	3
8. Din's	1	-	-	1
9. Tummour	11	87	3	101
10. LaoYuan	5	23	-	28
11. Pho	-	1	2	3
12. de Tummour	-	1	-	1
13. Kiang	14	68	-	82
<b>รวม</b>	<b>155</b>	<b>181</b>	<b>9</b>	<b>345</b>

Remark: Branches owned by the Group do not have overseas branches.

#### 1.1.1 Vision Objective Goal and Company's operating strategy

The Board of Directors performs duty to set vision, mission, policy, strategy and financial goals for the company. and subsidiary in order to provide executives and employees with the same operating direction. In 2022, the Board of Directors has reviewed and approved the vision, mission, strategy, goals. and the direction of business operation of the company as follow:

##### 1. Vision

The Group has a vision of business operation: To be the most preferred and trusted food services group for our customers, business partners and stakeholders.

##### 2. Mission

The Group has four major missions to be delivered, one to each stakeholder forming the four major

pillars of business: Customers, Employees, Society and the Environment, Shareholders.

1. Customers : We provide our customers with uniquely delicious food using quality ingredients, together with best-in-class service to ensure the highest level of customer experience and satisfaction.
2. Employees : We treat employees with respect and foster a culture where everyone's contributions are valued. We believe in a happy place to work, allowing our employees to grow, nurture their passions and improve their quality of life.
3. Society and Environment : We believe in operating with good corporate governance principles while positively contributing in a sustainable way to our community and environment.
4. Shareholders : We create shareholder value by delivering sustainable and profitable growth.

### 3. Goal

The Company's group has operational goals To be the country's leader in the restaurant service business ("Food Service")

#### Long-term strategic goals

- Improvement of the net profit margin of the Group to be at a level that can compete in the same type of business
- Restructuring the Group's core revenue for more diversification in order to reduce the risk of doing business with the goal of expanding franchise and retail businesses

#### Operating strategy

The Group has established business policies by planning to achieve the goals for profit and sustainable growth as follows:

##### 1. Ongoing expansion of restaurant branches both in the country and abroad

The Group has plans to expand the restaurant branches of the Group continuously in order to increase the income for the group both in the form of investment in opening a restaurant by own branch and in the form of a franchise both in the country and abroad. For expanding branches in major cities Both Bangkok and upcountry, the Group will open own restaurant. For branches in upcountry or smaller cities and foreign branches, the Group will expand branches through a franchise model. The Group is able to expand restaurant branches continuously.

Diagram showing the number of restaurant branches under the Group's brands from 2013 - present



The Group has plans to expand the location of its restaurant branches to cover all locations such as shopping center, department store, retails mall or gas stations and single-store branches, etc., to provide consumers with easier and more frequent access to the Group's restaurants and in accordance with the characteristics of each target customer group.

## 2. Development of New Restaurant Brands

In addition to the expansion of restaurant chains under the existing brands, the Group has established the new business development department to create new restaurant brands in order to meet the needs of consumers and to cover more consumers. In the past, the group of companies are able to offer brand new restaurants including various products continuously entering the market schematic showing the presentation of the new restaurants of the Group.

## 3. Expansion into new businesses related to the restaurant business

In order to increase distribution channels and revenue, the Group has expanded into new businesses related to the restaurant business, including (1) retail business, (2) food delivery business, and (3) catering business.

### 3.1 Food Retail

The Group has ready-to-cook food products such as Mee Maw and ready-to-eat food products such as seasoned fermented fish sauce, spicy sauce, chicken sauce, and chaew bong with standard quality and taste. The Group Can be sold in front of the restaurant branches of the company group which has branches

covering all over the country, including being able to sell in other distribution channels such as convenience stores, retail stores, wholesale department stores and online channels including sales through partners to help distribute products to consumers more easily. These food products are a channel to well generate revenue growth for the Group. In addition, the Group has plans to develop ready-to-cook food products, and ready-to-eat food products from products or ingredients that are formulated by restaurants in the Group to have more variety in order to meet the needs of consumers. In 2022, the Group's has continuously launched new products into the market such as meat marinade, yakiniku sauce, soy sauce, Japanese stir-fry sauce, teriyaki sauce, cannabis fermented fish sauce, and frozen seafood, etc.

### **3.2 Food delivery**

The Group provides food delivery services to respond to consumers' need for convenience as they do not need to come to a restaurant but order meals via online food ordering systems such as Grab Food, Food Panda, Lineman, and Robinhood. Currently, the Group has a unit to develop the Group's food delivery system by itself through the Call Center 1376 and [www.1376delivery.com](http://www.1376delivery.com) Application "Zen Group Sookciety" and Line Official Zen Group to expand its distribution channel of food to be more comprehensive and standardized, including changing menus to make it more convenient for delivery and able to eat out of restaurants more conveniently.. Food delivery and catering service is an extension of the business and an additional channel to generate revenue growth for the Group without high investment.

### **3.3 Catering Business**

The Group has catering service including a set meal delivered to meetings, seminars, or any ceremonies that need to order big volume of food. Customers can choose from a variety of brands, including Japanese and Thai dishes, that are served with professional standards so that customers can be assured of excellent food from carefully selected ingredients. Customers can use catering services through the call center at 1376 or visit the [https://www.zengroup.co.th/catering website](https://www.zengroup.co.th/catering-website).

## **4. The quality and taste of food and the quality of service.**

The Group places importance on every detail, from the selection of fresh, clean, and quality ingredients from suppliers of standardized raw materials, provision of a wide variety of tasty food menus, to provision of standard and impressive services.

As taste and cleanliness of food are extremely important factors for the Group's restaurant business, it focuses on a selection of raw materials with the Supply Chain Management and the Research and Development Department to jointly select clean and quality raw materials from standardized raw material distributors from all over the world and to monitor and control delivery process to storefronts in order to ensure that the raw materials used for cooking meet the standards set by the Group. The Group

also has a quality audit team to regularly conduct general management checks inside restaurants and kitchens in order to ensure that every restaurant branch, whether it is owned by the Group or franchised, has tastes of food, cleanliness, management, and services that are standardized and quality as specified by the Group.

**5. Acquisition / merger / joint venture of restaurant businesses or other restaurant brands, or businesses related to restaurants**

In order to create faster growth in addition to the ongoing business expansion, the Group may consider acquisitions/mergers/joint ventures with restaurant businesses or other restaurant brands to increase its business opportunities, revenue, and channels of distribution immediately without having to invest and develop by itself, and may consider other food business models to diversify business risks.

- In 2016, the Group acquired Thai restaurants under the “Tummour” group in order to increase the diversity of its restaurants and cover more consumer groups, and build a foundation for the franchise business.
- In 2017, the Group acquired a premium Japanese restaurant business under the “Sushi Cyu& Carnival Yakniku” brand to meet the needs of high-end customers. The acquisition of both the aforementioned businesses significantly increased revenue, distribution channels, and consumer groups to the Group.
- In 2019, the Group continued to enhance the diversity of its restaurants by purchasing the rights to the master franchise restaurant concept which is a traditional Chinese food mixed with Japanese flavors under the “Din’s” brand from Japan, which first opened in Thailand in December 2019
- In 2020, the Group established a joint venture company under the name of “Gin Dee Yu Dee 2020 Company Limited” to expand the Khiang brand’s restaurants in the southern region of Thailand.

In addition to the acquisition/ merger/ joint venture with the restaurant businesses or other restaurant brands, the Group may consider acquiring/merge/joint venture with other businesses related to restaurants in order to increase its efficiency and reduce its operating costs.

- In 2021, the Group of Companies has cooperated with Major seasoning producer from Maha Sarakham Province Established a joint venture company under the name of Zen And Kosum Interfood Co., Ltd (ZKC).To expand the retail business of the Company's group in being a manufacturer and distributor of seasoning products

such as fermented fish sauce, jaew sauce, chili paste and various seasonings, both retail and wholesale to cover both domestic market and abroad. It is also a central kitchen used in the production of seasonings for use in the restaurant business in the group.

- In 2022, the Group invested in King Marine Foods Co., Ltd. (KMF) as an importer.

Sourcing and selling seafood and processed food ingredients, both fresh and frozen. It was formerly one of the Group's main trading partners, which, after the Group's investment, will help reduce the cost price of the Group's main products and also expand the Group's retail business.

### 1.1.2 Major changes and developments

#### 1.1.2.1 Major developments

1991	■	Opened the first ZEN Japanese restaurant to serve Japanese food with quality ingredients and service.
1993 – 2005	■	From the success of the first Japanese restaurant under ZEN brand, the Group has continuously expanded ZEN branch. In 2003, the Company foresaw business opportunities in provincial areas with higher purchasing power and demand for Japanese food, thus expanding branches to other provinces. The first branches of ZEN in the provincial areas are at Central Plaza Airport Shopping Center, Chiang Mai.
2007 – 2010	■	In 2007, opened a Japanese charcoal grill or Yakiniku restaurant under AKA brand.
	■	In 2009, the Group introduced a new lifestyle restaurant in “Tokyo Café” style under On the Table brand
2011	■	ZRH established with registered capital of 1.0 million baht. To operate a restaurant business under the brand ZEN
	■	Establish OTT with registered capital of 8.0 million baht. To operate a restaurant business under the brand On the Table and
	■	Established GGG with registered capital of 12.0 million baht. To operate a premium Japanese restaurant business.

- Established AKA with registered capital of 30.0 million baht. To operate a restaurant business under the brand AKA
- 2012
- ZRH has increased its registered capital in an amount of 29.0 million baht, resulting in an increase in registered capital to 30.0 million baht with the aims to accommodate business restructuring and branch expansion.
- 2013
- AKA has increased its registered capital in an amount of 20.0 million baht, resulting in an increase in registered capital increased to 50.0 million baht.
  - GGG has increased its registered capital in an amount of 18.0 million baht, resulting in an increase of registered capital to 30.0 million baht with the aims to accommodate business restructuring and branch expansion.
- 2014
- AKA has increased its registered capital in an amount of 30.0 million baht, resulting in an increase of registered capital to 80.0 million baht.
  - OTT has increased its registered capital in an amount of 17.0 million baht, resulting in an increase of registered capital to 25.0 million baht with the aims to accommodate business restructuring and branch expansion.
  - Established ZCG or the Company on December 1, 2014 with a registered capital of 135.0 million baht to engage in a business as a holding company. There was also a equity restructuring of the Group where ZCG has acquired all shares of ZRH, AKA, OTT and GGG from the existing shareholders. As a result, after the said equity restructuring, ZCG



holds 100% of shares in all 4 subsidiaries.

Opened a premium Yakiniku restaurant under Tetsu brand.

- |      |   |
|------|---|
| 2015 | <ul style="list-style-type: none"><li>■ The Company established ZSM on December 2, 2015 with a registered capital of 70.0 million baht to manage the supply chain for restaurant branches under the brands of the Company</li></ul>   |
| 2016 | <ul style="list-style-type: none"><li>■ ZCG increased its registered capital in an amount of 5.6 million. baht,resulting in an increase in registered capital to 140.6 million baht.</li><li>■ Acquired business under Tummour brand, a leader in the franchise business of Thai-Isaan restaurants which includes Tummour, LaoYuan, Pho and JaewHon brands.</li></ul>                                     |
| 2017 | <ul style="list-style-type: none"><li>■ Acquired 2 branches of premium Japanese restaurants under Sushi Cyu brand to meet the needs of high-end customers</li><li>■ Expanded business into restaurant service business such as food delivery and food retail business for ready-to-cook and ready-to-eat food products at the restaurant branches of the Group and other distribution channels.</li></ul> |
| 2018 | <ul style="list-style-type: none"><li>■ Transformed into a public limited company under the name Zen Corporation Group Public Company Limited</li><li>■ Changed the par value from 10.0 baht per share to 1.0 baht per share</li><li>■ The Company increased its registered capital in an amount of 159,375,000 baht consisting of 84,375,000 shares for right offering and</li></ul>                     |

75,000,000 shared for initial public offering (IPO).

After the offering of new ordinary shares, the Company will have a registered capital of 300,000,000.0 baht, of which 300,000,000 ordinary shares are issued, with a par value of 1.0 baht per share.

- Introduced a Thai restaurant under Khiang brand focusing on a la carte style of popular Thai dishes such as Fried Rice with Basil, Stir-Fried Rice Noodles with Chicken, Stir-Fried Rice Noodles with Soy Sauce.

2019

- ZRH Company increased its registered capital in an amount of 270,000,000 baht
- The Company offered 75,000,000 newly issued ordinary shares with a par value of 1.0 baht per share for IPO during February 7-11, 2019 and as the listed securities. The Company started trading for the first day on the Stock Exchange of Thailand on February 20, 2019.
- Expanded ZEN Box business to respond to rushed behavior of consumers with grab-and-go food concept, emphasizing healthy food in an fast-paced lifestyle. Most menus consist of various kind of fish and fresh vegetables.
- Moved the head office to 662 Soi On Nut 17, Suan Luang Subdistrict, Suan Luang District, Bangkok 10250 for more efficient management.
- Introduced a Neo Taiwanese restaurant offering traditional Chinese food mixed with Japanese elements under the brand Din's from the acquisition of master franchise rights from Japan. The highlight in Din's menu is Flying Xiao Long Pao.

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- |      |   |
|------|---|
| 2020 | <ul style="list-style-type: none"><li>■ The Group has established a joint venture company “Kin Dee Yu Dee 2020 Company Limited” on February 18, 2020 with a registered capital of 30.0 million baht. The Group holds 25% of shares through ZEN &amp; Spicy Company Limited (ZPC) for faster and more efficient expansion of Khiang brand restaurant in 14 southern provinces.</li><li>■ ZRH reduced its registered capital in an amount of 225.0 million baht from 300.0 million baht, resulting in the remaining registered capital of 75.0 million baht.</li></ul>  |
| 2021 | <ul style="list-style-type: none"><li>■ To expand its retail business, the Group has invested in ZEN and Kosum Interfoods Co., Ltd (ZKC) by holding 51% of shares through Zen &amp; Spicy Co., Ltd. This joint venture is considered an important business expansion for ZCG. The joint venture company will be the main production base to fully support the Company’s food and retail business expansion plans both in Thailand and abroad. It covers the production of seasonings, including products that are currently on the market, such as fermented fish sauce, dipping sauces, spicy salad dressings, fermented fish chilli paste, etc., and products that will be developed in the future such as fermented fish sauce (mixed with cannabis), etc. It operates out of contract manufacturing (OEM) for the operators in Thailand and overseas, which is a market with huge growth potential. There is also a plan to expand products under the Company’s brands.</li><li>■ In May, the Group launched a new CRM system in form of “Zen Group Sookciety” application, which combines the member benefits of all 4</li></ul> |

Japanese brands of Zen Group into a single application. This is in order to make it more convenient for members to eat and collect points for sharing discounts between affiliated brands. It is also considered a strategy to create Omni Channel of Zen Group through Big Data, making it easier to reach customers both online and offline channels.

- All restaurant brands in the chain have been certified with the symbol of hygiene safety standard “SHA” (Amazing Thailand Safety & Health Administration) from the Ministry of Tourism and Sports by the Tourism Authority of Thailand (TAT), Ministry of public health by the Department of Disease Control and Department of Health, Department of Health Service Support, government and private agencies in the tourism industry. This helps build consumer confidence in using the restaurant services of the Group.
- Received 3 awards in Thailand Franchise Award 2021 event from the Department of Business Development, Ministry of Commerce. Kiang brand received Franchise Shining Star award, Tummour brand received 2 awards, Best Thai Food Franchise and Best Large Thai Franchise. This represents the quality standard of franchise business management of the Group.
- To be selected as Thailand Sustainability Investment (THSI) 2021 from the Stock Exchange of Thailand. This is a result of our commitment in developing business operations towards sustainable growth, balancing business practices, responsibility to stakeholders as well as environment, society and governance.

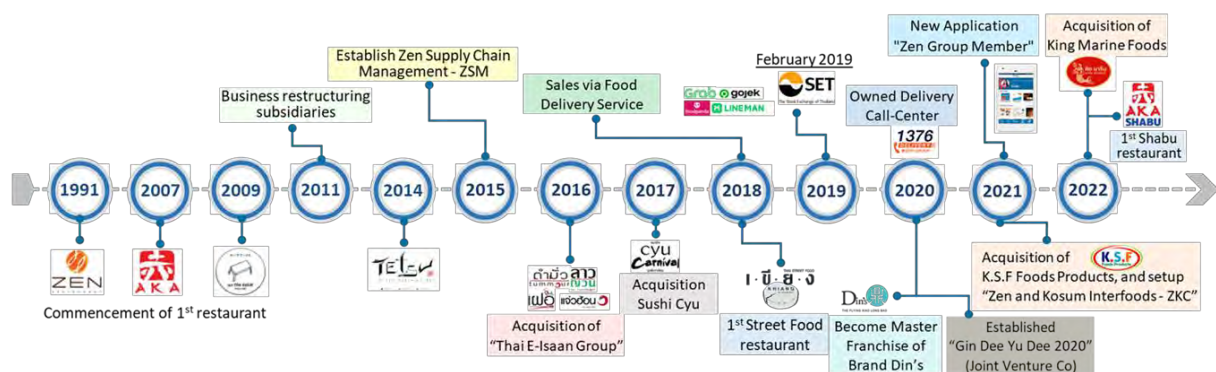
2022

- Received the corporate governance (CG) rating of “Excellent” or 5 stars in 2021 from the Thai Institute Of Directors (IOD).
- The Group started to establish branches in the form of Cloud Kitchen to strengthen business expansion through delivery channels. The aim is to expand service points and reduce the risk of restaurant closures during the COVID-19 pandemic. At present, there are more than 2 branches in the form of Cloud Kitchen.
- The Group invested in King Marine Foods Co., Ltd., which operates as an importer, supply and sale of seafood and processed foods, both fresh and frozen foods. The Group holds 51% of the shares through Spicy Synergy Co., Ltd. This investment is to be one of the key factors in reducing the cost of the Group's core products and to expand the Group's retail food business is one of the company's business diversification plans.
- The Group has expanded its new food business under the Brand AKA SHABU, which offers a Japanese shabu restaurant that builds on a grill restaurant, has a fun atmosphere like sitting and dining at dusk in Shinjuku or Shibuya, Japan by opening the first branch at Central Pinklao .
- The Group continues to push forward the ZEN CARE policy by focusing on 3P, namely Planet Care.
- Environmentally conscious, People Care – Community and social development, Prosperity Care – Sustainable economic development through restaurants with a focus on reducing greenhouse gas emissions. reduce waste generation to return value to the environment sustainably in

line with the ESG campaign, which is the key to the organization's business standards.

- The Group has been selected as a Sustainable Stock (THSI) for the year 2022 for the 2nd consecutive year in the agriculture and food industry group from the Stock Exchange of Thailand. The score was 50 % in economic, social and environmental dimensions.
- The Group received the Sustainability Model Organization award for supporting people with disabilities, which was presented by the SEC for the first year as a result of the Group's provision of employees with disabilities to work in the company both at the storefront and at the head office, as well as supporting the community of people with disabilities.
- The Group received a Corporate Governance (CG) rating for the year 2022 at the level of "Excellent" or 5 stars for the 2nd year according to the assessment by the Association for the Promotion of Institutions. Thai Director (IOD)

The diagram illustrates the key developments and the introduction of the Group's new restaurant brand



### Non-Financial KPIs

In addition to operating its business to achieve good financial performance, the Group also aims to improve its business efficiency through other non-financial KPIs, such as the satisfaction of customers and employees in the organization as well as diversification.

- Survey of customer satisfaction with restaurant services under the Group's brand In 2022, the satisfaction level was 74.0%, which is better than the previous year's 56.7%.
- Employee satisfaction and engagement survey: In 2022, employees were satisfied at 80.3%, up from 74.5% Diversification by increasing income from non-restaurant businesses to more than 1/3 of the total income of the company group. In 2022, revenue from non-restaurant businesses was 17 percent.

### 1.1.3 Details of spending fundraising money

#### 1. Details of spending fundraising money from each offering of equities or debt securities

In 2022, the Company did not conduct fundraising from the offering of equities or debt securities.

### 1.1.4 Company General Information

The Company name (Thai)	:	บริษัท เซ็น คอร์ปอเรชั่น กรุ๊ป จำกัด (มหาชน)
The Company name (English)	:	Zen Corporation Group Public Company Limited
Type of Business	:	holding company which invested in companies operating restaurant business and other related businesses
Main Business	:	restaurant business and other related businesses
Core Company	:	Zen Restaurant Holding Company Limited ("ZRH")
Registered Capital	:	300,000,000 Baht (Three Hundred Million Baht Only)
Paid up Capital	:	300,000,000 Baht (Three Hundred Million Baht Only) Consisting of 300,000,000 ordinary shares with a par value of 1 baht per share
Head Office	:	662 Soi Onnut 17 Suanluang, Suanluang, Bangkok 10250
Company's registration number	:	0107561000439
Home Page	:	<a href="http://www.zengroup.co.th">www.zengroup.co.th</a>
Telephone	:	0-2019-5000
Facsimile	:	0-2030-5322



## 1.2 Nature of Business Operations

## 1.2.1 Revenue structure

Income structure	For the fiscal year ended December 31					
	2020		2021		2022	
	Million baht	% <sup>(1)</sup>	Million baht	% <sup>(1)</sup>	Million baht	% <sup>(1)</sup>
Restaurant business	1,812.8	77.5	1,578.1	70.0	2,505.4	73.3
- Brand ZEN	572.6	24.5	612.3	27.1	938.7	27.5
- Brand AKA	612.2	26.2	544.3	24.1	891.4	26.1
- Brand Din's	19.3	0.8	8.9	0.4	10.0	0.3
- Brand On the Table	311.6	13.4	225.9	10.0	403.2	11.8
- Brand Foo Flavor	2.6	0.1	0.0	0.0	0.0	0.0
- Brand Tetsu	36.1	1.5	30.7	1.4	56.1	1.6
- Brand Sushi Cyu	70.0	3.0	53.7	2.4	83.6	2.4
- Brand Musha	7.8	0.3	0.0	0.0	0.0	0.0
- Brand BOX	7.1	0.3	3.9	0.2	6.9	0.2
- Thai restaurant brands <sup>(2)</sup>	176.1	7.5	98.4	4.4	115.5	3.4
Franchise business <sup>(3)</sup>	207.2	8.8	208.3	9.2	233.7	6.8
Other related businesses <sup>(4)</sup>	262.0	11.2	421.6	18.7	643.2	18.9
Other income <sup>(5)</sup>	51.4	2.5	47.3	2.1	30.9	1.0
<b>Total income</b>	<b>2,333.4</b>	<b>100.0</b>	<b>2,255.3</b>	<b>100.0</b>	<b>3,413.1</b>	<b>100.0</b>

Note: <sup>(1)</sup> Percentage of total revenue

<sup>(2)</sup> Thai restaurant brands consist of Tummour, Lao Yuan, Jaew Hon, Pho, De Tummour, and Khiang;

<sup>(3)</sup> Franchise revenue consists of (1) entrance fee, (2) royalty fee, (3) marketing fee (4) raw material sales, and (5) branch construction revenue;

<sup>(4)</sup> Revenue from other related businesses consists of (1) revenue from food delivery service and catering and (2) retail food businesses revenue. The Group has no revenue from the restaurant management services and restaurant consultancy services;

<sup>(5)</sup> Other revenue mainly consists of interests, sales of membership cards and sale of assets

## 1.2.2 Characteristics of products or services

### 1. The Group's products and services and innovative development

#### 1.1 Restaurant

The Group operates a restaurant service business and a franchise business with details as follows:

##### (1) ZEN, ZENBOX

ZEN is an authentic Japanese restaurant with an average area of 130-180 square meters per branch, focusing on ingredients selection, food quality control, and service standards



ZEN is committed to creating a Japanese dining experience combined with a warm interior atmosphere. Each ZEN store has both hot and cold kitchens and is freshly prepared by professional chefs who have the same standard and culinary experience as ZEN.



ZEN is an A La Carte-style restaurant serving a wide variety of dishes and beverages such as sushi, sashimi, meal sets, grilled meat, soba, udon, appetizers, salads, desserts, and non-alcoholic beverages

and alcoholic beverages. ZEN always offers an exclusive seasonal menu. In addition to boosting sales, it is also to obtain feedback for new products that are introduced to consumers in order to ensure that every dish of ZEN is loved

by customers. ZEN also places importance on business cooperation through co-promotion continuously, such as mobile network service providers or credit cards



ZEN's target customers are working-age groups, friends, and family groups, with middle to high revenue of approximately 400 baht spending per person per time.

On March 13, 2019, the Zen Box business was expanded to respond to consumers' hasty life, at BITEC Exhibition and Convention Center Bangna, with the Grab and Go-Food concept, focusing on healthy food in a hasty way of life. Most of the menu includes a variety of fish and fresh vegetables such as Maki wraps, Onigiri salads, Oni sandwiches. In the last quarter, two branches opened at Sam Yan Mitr Town.

February 2021, the ZEN brand has adjusted its sales strategy by increasing sales in the form of buffet in some branches to meet the needs of consumers. During the buffet trend, buffet menu is still about quality food according to ZEN standards to provide customers with value for money with the same food and service as same as A La Carte.

In March 2022, ZEN brand added zen box sales channels to its stores at Impact Muang Thong branch to accommodate customers in the convention center who need speed, urgency, and increase sales opportunities and expand this model to open at Queen Sirikit National Convention Center branch in September



2022, which received a good response. In June 2022, ZEN brand has increased the buffet price level to 599+ baht to increase the customer base to have more access to buffets and it responds well to customer groups who love sushi. In December 2022, ZEN launched a celebration event. Happy New Year with Maki auspicious face overflowing with good luck along with the distribution of dolls, lucky sushi cats.

As of December 31, 2022, the Group has a total of 47 Zen-branded restaurants and 2 Zen box branches, all of which are owned by the Group.

(2) AKA YAKINIKU



AKA YAKINIKU It is a Japanese yakiniku restaurant with an average area of 150 - 180 square meters. It places importance on detail and selection of ingredients that are of the highest quality and are fresh and sourced from different places all over the world, combined with a wide variety of flavors to be unique and suitable for grilling, including special sauces created by the Group, from the selection of the best raw materials through meticulous processes for aromatic and mellow sauces for AKA-style BBQ.



The form of service of the AKA restaurant is served in the form of a buffet with a total of 3 prices to choose from 379+, 479++499++, and 599++ baht (excluding beverages, VAT, and service charges). AKA always offers special seasonal menus, in addition to boosting sales, to obtain feedback for new products that are introduced to consumers, in order to ensure that every dish of ZEN is loved by customers in order to ensure that every food AKA is loved by its customers. AKA also places importance on business cooperation through co-promotion continuously, such as mobile network service providers or credit cards.



AKA's target customers are university students, working-age groups, friends groups, and family groups, spending approximately 500 baht spending per person per time.

As of December 31, 2022, the Group has a total of 43 restaurants under the AKA brand, 40 local branches of which are owned by the Group, 1 domestic franchise branch and 2 overseas franchise branches: 1 in Myanmar and 1 in Cambodia.

### (3) On the Table

On the Table is It is an international lifestyle restaurant. that combines Japanese food and western-style food with Thai flavors. The average area per branch is about 140-150 square meters, and its interior design is inspired by the Tokyo Café, which emphasizes natural materials to like eating at home with a warm and friendly atmosphere.



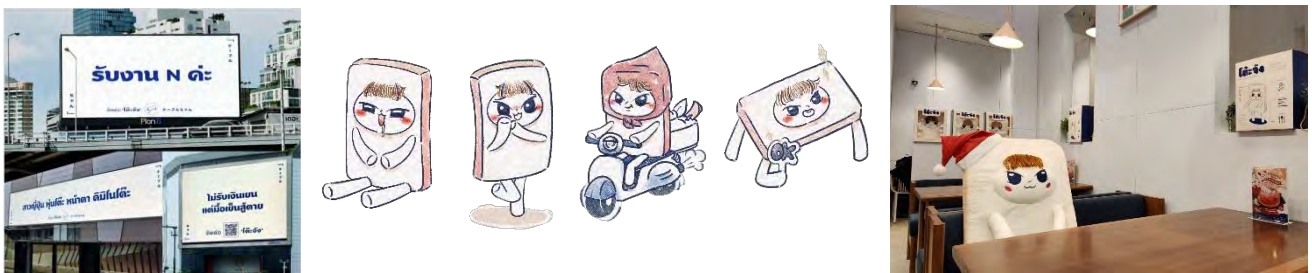
On the Table is a freshly prepared A La Carte restaurant such as rice, pasta, sushi, salad, and pizza, as well as a wide variety of desserts and beverages. It offers an exclusive seasonal menu, in addition to boosting sales, to obtain feedback for new products that are introduced to consumers in order to ensure that every dish of On the Table is loved by customers. On the Table also places importance on business cooperation through co-promotion continuously, such as mobile network service providers or credit cards





On the Table's target groups are friend groups, office workers, and families of the new generation, spending approximately 400 baht per person per time.

In July 2021, there are 2 branches of Cloud Kitchen's business expansion to support the expansion of the Delivery business in On Nut and Din Daeng zones, which has a concept that includes all 3 brands of delivery menus, namely On the table, ZEN, AKA, in same shop under the management of On the table brand. On December 15, 2022, it changed both Cloud Kitchen stores into 100% On the Table while maintaining the same delivery business model.



In July 2022, On the Table launched "Toh Jung", a single woman who believes that the army must walk with her stomach. She doesn't care about diets, but what is the best dish today? She was born married to Hamburg Pig. Adultery with Honey Toast, but current status is still single. Because you can't choose to be born, but you can choose to eat." A single female eater who often finds delicious things to pamper and soothe the tiredness of life with sweets. Although eating is against the belief that beauty must be slim, She does not care. Because although she cannot choose to be born, but chooses to eat only delicious things without caring for anyone, for this reason, anyone who visits On the Table restaurant, in addition to being full, is also satisfied because there is a Toh Jung sitting next to a cute tablemate, ready to give happiness through a smile

to everyone. A pair of colors that feel natural, easy to access by choosing light wood colors for softness, and blue that conveys neatness but also with character playfulness, as well as using wood pencil painting techniques and stripes that are like natural hand-drawn drawing. On a paper background, it's like a Japanese-style painting.



On September 14, 2022, the business was expanded again with the opening of On the Table in Queen Sirikit National Convention Center, which is the first branch that On the Table opened inside the convention center. On December 23, 2022, On the Table opened its first northern branch in Chiang Mai at Central Festival Chiang Mai, with On the Table “Tea Bar” being the second branch of the brand.



On the Table "Tea Bar" Clear tea... refreshing, nowadays, beverages are considered one of the urban lifestyles, it is a very competitive market, both coffee and milk tea, but in the market there is still a gap of clear tea shops that can taste you can drink all day without feeling guilty. The tea bar's main menu is drawn from the restaurant's bestseller menu. Whether it is floral tea or fruit tea that is refreshing and can be enjoyed all day, there are also milk tea and soda mix that meet everyone's needs. For On the Table “Tea Bar”, You can choose your own tea, choose the taste and sweetness of your choice at an affordable price start from 55 Baht.

As of December 31, 2022, the Group has restaurants under the Brand On the Table has a total of 32



branches, 28 domestic branches owned by the Group, 2 franchise branches in Cambodia and 2 cloud kitchen branches.

(4) AKA SHABU



AKA SHABU is a Japanese-style shabu-shabu restaurant that builds on the success of AKA YAKINIKU, which has a large buffet customer base. Therefore, the new brand has been developed with an average area per branch of about 180 sq.m. AKA SHABU gives importance to the atmosphere and experience of customers who come to use the service at the store. With a Japanese décor and a more fun blend in the meal, AKA SHABU continues to focus on selecting a variety of ingredients, including meat dishes sent directly from overseas. More than 80 appetizers, desserts and beverages to choose from and with Aka's experience more than 15 years in the buffet business, we are ready to develop menus and services to provide customers with an Aka-style buffet experience to make customers as satisfied as possible when they come to use the service.

AKA SHABU's service model is served in the form of a buffet with 3 prices of 399++ 599++ and 999++ baht, which includes refillable beverages but excluding VAT and service charges. The AKA SHABU shop will offer promotions in the form of discounts to attract customers to try the service to create more customers for the brand in the future.



In addition, AKA SHABU emphasizes business cooperation through the ongoing joint promotions with partners such as mobile operators or credit cards.

AKA SHABU's target customers are university students, worker groups, groups of friends and young families with an average spending per person per time is about 500 baht.

As of December 31, 2022, the Group There is a total of 1 restaurant under the AKA SHABU brand in Thailand, which is owned by the Group.

(5) Din's

Din's is a Neo Taiwanese-style restaurant that is a blend of traditional Chinese food culture with Japanese inspiration. Food style based on Taiwanese food is unique in both characteristics and tastes. The restaurant's signature dish is "the Flying Xiao Long Bao," invented by the best dim-sum chef. The specialty of this menu is the fusion of Xiao Long Bao and Japanese gyoza by placing a dumpling wrapper under Xiao Long Bao like wings, with a unique style and unique way of eating. This is a menu only available at Din's restaurant and is the first time it has been introduced in Thailand.



In addition to the Xiao Long Bao, which is the recommended menu of the restaurant, it also serves rice dishes, ramen, dim sum, gyozas, and more than 50 different appetizers with a wide variety of flavors every day, as well as meals set with great value to satisfy customers who want a full set of menu.

Din's restaurant is designed in a modern style that blends an oriental vibe with simplicity and modernity, suitable for families and groups of friends to enjoy their meals together. Another highlight of the restaurant is the kitchen area that is open for customers to see while a chef is cooking in order to deliver the dining experience at every step, such as well-selected ingredients, quality of food, and meticulous cooking techniques for customers to see how to make every dish at Din's restaurant served to them.



Din's's target customers are students, working-age groups, and families, spending approximately 200 baht per person per time.

As of December 31, 2022, the Group has 1 branches of restaurants under the Din's brand in Thailand, which are owned by the Group

#### (6) Tetsu

Tetsu is a premium Japanese restaurant and Japanese-style BBQ . The average area per branch is about 200 square meters. It mainly serves grilled dishes and focuses on creating a delicious experience of Omi beef, one of the best three kinds of beef, as a staple ingredient. The interior of the contemporary industrial design gives a cool and stylish vibe, featured by bare brick walls and large steel plates as a highlight under the word "Tetsu," which in Japanese means "iron/ steel," resulting in a perfect combination. "Tetsu" has been open since 2014 on the 5th floor of Central Embassy, the only branch in Thailand.

Tetsu places great importance on selecting quality raw materials and directly imports some raw



materials from Japan. The highlight of Tetsu is Omi Wagyu beef, which is imported from the largest farm in Kansai, Japan. It has a logo to guarantee the best Omi beef from Japan comparable to Matsusaka beef and Kobe beef. Importantly, Omi cows are feed with chemical-free cereals to ensure that we will experience the aroma and deliciousness of the meat. The ingredients selected for the menu are made from the dedication of the beef .

In addition, Tetsu offers an exclusive menu according to various festivals in order to boost sales



and to obtain feedback for new products that are introduced to consumers.

Tetsu's target customers are customers who love grilled wagyu meat dishes that use premium ingredients. cozy atmosphere modern decoration There is also a private zone for banquets for specific groups. to accommodate all diverse needs Meet the lifestyle of urban people who truly love Yakiniku. The average spending per person per time is about 1,700 baht.



On September 14-18, 2022, Tetsu will pamper meat lovers by bringing a beef omakase activity. THE PREMIUM OF LEGENDARY CHEF KENTARO NAGAHARA IS BACK. It was first held in 2017 and received a good response from customers. This work has been a huge success. There are 485 customers under the concept of "An exclusive event of the year with legendary chef Nakahara at Tetsu".

Kentaro Nakahara, owner of Sumibiyakiniku Nakahara in Tokyo, has won the Bronze Award from THE TABELOG AWARD five times in a row (from 2018 to 2022). From the ultimate cooking technique and craftsmanship that perfectly brings out the taste of each part of the meat (Ingredients used: Using cows originating from the Tajima breed as the main ingredient)

.As of December 31, 2022, the Group has 1 restaurant under the Tetsu brand, which is owned by the Group.

(7) Sushi Cyu & Carnival Yakiniku

Sushi Cyu & Carnival Yakiniku is the Group's premium Japanese and Japanese-style BBQ (Yakiniku) restaurant with an average area of 140-240 square meters per branch and offers selected premium quality ingredients.

For Sushi, important ingredients such as tuna, sea urchin eggs, and most importantly, various seasonal fish are imported directly from Japan. and prepared by Japanese chefs to get the taste of traditional Japanese food.

For Yakiniku, the restaurant's grilled menu is authentic Japanese style. The main ingredient is excellent meat that is available in both Omi Wagyu Beef and premium include marinated beef sauce and homemade original sauce. The shop has maintained the taste of traditional Japanese Yakiniku for almost 20 years.



Sushi Cyu & Carnival Yakiniku is an A La Carte that values the quality and freshness of ingredients. The dishes are prepared by a Japanese chef who has a long experience in Japanese cuisine. The outstanding menu of the restaurant is "Omakase Courses" which mainly consists of sushi. There are also other courses that use traditional Japanese cooking techniques selected by a Japanese head chef. In addition, Sushi Cyu holds some events to boost its sales, such as providing a meal course by inviting 3 Michelin-starred Japanese chefs to privately serve a premium meal, which is open to customers interested to make a reservation and has received good feedback from customers.

Sushi Cyu & Carnival Yakiniku 's target customers are Japanese food lovers with high purchasing power, and spending approximately 1,700 baht per person per time.

As of December 31, 2022, the Group has 3 restaurants under the Sushi Cyu & Carnival Yakiniku brand which are allowed by the Group.

#### (8) Tummour

Tummour restaurant is a Thai-Isan restaurant with an average area of approximately 80-120 square meters per branch and the interior decoration giving a warm and contemporary vibe. It gives priority to comfort in the dining area and provides the Papaya Salad section where customers can see, which is its highlight. In addition, it shows a meticulous process in cooking with well-selected ingredients to assure customers that all dishes are of high quality and spicy taste according to the slogan "Spicy Dish with Pounding."



Tummour Restaurant is an A La Carte restaurant serving various types of Thai-Isan food with clean and quality ingredients such as papaya salad, fried chicken, and stir-fried noodles. Furthermore, the restaurant has an exclusive seasonal menu in order to boost sales and to obtain feedback for new products that are introduced to consumers.

Tummour's target customers are families and middle-income earners, spending approximately 230-260 baht per person per time.

As of December 31, 2022, the Group has a total of 100 restaurants under the Tummour brand, 11 branches of which are owned by the Group and 90 franchise branches.



## (9) Lao Yuan

Lao Yuan Restaurant is a restaurant combining Thai-Isan food and authentic Vietnamese cuisine with an average area of approximately 80-120 square meters per branch, offering a wide variety of Thai-Isaan food combined with Vietnamese food to meet consumers' needs who want healthy, fresh, clean, delicious food.



Lao Yuan is an A La Carte restaurant serving Thai-Isan food combined with Vietnamese dishes that blend together perfectly. In addition, Lao Yuan restaurant offers an exclusive seasonal menu in order to boost sales and to obtain feedback for new products that are introduced to consumers.



Lao Yuan's target customers are families and middle-income earners, spending approximately 250-270 baht per person per time.

As of December 31, 2022, the Group has a total of 26 restaurants under the Lao Yuan brand, 5 branches of which are owned by the Group and 23 franchise branches.

## (10) De Tummour

De Tummour Restaurant is a premium authentic Thai-Isan restaurant offering a variety of menus

from the Tum Mua brand.



De Tummoo is an a la carte restaurant that selects premium ingredients to serve with Thai unique tastes, as well as to serve the needs of foreigners.



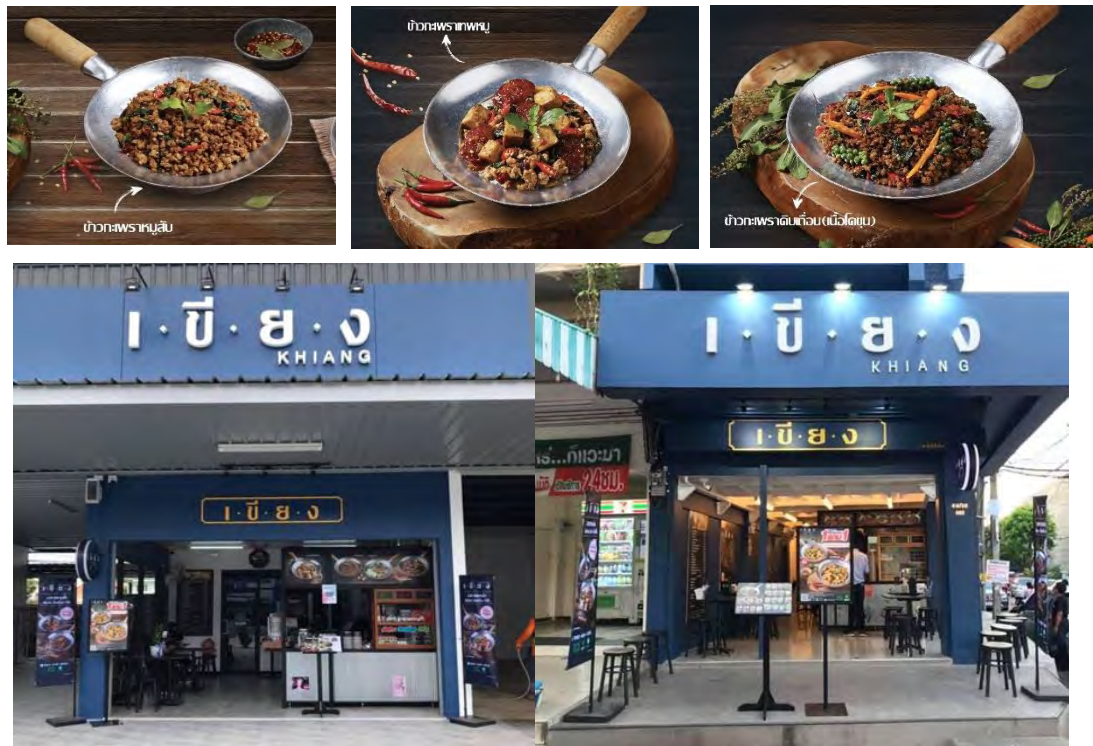
De Tummoo's target customers are high-income customers and foreign customers, spending approximately 300 - 400 baht per person per time.

As of December 31, 2022, the Group has 1 restaurant under the De Tummoo brand, which is a franchise branch.

#### (11) Khiang

Khiang restaurant is an a la carte or fast food Thai restaurant. in order to support a group of customers who are in a hurry, want convenience and speed, with an average area of about 50 - 60 square meters per branch, offering made-to-order food that Thai people love such as fried rice with basil, pork and garlic, ancient fried rice, dried instant noodles, crispy pork kale, noodles, roasted chicken and stir-fried soy sauce, etc.





Khiang's target customers are students, young workers, including families and consumers who want a quick meal, spending approximately 100-120 baht per person per time.

The Group opened the first branch of Khieng in December 2018 at PTT Jesada Bodin Gas Station, Nonthaburi Province. The expansion of Khiang's branches is divided into branches in the gas stations, community malls, food courts, shopping centers, and potential buildings.

As of December 31, 2022, the Group has a total of 80 restaurants under the Khieng brand, 83 branches of which owned by the Group 12 branches and 68 franchise branches

#### (12) Kiang Kang Tai

Kiang Kang Tai Shop is a sub-brand of Khiang brand. in the form of southern food that is spicy and many other menus such as Kaeng Tai Pla, Kua Kling, minced pork Yellow curry with pickled bamboo shoots and sea bass Curry with roasted pork bones, etc.



The target customers of Khiang Kang Tai restaurant are customers who are beginning to work, general company employees and consumers who want to eat ready fast food who want to be quick, with average spending per person per time around 80-120 baht.



The Group Opened the first Khiang Kang Tai shop in October 2021 at the PTT gas station, Muang Thong Thani, Nonthaburi Province

As of December 31, 2022, the Group of Companies has a total of 2 restaurant under the brand "Kiang Kang Tai" operated by the Group.

## 1.2 Franchise

Franchise Business The Group has 2 franchising systems: (1) the Group choose sthe restaurant brand under the Group including the location and then proposes to the franchisee for approval and (2) the franchisee chooses the restaurant brand of the Group including its location and proposes to the Group for consideration of the appropriateness of the location.

The Group supports the full range of franchisees from providing services for branch contractors, branch interior design, employee training, preparation for a restaurant opening, ongoing training courses to the franchise, including marketing

## 1.3 Other related businesses

At present, the Group operates businesses that are related to other restaurant businesses, which consist of:

### (1) Food delivery

The Group provides food delivery services through food ordering channels such as GrabFood, Lineman, Food Panda Robinhood and Shopee Food. This allows consumers to order food from any restaurant branch. The Group also offers food ordering channels through a call center at 1 3 7 6 and and [www.1376delivery.com](http://www.1376delivery.com) to make it easier to order food. These channels enable pre-orders in order to accommodate large orders for seminars, issue tax invoices, as well as order small meals for everyday life to meet the needs of all types of customers. In addition, the Group also provides catering services for various events such as corporate parties and birthday parties. Our catering service model is also a food delivery service.

Due to the changing lifestyles of consumers and the advances of technology that makes online food ordering easier and more convenient, the food delivery service market has grown exponentially and continuously. At present, the Group has increased the convenience of customers in ordering food through online channel. This is achieved through online food ordering service intermediaries to increase the capability of the Group's branches in expanding their customer base to nearby offices and residences. The Group plans to invest in developing an online food ordering channel through a mobile application on mobile networks with the aim to provide customers with the convenience of online food ordering by expanding branches that only offer food delivery services. In the first phase, it will start with the expansion of branches to cover all areas in Bangkok, including introducing new menus along with promotions to encourage continuous ordering through this channel. In addition, the Group also attaches great importance to food indelivery innovation by developing the best-

selling menu items of each restaurant brand. The packagings are specially designed to be beautiful and attractive with the pattern and design specific to the brand, as well as the convenience of delivery and eating for better customer satisfaction and has the least impact on the environment.

As for the process of delivery, the company group will develop to be efficient, fast and use temperature preservation device and the food quality is the same as eating at the Group's restaurants

**(2) Restaurant Management and Consultant**

The Group offers the restaurant management and consultancy services for restaurant operator or franchisee who needs the standardized restaurant management and operation system or the operator who encounters business problems. The Group relies on its experience and personnel expertise in management planning process and/or consultation. There are 2 types of service fees which are fixed fee and variable fee depending on the agreements with the users, scope and service

**(3) Retail food business**

The Group's retail business model is a strong synergy of "restaurants" in the franchise business with hundreds of branches both domestically and internationally. Coupled with the knowledge and service quality standards of the joint venture company amidst a battle ground with many players, the "The Power of Synergy" strategy combines the power to create difference on advantage.

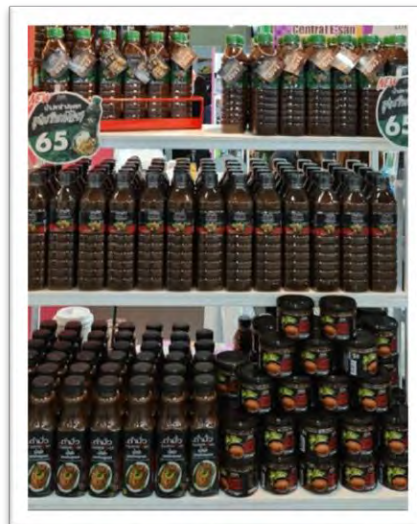
Such a joint venture will allow the company to bring high-quality products and excellent customer service to a wider range of consumers. The expansion of the retail business will enable ZEN Group to continue growing its business and strengthen its competitive food industry conglomerate. More diversified products and new markets to achieve long-term revenue growth.

In 2021, the Group invested in ZEN & Kosum Interfoods Co., Ltd. (ZKC), in which the



Company holds 51% shares, and in 2022, the Group invested in King Marine Foods Co., Ltd. (KMF), in which the Company holds 51% of the shares.

This joint venture strategy results in to be restaurant chain with an upstream business by having a factory that produces various seasonings that is like a central kitchen, and having a stock of staple ingredients that can support the Group's chain restaurant business to have the advantage of better cost management.



The Group's retail products are made from the Tummour brand fish sauce, which are sold in more than 100 Tummour restaurants in Thailand and expanded into convenience stores, modern retail stores, wholesale stores, and online channels are increasing their channels to reach consumers more easily. It generates more than sixty million baht annually.

Due to the continuous growth of Tummoo brand fish sauce together with suppliers who produce fish sauce for Tummoo brand, it is the first factory to bottle and meet the standards FDA. It has a modern factory, continuously developing and improving production efficiency. The Company decided to joint venture and re-register as ZEN & Kosum Interfoods Co., Ltd. (ZKC), which is a major expansion of the Group's business.

ZKC is a condiment sauce manufacturer. and products from fermented fish such as fermented fish sauce and Chaew Bong brands Tummour and Pathong, born from local wisdom, have inherited the way of life and culture of Isan people through food from generation to generation. With knowledge, experience and non-stop development for more than 25 years, it has expertise in the production of seasonings through processes that have been certified by national and international standards. At present, the factory is certified by the FDA, GMP, HACCP, Halal and the Department of Fisheries.

ZKC will be the main production base. to support the Company's food and retail business expansion plan full range both in Thailand and abroad which covers both the production of various condiments and products from fermented fish, both those that are already on the market today, such as fermented fish sauce, dipping sauce, spicy salad dressing, Chaew Bong, pickled fish meat, etc. and further development by producing under the company's brand Which has a premium brand, Tummour, and a brand that responds to the budget price which is Phathong, including contract production for entrepreneurs in Thailand and abroad which is a market with great growth potential

In addition, the Group of Companies plans to have such ZKC as a central kitchen. for the production of various condiments to feed to chain restaurants Which has a lot of demand for seasonings on a daily basis Along with supporting the expansion plan of the franchise business that will have to expand a lot of branches

in the future In 2022, ZKC has adopted a strategy that helps to expand its business both in production.

product distribution and increase product variety as follows:

1. In terms of production, ZKC has invested in increasing production capacity from 6.3 million bottles per year to 14 million bottles per year. This supports the production of both new formulations and more diverse packaging. The project will be completed in the first quarter of 2023, and has also invested in increasing warehouse space to support increased production.



2. In terms of distribution, ZKC has partnered with DeBel Co., Ltd., a subsidiary of Red Bull Beverage Co., Ltd. (TCP), one of the leading consumer goods distribution business. In 2022, the company has sold its products in more than 30,000 stores nationwide, making it easier for consumers to access products.
3. In terms of increasing product diversity, in 2022, ZKC has developed products that respond to social trends, namely:
  - 3.1 Seasoned fish sauce Cannabis Leaf Recipes Squirrel-tailed cannabis leaves selected from legally grown cannabis fields have been inspected and certified for production, clean and safe. It has been distributed on modern retail channels at Lotus's since May, generating more than a million baht in revenue, as well as being distributed online via Line, Shopee and Lazada.



3.2 Lao curry powder contains bamboo shoot powder, baiyanang and isan curry powder.

Curry powder that will make isaan curry easier. The ingredients are made from clean, standard raw materials, free of MSG. This Lao curry powder was developed to suit export and through online channels. It has Lightweight which is convenient to use just by adding water but still retaining its rich flavor.

3.3 Black sauce From the trend of grilled food that is very strong. ZKC has developed a special formula that focuses mainly on B2B sales.



King Marine Foods Co., Ltd. (KMF), an importer of seafood ingredients Processed foods,



including sauces Various dry foods used in Japanese restaurants General restaurants or even hotels such as frozen salmon Eels, tuna, New Zealand mussels, sea urchin eggs, salmon eggs, shrimp eggs and soy sauce, etc.

Being the person behind the success of more than 500 restaurants nationwide, as well as passing on wholesalers and other retailers, from the beginning from having previous experience in grilling restaurants and seeing the import channels of raw materials, leading to the importation and wholesale of seafood ingredients with good quality and reasonable prices. Use understanding to win customers' hearts and reduce the negotiation process to make every need possible to increase customer confidence and do business with integrity to make the business grow sustainably.

In addition to that, KMF offers a fast service to meet the needs of the restaurant group by being able to deliver products on the same day as orders from the urgent needs of customers, as well as being able to find high-quality products at a low cost, which allows KMF customers to resell. Due to its strength over other suppliers, the Group decided to joint venture with King Marine Foods Co., Ltd. (KMF) on March 1, 2022.



After the joint venture, KMF has implemented strategies that help to expand the business both in terms of increasing sales and diversifying products as follows:

1. Increase sales, find more new customers It focuses on fast-growing Japanese

restaurants and grill restaurants, as well as an airline segment that is expected to start growing significantly in 2023.

2. Increase the variety of products by seafood group by increasing the number of products by 20 items, adding imported meat from abroad such as foie gras and dry food products such as rice, dried oatmeal, etc.

#### Future directions for retail

Future directions for the retail business of the Group has prepared a strategy for growth as follows

- 1) Provide a smooth overall experience
  - I. ZKC: Integrated Cooperation with Partners in expanding the customer base of food services stores in order to increase product distribution for customers to access more easily.
  - II. KMF: Expand service points (Hud) to cover all over the country. by focusing on provinces that have needs Products that help customers' businesses not run out of products and reduce the cost of stocking products.
  - III. KMF: Increase hotel customer base due to growing trend in tourism sector besides Japanese restaurant groups, restaurant chains and existing airline groups
- 2) Develop competitiveness
  - I. ZKC: Develops and produces condiments for affiliated restaurants both under the Tummour brand and those used in Japanese restaurants. as well as products and services that help customers reduce costs.
  - II. KMF: Increase product variety in both seafood, dry food and imported meat products. with an aim to increase more than 30
- 3) Upgrade intelligent management
  - I. ZKC: streamlined production management By taking proactive measures to reduce costs while improving quality. with the goal of obtaining ISO9001:2015 certification
  - II. KMF: Enhance management with new platform development to increase the convenience of ordering products
- 4) Strengthen business sustainability

- I. ZKC: Reduce risk by increasing the distribution of products to B2B customers by focuses more on the restaurant segment.
- II. KMF: Minimizing product price and assortment risks by increasing the number of suppliers to ensure a consistent and reliable supply of high-quality products.

## Research and Development

### 1. Research and development of menus

The Group is committed to the development of food products, food taste, cleanliness and hygiene,

The Group's Research and Development Department develops new food menus every 2-3 months to create special seasonal dishes at different times of the year for each brand, including a special promotion menu to boost sales. The Group also changes the menus every 1-2 years so that its restaurants have menus that are consistent with consumers' and target customers' changing behavior and needs.

The Research and Development Department of each restaurant brand is constantly developing their own recipes to provide food menus that meet consumers' needs and remains the identity of each restaurant brand, as well as to invent new production and cooking processes that increase efficiency and reduce costs, resulting in an increase in the Group's competitiveness.

Personnel of the Research and Development Department is the heart of the restaurant business. The Group has a plan to consistently develop personnel in the Research and Development Department in order to strengthen the stability and competitiveness of the business in the long run, such as sending employees to train with external agencies, etc.

### 2. Research and development of new restaurants' design

The Group develops new restaurant designs with the long-term use of experience and knowledge in business operations with the invention and development of the most efficient use of areas, resulting in a decrease in the investment in branch construction, including the lower construction cost per square meter and help reduce rental costs.

The Group develops a restaurant design approach for both the kitchen and part of the services. For the kitchen, the Group set standard layouts of various equipment within the kitchens of each brand that can be manufactured and used together except for each brand's additional special equipment, such as AKA's grills). About 90.0 percent of the equipment used in the kitchen is of a standard that can be used by all brands. This makes it possible to make an order in bulk, such as refrigerators, freezers, and stoves, resulting in cost-effectiveness. In terms of service, the Group requires

restaurants to offer the food that customers can access, such as setting up sushi bars, drink and dessert bars, including papaya salad bars near customers' seats. This affects the confidence in the preparation of food with meticulousness and care of the employees. In addition, the Group's restaurants use loose furniture, which is removable, replaceable, and changeable and can be ordered from manufacturers with lower costs per square meter than in the past.

### 3. Research and development for efficiency improvement

The Group has continually developed and improved its performance such as improvement of workflows and provision of new innovations for more convenience, faster and effective work at each branch. For example, collatoration with raw material suppliers in developopting raw materials or food in the form of mixtures and condiments that facilitates the work/preparation of food and ensures consistent taste and quantity, as well as reducing investment in tools, appliances and equipment in operation and investment per branch. For example (1) Cooking Sauce Making in ZEN Shop and On the Table were originally prepared at the store which took a long time. But the R&D Department worked with raw material suppliers to simplify the production process and (2) ZEN's Saba fish filleting was originally performed at the shop, making its preparation complicated. The R&D Department therefore worked together with raw material suppliers to develop a ready-to-use, ready-to-use Sabafish fillet for convenience and standardization, reducing wastage and saving time.

#### 3.1 Equal protection of fundamental rights

- 1.) The Company discloses information on the importance of safety and health of customers and/or personsFor example, it covers design, sourcing, transportation, service, etc.

The Group's Product Research and Development Department has developed the food menu by participating in the process of selecting each ingredient in cooking with the purchasing department in taste testing to ensure that the ingredients selected to cook food for consumers are of constant quality, come from standardized, verifiable sources and have a price that is suitable for quality.

- 2) Performance / A project that demonstrates a focus on safety and health of customers and/or consumers, such as new product launches Improving or developing safe production processes, etc.

When a new product is released The Product Research and Development Department

of the Group provides training to employees of relevant departments so that relevant employees can prepare food according to the recipe and be able to cook food to taste, quality and safety and hygiene as specified.

The Group's Product Research and Development Department The quality and taste of food of all restaurant brands are randomly checked to ensure that the food served to customers is Quality and taste meet the standards set by the Group. If the inspection results are found to be inconsistent with the specified standards. The product research and development department will notify the person responsible for the quality inspection of the brand I order to modify and improved with the storefront of each branch.

The Group's Product Research and Development Department and Supply Chain Quality Control and Assurance Department have also participated in supplier auditions to ensure the potential of suppliers' products and services in accordance with the specified standards. It also develops to grow into a long-term trade partner.

In addition, the operation manuals are regularly reviewed in order to improve and develop the production process to be safe and in accordance with various food laws.

## **2.) Marketing and Competition**

### **( A ) Marketing of essential products and services**

#### **Marketing and Sales of the Group**

The Group focuses on target marketing with the objective to (1) increase market share in new customer groups by raising brand awareness, (2) maintain existing customer base by creating brand loyalty and (3) increase utilization rate of the Group's customers by developing new menus, creating brand engagement through advertisements on online media and social network and raising awareness through traditional marketing, including installing billboards in shopping centers, retail stores, community malls or the areas adjacent to the restaurants.

The Group has established different marketing strategies for each brand according to the target customers, brand positioning and restaurant models.

## 1. Pricing Policy

The Group use cost-plus pricing strategy (Cost Plus Margin) to set the price at the level considered a good value for money from the customer's view and in line with the brand positioning, including consideration of price competitiveness compared to the competitors.

Since the Group has many brands and branches with different brand positioning, target customers, sales prices, raw material costs, operating expenses, rents and employee expenses, the product prices are therefore different. However, the Group believes that the pricing at present is suitable and reasonable compared to the quality of products and services while meeting customer needs.

## 2. Customer and Target Marker Characteristics

The Group has a variety of restaurant brands and branches all over the country which are accessible and meet different needs of customers. The details are as follows:

Brand	Customer			Income Level			Location		
	Family	Working age (> 20 years)	Students (> 15-24 years)	Low Middle High	Low Middle High	Low Middle High	Bangkok and Perimeter	Upcountry	Abroad
1. Zen	✓	✓	✓	-	✓	✓	✓	✓	-
2. ZEN BOX	-	✓	✓ -	- ✓	✓	-	✓	-	
3. AKA	✓	✓	✓	✓	✓	-	✓	✓	✓
4. AKA CHABU	✓	✓	✓	✓	✓	-	✓	-	-
5. On the Table	✓	✓	-	-	✓	✓	✓	✓	✓
6. Tetsu	✓	✓	-	-	-	✓	✓	-	-
7. Sushi Cyu	✓	✓	-	-	-	✓	✓	-	-
8. Din's	✓	✓	✓	✓	✓	-	✓	✓	-
9. Tummour	✓	✓	✓	✓	✓	-	✓	✓	✓
10. LaoYuan	✓	✓	-	-	✓	✓	✓	✓	-
11. De Tummour	✓	✓	-	-	✓	✓	✓	-	-
12. Khiang	✓	✓	✓	✓	✓	-	✓	✓	-

### 3. Sales and Distribution Channels

The Group has 4 different distribution channels which are (1) restaurant branches, most of which are located in the shopping malls, retail shops and community malls, including gas stations and commercial buildings in the communities with relatively high customer traffic. The Group anticipates that most customers tend to have some food in these areas. (2) Catering services both on-site and off-site services such as weddings, conferences and festive parties. (3) Delivery services via Call Center at 1376 and [www.1376delivery.com](http://www.1376delivery.com) Which is the food ordering channel of the group of companies And food ordering channels of various Food Applicators such as Grab Food, Lineman, Food Panda และ Gojek, etc. (4) Selling Ready-to-Cook and Ready-to-Eat products at the Group's restaurant branches, department stores, retail shops and Wholesale stores

#### (B) Competition

##### 1. Overview of Industry and Competition

In the second half of 2022, the restaurant business is fully serviced. There are clearer signs of recovery from the success of accelerating mass immunization vaccinations and the adaptation of consumers living amid the COVID-19 pandemic. Consumers can enjoy the full range of services and can sit down to dine together which make the atmosphere and environment of the restaurant better. KResearch reveals the future The restaurant business will be positively influenced by normal-driven domestic economic activity, as well as a rebound in tourism. In addition to marketing the restaurant business operators together with online channel providers to deliver food to the property as well as large enterprises, there is an expansion of branches.

In addition, new restaurant chains from overseas are being introduced to target new customers.

Despite the recovery of the restaurant business, in 2023, the overall restaurant business recovery remains fragile from purchasing power that has not fully recovered. Meanwhile, the cost of doing business continues to increase. Therefore, the focus must be on cost control. The impact of the cost hike will vary from type to restaurant type and service model, Low unit profit, focusing on sales volume, such as street food groups as well as full-service restaurants. A large area restaurant, where this group of restaurants will cost a lot. Labor wages, utility bills that average cost more than other types of restaurants, and some operators have higher costs when it comes to renting space.



## 2. Competitive Status and Potential

In 2023, KResearch views that restaurant operators should continue to face rising costs in restaurant business. In particular, the trend of LPG and electricity prices in the country continues to rise in line with global energy prices. As a result, the price of raw materials will continue to increase accordingly. As a result, restaurant operators may need to increase food prices, but this will be limited due to poor overall purchasing power and high competition in the business. Therefore, the policy of fixing the price of raw materials or controlling costs is the most important thing.

Competition in the restaurant business is high, and consumer behavior is changing rapidly with emerging trends. It affects the business plan of entrepreneurs. The restaurant business is constantly changing. Despite the periodic closure of restaurants, new restaurants continue to enter the market. More and more entrepreneurs are entering the restaurant business and new food brands from overseas are being introduced to the market. At the same time, small entrepreneurs have opened many restaurants. This has resulted in high competition, and consumer behavior has changed with popularity and has become more diverse. As a result, business needs to adapt quickly.

Therefore, restaurant operators should manage all distribution channels in full, reaching consumers with both online and offline marketing. Services that meet the needs of consumers that facilitate convenience, as well as communication links that cover consumers' media habits and continue to use the service on all platforms.

KResearch estimates that in 2023, the total value of the restaurant business should be around 4.18-4.25 hundred thousand million baht. Growth of 2.7%-4.5%, which slows down from 12.9% growth in 2022, will still be lower than in 2019, which was before the COVID-19 pandemic. Meanwhile, the recovery of the restaurant business will vary depending on the specific factors of the market.

In the midst of the business environment, restaurants are still challenging. In particular, the cost trend remains highly volatile so that businesses can get through this difficult time. In addition to controlling costs, it is also important that additional investments may not be required, such as reducing waste generated during cooking, consumable cost control, menu reduction to reduce the burden of stocking raw materials and improve the quality of food, etc. At the same time, maintaining sales by combining both online and offline sales channels through the storefront to make customers accessible to multiple channels, as well as the use of technology to help receive food orders. Ordering food through the restaurant's app or using robots to help serve food to solve the shortage of workers must be adapted to their business. In addition, the restaurant business is constantly changing. New restaurants are constantly opening into the market. As a result, entrepreneurs will have to study market dynamics. Food trends and consumption habits, competitors in the business in order to be able to adapt to the market or cope with more situations.

## **2. Procurement of Products and Services**

### **2.1 Procurement of raw materials**

#### **2.1.1 Product and raw material procurement and supply**

For the procurement of raw materials, the Group's Central Purchasing Department and Research and Development Department jointly select suppliers, both food-related raw materials and non-food products, that meet the criteria and standards set by the Group. For all of the restaurant branches under the Group's brands, whether branches owned by the Group and franchise branches, raw materials must be ordered from the suppliers listed by the Central Purchasing and the Research and Development Department. However, the Group allows franchise branches to be a food-related supplier (some certain types of fresh food products such as fresh vegetables, chili, and garlic, for themselves without ordering through the Group's Central Purchasing Department because it is more cost-effective in terms of raw material cost management of franchise branches.

The Group has a strict supplier selection process by requiring suppliers to send raw material samples for the quality test. The Group arranges food experts from the Research and Development Department to test raw materials in a blind test manner in order to obtain raw materials of the same quality as specified by the Group before deciding to purchase raw materials from such

suppliers. In addition, the Group has the policy to review the list of the suppliers at least once a year to ensure that the raw materials from them are of the quality and standards set by the Group.

For critical and/or high volume raw materials and/or raw materials with high price fluctuations and/or raw materials to be imported from abroad, the Group enters into raw material purchase agreements with the suppliers. The raw material purchase agreements are made in various periods, both short term (3-6 months) and long term (over 6 months), depending on product type and market price trend in order to reduce fluctuations in product prices that will affect the Group's raw material costs and to ensure that the Group is able to supply sufficient quantities of quality standardized raw materials. Moreover, the Group has the policy to procure more than one supplier for each type of raw material as an alternative to the Group in case of an emergency.

#### **2.1.2 Number of suppliers, raw materials, product procurement**

In 2022, the Group procured 428 suppliers with food-related raw materials and non-food products, decreased from the purchases of 393 suppliers reduced from year 2021 which was 393 or 8.65 suppliers, or by 8.17 %, and the Group had no purchases from any supplier more than 10% of the total purchase.

#### **2.1.3 Proportion of local and overseas purchases of raw materials**

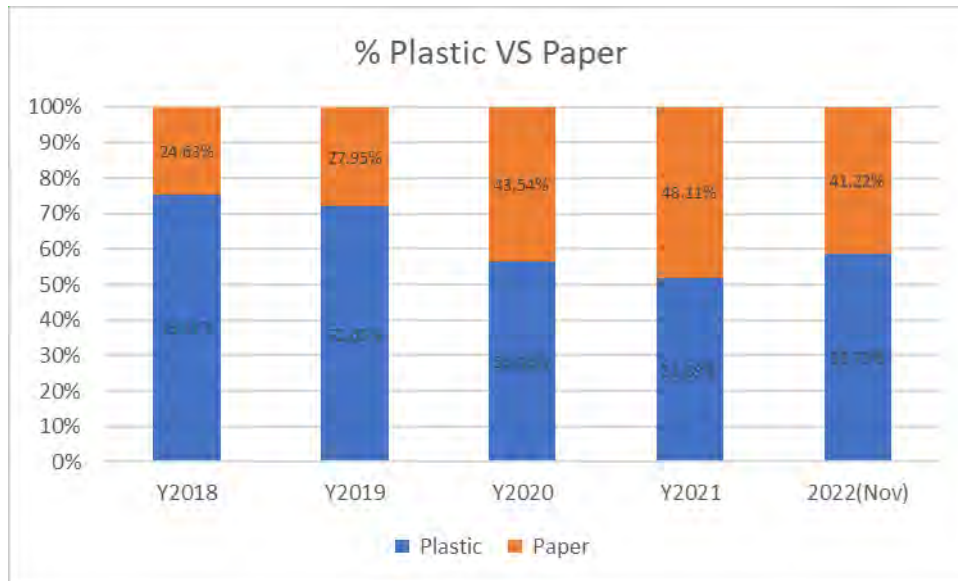
In 2022, the Group procured both local and overseas raw materials. The local purchases accounted for 98.88 %, and the overseas purchases accounted for 1.12 % of the total purchase value.

The company operates its business by promoting, supporting employment in the community, promoting careers in order to have a stable income, creating a balance between generating income and distributing income to society, resulting in a truly inclusive distribution of the country's economic income. The Company is committed to promoting its potential. Sustainable partner capabilities provide opportunities and see a positive role of partners in developing and sustainavble growing. It develops, grows, and generates income for community by believing in selecting products from the community that meet the standards. Good quality will make customers or consumers very satisfied.

#### **2.1.4 Environmentally friendly sourcing**

- Increase the number of partners and environmentally friendly products

The company values and promotes the supply of safe packaging and environmentally friendly materials. It is committed to reducing the use of single-use plastic packaging, reduce / Lose / Change to paper packaging in order to reduce future impacts on the environment, such as pollution, waste disposal, global warming, etc. The company is committed to reducing the consumption of plastic packaging to less than 50% of the total packaging consumption.



## 2.2 Location of restaurant branches

The Group provides a location for restaurant branch expansion. The Business Development Department prepares a business feasibility assessment report for investment decisions, which covers from an area survey, demographic data, income levels, number of nearby competitors, consumer behaviors, logistics system, sizes and market positioning of shopping centers, as well as reputation and popularity of locations. If a location meets the criteria set by the Group and is expected to generate an appropriate return on investment, including a payback period according to the Group policy, the Business Development Department will coordinate with the target location and negotiate to enter into a short-term lease agreement (approximately 3 years) with preliminary rental, service and utility rates, either fixed or variable rates based on sales, as the case may be.

## 2.3 Contractor procurement

The Group provides efficient contractors for branch construction (“Contractor”) to be able to complete the project on time. This will enable the Group to expand their branches more efficiently and quickly at the right cost and expense according to the plan set in each quarter.

On average, the Group provides designers with the expertise of each brand to conduct interior design, kitchen design, , Electricity and air conditioning with sanitation system according to identity plan of each brand. They are required to create a design within 1 - 2 months before the bidding of the contractors, which takes about 1 month. The Company will select 3 - 4 contractors in each work segment according to the construction plan, which has passed the qualification criteria to participated in the auction of the Group through the bidding process. The bidding contractors shall provide the lowest construction quotation, including the quality of past projects, and the Group’s Project Management Department will present to the Procurement Committee to consider the suitability, both in terms of working schedule, the appropriate work team, and the appropriate budget, then the Group will select qualified contractors with expertise and enter into an agreement with the contractors as for the branch construction period, about 1-2 months/branch, depending on whether it is a Thai restaurant or Japanese restaurant. The cost for hiring a decoration contractor account for approximately 40.0% to 45.0% of the cost of new store opening; the cost of Electric & Air Conditioning systems accounts for approximately 20.0%; the cost of kitchen utensils and refrigerators accounts for approximately 12.0%; the cost of system work in addition to the standard accounts for approximately 12.0% to 15.0%; and the cost of preparation for the SET UP equipment accounts for approximately 6% to 9%.

## 2.4 Quality Inspection and Control

As the Group attaches great importance to product quality, food quality, and service quality in the Group’s restaurant branches, it establishes a continuous restaurant-quality management system, with details as follows:

### (1) Selection of quality raw materials

The Group has a Research and Development Department with experienced personnel acting to select raw materials from new distributors to cook for testing and quality improvement all the time to ensure that the raw materials still meet the criteria and standards set by the Group

### (2) Storage process and delivery of raw materials to branches

The Group has standardized warehouse management to control the quality of raw materials. All food products are outsourced by reputable outsourcing providers of warehouse management and logistics to operate and delivers raw materials to the restaurant branches on a daily basis by a transport vehicle that is suitable for each type of raw material,

such as a refrigerator, to deliver only the food that needs temperature control to keep the freshness of the food until it reaches the branches.

(3) Quality control of food, service and cleanliness

The Group has 3 teams responsible for quality control of food and service at restaurant branches under the supervision of the Brand Management Department as follows.

1. Food Quality Assurance (FQA) team consists of food specialists and chefs responsible for monitoring kitchen management at restaurant branches such as refrigerated storage of raw materials, cleanliness and conditions of cooking utensils and containers, freshness of food, cooking time, raw material preparation process, mixing, cooking, food appearance, amount of food and ingredients, as well as the taste of food.

The FQA team randomly inspect the food quality including QSC (Quality Service Cleanliness) and the cooking process to the food storage method on a weekly basis to ensure the specified standards are met.

2. Area Manager (AM) team is responsible for inspection of general management in the restaurant, such as receiving system, payment and deposit of cash, utilization of the recording system, cleanliness, lighting brightness, store temperature, dry and chemical storage, as well as the characteristics, appearance and quantity of beverages and confectionery.

The AM team is responsible for random inspections including QSC, service processes and branch management according to established standards on a weekly basis, as well as on the job training.

3. QSC/Training Brand team is responsible for food quality inspection, including QSC, with menu, raw material quality, cleanliness, service procedure on a monthly basis. The QSC team will provide guidance and support in helping the branch management team operate according to standards and provide monthly training for both kitchen and service areas.

In addition to the company's internal quality control team, the Company also conducts NPS (Net Promoter Score) survey and

mystery shopper survey with customers continuously in terms of food quality, food taste, speed, cleanliness and value for money which is measure from the customer's point of view to the company. This information is reflected in the company's ability to continuously improve the quality control of food and service.

(4) Service quality control and suggestion and complaint management

The Group provides several channels to receive suggestions and complaints from customers, such as through restaurant notifications, the Company's website, or questionnaires given directly to customers. The AM Team inspects and follows up suggestions and complaints through such channels on a daily basis, and if a problem occurs, the AM Team will immediately inspect and coordinate with the relevant departments and the restaurant branches to find solutions. In addition, the QSC/Training team organizes training to resolve complaints. and good service to avoid customer complaints to the front of the branch to provide good service to the brand's customers

#### **Related laws and regulations**

In the restaurant operation, the Group established the rules and regulations concerning the operations of the Group's restaurants where all branches of the Group's restaurants are required to comply with related laws and regulations, which can be divided into main parts as follows:

1. Place of business

Place of business: the Group enters into a retail space lease agreement with building owners, such as an area in a shopping center or retail store with a lease term of approximately 3 years or more than 3 years. The Group makes a written lease agreement and registration of the lease with a competent official as required by law (in the event that the lease agreement stipulates the lease term of more than 3 years)

2. Operating license

In operating a restaurant business, an operator shall apply for licenses with a public agency, with details as follows:

- VAT registration document and additional branch registration with the Revenue Department and the Department of Business Development;
- License to establish a place for selling and collecting food to a local health office
- License to sell liquor with the Excise Department (if any); and
- Submission of billboard tax payment and annual land and house tax payment to a local income division



3. Personnel management
  - The Group has a labor agreement with its employees in accordance with the Labor Act, as well as establishing the Company's Regulations according to the law, along with providing its employees with benefits and welfare as required by law.
  - The Group applies for permission to hire foreign workers required by the Foreign Workers Act and the Ministry of Interior's Notification.
  - The Group requires employees who are responsible for cooking in the kitchen to be trained and obtain a "food handler card", which refers to a person involved in food, from the process of preparing, assembling, cooking, selling, and serving food, to cleaning and storing equipment containers, in accordance with the Public Health Act
4. Other laws related to business operation
  - Marketing-related operations and advertising promotions shall comply with laws such as the Consumer Protection Act, Alcohol Control Act, and Gambling Act. The Group shall perform inspection or apply for permission to be legal before proceeding.
  - Intellectual property-related operations include Copyright Act, such as music copyright agreement and trademark/service mark registration associated with the Group's brands.

#### 4. Assets for business operation

##### 4.1 Fixed assets for business operation

As of December 31, 2022, fixed assets used in the Group business operations have net book value after deducting accumulated depreciation and provision for impairment as shown in the Company's consolidated financial statements, which are equal to 736.2 million baht. The details are as follows:

Items	Net book value (Million baht)	Right of ownership	Obligation
Land and land improvements	347.6	ownership	Mortgaged with bank
building	27.8	ownership	None
Machinery and factory equipment	5.1	ownership	None
Leasehold improvements	245.5	ownership	None
Tools, utensils and operating equipment	58.4	ownership	None
Furnishings, fixtures and office supplies	35.8	ownership	None
Vehicles	2.7	ownership	None
Work during construction process and assets during installations	13.3	ownership	None
<b>Total</b>	<b>736.2</b>		

The Group's fixed assets list as shown above can be detailed by asset type and classified by a company as follows:

##### 4.1.1 Land and land improvement

As of December 31, 2022, the net book value of land and land improvement according to the Company's and its subsidiaries' consolidated financial statements is as follows:

Company	Location	Area size (rai)	Net book value (million baht)	Purpose of use	Right of ownership	Obligation
ZCG	Bang Chalong Subdistrict, Bang Phli District, Samut Prakan Province	19-3-7	326.3	The Company plans to develop such land to be the Group's central kitchen and distribution center in the future.	ownership	Mortgaged with bank in the amount not exceeding 1,105 million baht.  (the Group has a loan facility with a mortgagee bank of 200 million baht)

Company	Location	Area size (rai)	Net book value (million baht)	Purpose of use	Right of ownership	Obligation
ZKC	Hua Khwang Subdistrict, Kosum Phisai District Mahasarakhan Province	16-1-10	21.3	Office location and condiments factory	ownership	None
<b>Total</b>			<b>347.6</b>			

#### 4.1.2 building

As of December 31, 2022, the net book value of leasehold adjustments according to the Company's and its subsidiaries' consolidated financial statements is as follows:

Company	Net book value (Million baht)	Purpose of use	Right of ownership	Obligation
ZKC	27.3	Office buildings and condiments factory	ownership	None
KMF	0.5	อาคารสำนักงาน office building	ownership	None
<b>Total</b>	<b>27.8</b>			

#### 4.1.3 Machinery and factory equipment

As of December 31, 2022, the net book value of machinery and factory equipment according to the Company's consolidated financial statements and subsidiary The details are as follows.

Company	Net book value (Million baht)	Purpose of use	Right of ownership	Obligation
ZKC	5.1	Machinery and equipment for the production of condiments	ownership	None
<b>Total</b>	<b>5.1</b>			

#### 4.1.4 Leasehold improvements

As of December 31, 2022, the net book value of the leasehold improvements according to the consolidated financial statements of the Company and subsidiary The details are as follows.

Company	Net book value (Million baht)	Purpose of use	Right of ownership	Obligation
ZCG	23.1	Office building decoration and renovation work And demolition work	ownership	None
ZRH	24.1	Shop decoration work, electrical system work, kitchen work and demolition work	ownership	None
AKA	133.0	Shop decoration work, electrical system work, kitchen work and demolition work	ownership	None
GGG	8.5	Shop decoration work, electrical system work, kitchen work and demolition work	ownership	None
OTT	43.3	Shop decoration work, electrical system work, kitchen work and demolition work	ownership	None
ZPC	13.5	Shop decoration work, electrical system work, kitchen work and demolition work	ownership	None
ZSM	-	Office building decoration and renovation work	ownership	None
<b>Total</b>	<b>245.5</b>			

#### 4.1.5 Other fixed assets

As at 31 December 2022, the net book value of other fixed assets comprises tools, appliances and operating equipment, decoration installations and office supplies, vehicles, and work during construction process and assets during installations according to the Company's and its subsidiaries' consolidated financial statements is as follows:

No.	Description / purpose of use	Net book value (Million baht)	Right of ownership	Obligation
1	Tools, utensils and operational equipment such as kitchen tools and equipment For cooking at the branch, etc.	58.4	ownership	None
2	Furnishings, fixtures and office equipment	35.8	ownership	None
3	Vehicles	2.7	ownership	None

No.	Description / purpose of use	Net book value (Million baht)	Right of ownership	Obligation
4	Work in progress and assets in progress such as office buildings And restaurant branches, etc.	13.3	ownership	None
Total		110.2		

#### 4.2 Right-of-Use Assets

As of December 31, 2022, the net book value of leasehold rights in the Company's and its subsidiaries' consolidated financial statements is as follows:

Company	Net book value (Million baht)	Purpose of use	Right of ownership
ZCG	90.2	Rent to operate a restaurant	Ownership of leasehold rights
ZRH	247.5	Rent to operate a restaurant	Ownership of leasehold rights
AKA	204.4	Rent to operate a restaurant	Ownership of leasehold rights
GGG	36.6	Rent to operate a restaurant	Ownership of leasehold rights
OTT	103.7	Rent to operate a restaurant	Ownership of leasehold rights
ZPC	23.2	Rent to operate a restaurant	Ownership of leasehold rights
ZKC	2.3	Rent to operate a restaurant	Ownership of leasehold rights
Total	707.9		

#### 4.3 Intangible assets

As of December 31, 2022, the net book value of intangible assets according to the Company's and its subsidiaries' consolidated financial statements is as follows:

Items	Detail	Net book value
Trademark	Buying a trademark from an acquisition	81.4
Franchise contract	Franchise agreement for Thai restaurant Tummour brands according to the acquisition of the business	-
Software license fee	Business software	13.0
Patent fee	Patent	3.4

Total	97.8
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#### Investments in subsidiaries and associates

The company operates its business by holding shares in other companies. The Company invests in a subsidiary that operates a restaurant business and other related businesses which according to the separate financial statements of the company as of December 31, 2022, the Company has investments in 9 subsidiaries, with details as follows:

Subsidiaries	Nature of Business Operations	Shareholding (%)	Investment value at cost as December 31, 2020 (Million baht)
ZRH	Japanese restaurant business under brand “Zen” and “ZEN BOX” and related businesses	100.0	75.0
AKA	Japanese style grill restaurant under brand “AKA” Neo-Taiwanese restaurant business under brand “Din’s” and related businesses	100.0	80.0
GGG	Premium Japanese restaurant under brand “Sushi Cyu” and Premium Japanese style grill restaurant “Tetsu” and related businesses	100.0	30.0
OTT	Lifestyle restaurant business with “Tokyo Café” concept under brand “On the Table”, Franchise business and related businesses	100.0	25.0
SYN	Owners of trademark for Thai restaurant brands “Tummour”, “Laos Yuan”, “Jaew Hon”, “Pho” and “de Tummour”	100.0	251.3
ZPC	Thai restaurant business under brand “Tummour”, “Kiang”, “Laos Yuan”, “Jaew Hon”, “Pho” and “de Tummour”, franchise business and related businesses	100.0	20.0



Subsidiaries	Nature of Business Operations	Shareholding (%)	Investment value at cost as December 31, 2020 (Million baht)
ZSM	Raw material procurement, purchase and delivery business for the Group restaurant outlets including sales and distribution of raw material for franchisee and retail food products	100.0	75
ZKC	Fresh food manufacturing business, dried food, ready-to-eat food all kinds of seasonings as well as all kinds of beverages and other products related to all food  Retail-wholesale, import and export of fresh food, dried food, processed food, vegetables and fruits of all kinds, both domestically and internationally. and abroad	51.0	10.0
KMF	Import and distribution business of frozen seafood	51.0	71.7
Total investment value			580.8

### 1.3 Shareholding Structure of the Company Group

1.3.1 Shareholding Structure of the Company Group The company operates its business by holding shares in other companies. The Company invests in a subsidiary that operates a restaurant business and other related businesses which according to the separate financial statements of the company as of December 31, 2022, the Company has investments in 9 subsidiaries and 1 associated with details as follows:

Subsidiaries / Associated	Ticker	Head Office	Nature of Business Operations	Shareholding (%)	Investment value at cost as December 31, 2022 (Million baht)
Zen Restaurant Holding Company Limited	ZRH	662 Soi Onnut 17 Suanluang, Suanluang, Bangkok 10250	Japanese restaurant business under brand “Zen” and “ZEN BOX” and related businesses	100.0	75.0
AKA Interfood Company Limited	AKA	662 Soi Onnut 17 Suanluang, Suanluang, Bangkok 10250	Japanese style grill restaurant under brand “AKA”Neo-Taiwanese restaurant business under brand “Din’s” and related businesses	100.0	80.0
Gyu Grill Group Company Limited	GGG	662 Soi Onnut 17 Suanluang, Suanluang, Bangkok 10250	Premium Japanese restaurant under brand “Sushi Cyu” and Premium Japanese style grill restaurant “Tetsu” and related businesses	100.0	30.0
Tokyo Concept Company Limited	OTT	662 Soi Onnut 17 Suanluang, Suanluang, Bangkok 10250	Lifestyle restaurant business with “Tokyo Café” concept under brand “On the Table”, Franchise business and related businesses	100.0	25.0

Subsidiaries / Associated	Ticker	Head Office	Nature of Business Operations	Shareholding (%)	Investment value at cost as December 31, 2022 (Million baht)
Spice Synergy Company Limited	SYN	662 Soi Onnut 17 Suanluang, Suanluang, Bangkok 10250	Thai restaurant business under brand “Tummour”, “Laos Yuan”, “Jaew Hon”, “Pho”, and “de Tummour”, franchise business and related businesses	100.0	251.3
Zen & Spicy Company Limited	ZPC	662 Soi Onnut 17 Suanluang, Suanluang, Bangkok 10250	Owners of trademark for Thai restaurant brands “Tummour”, “Laos Yuan”, “Jaew Hon”, “Pho” and “de Tummour”	100.0	20.0
Zen Supply Chain Management Company Limited	ZSM	662 Soi Onnut 17 Suanluang, Suanluang, Bangkok 10250	Raw material procurement, purchase and delivery business for the Group restaurant outlets including sales and distribution of raw material for franchisee and retail food products	100.0	17.5
Zen And Kosum Interfood Company Limited <sup>(1)</sup>	ZKC	112 Village No. 8, Kosum-Sarakham Road, Kangkae Subdistrict, Kosum Phisai District Maha Sarakham Province	Fresh food factory business, dried food, instant food all kinds of condiments as well as all kinds of beverages and other products All food related Retail-wholesale, import and export of fresh food, dried food, processed food, vegetables and fruits of all kinds, both domestically and abroad	51.0	10.00

Subsidiaries / Associated	Ticker	Head Office	Nature of Business Operations	Shareholding (%)	Investment value at cost as December 31, 2022 (Million baht)
King Marine Food Company Limited <sup>(2)</sup>	KMF	44 Soi Ram Inthra 65 Intersection 2, Tha Raeng, Bang Khen, Bangkok	Import and distribution business of frozen seafood	51.0	71.7
KIN DEE YU DEE 2020 Company Limited <sup>(3)</sup>	-	87/1 Karnjanavanit Road, Ban Phru Subdistrict, Hat Yai District, Songkhla Province	Restaurant business By purchasing a franchise brand "Chiang"	25.0	-
Total investment value				580.5	

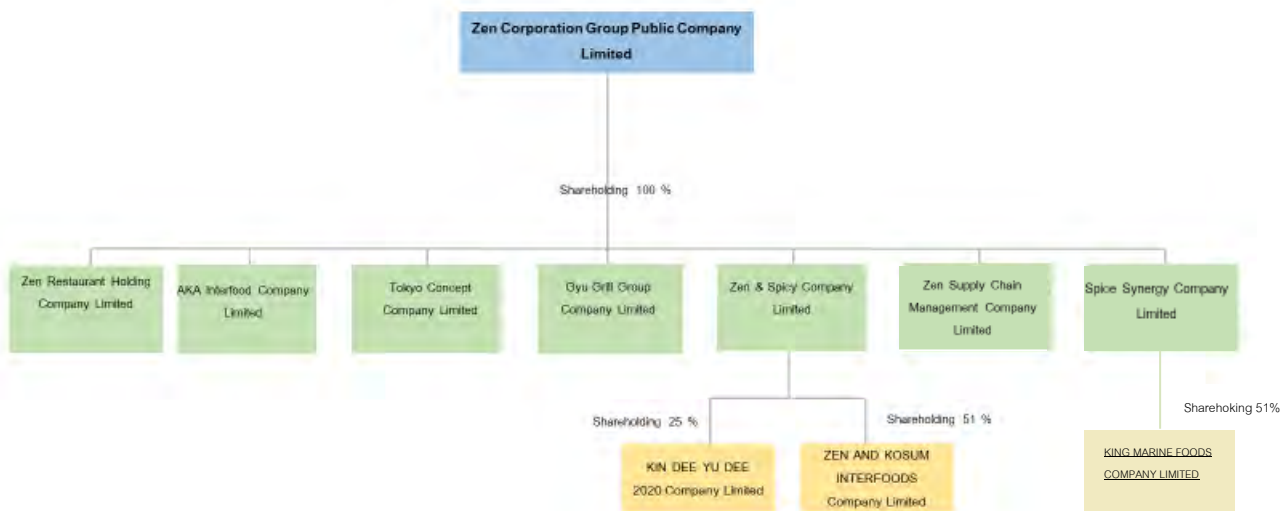
Note <sup>(1)</sup> Associated Company held by Zen & Spicy Company Limited

<sup>(2)</sup> Associated Company held by Spice Synergy Company Limited

<sup>(3)</sup> Joint Venture Company held by Zen & Spicy Company Limited

- Business division policy of companies in the group

The shareholding structure diagram of the group of companies



- Shareholding proportion Not different from the proportion of voting rights
- The size of the main business companies and the size of other companies compared with the size of the company meet the criteria
- Name, address, office of the juristic person, type of business, telephone, fax, number and type of all outstanding shares of the juristic person that the company Holding shares of 10% or more, is in the topic of shareholding structure of the company

1.3.1. Persons, who may have conflicts of interest, hold shares in subsidiaries or associated companies altogether more than 10 percent of the voting shares of the Company shall specify the reason(s)

- None –

1.3.2. Relationship with the major shareholder's business group

1. No structure or status of the Company/Group in the case of being part of the major shareholder's business group

2. No need for interdependence or mutual support and no strategic positioning of the Company/Group to the major shareholder's business group
3. No business structure of the Company/Group having significant competition

### 1.3.3 Shareholder

#### 1. Major shareholders

(A) List of the top 10 shareholders listed in the shareholder registration book as of December 30, 2022 are as

List of Shareholders	No. of Shares (shares)	Percentage of Paid up Capital (Percent)
1. Mr. Sakkanon and Ms.Jomkwan Group	200,750,400	66.92
1.1 AGB Siblings Holdings Company Limited <sup>(1)</sup>	75,000,000	25.00
1.2 Ms. Jomkwan Chirathivat	34,535,200	11.51
1.3 Mr. Sakkanon Chirathivat	34,535,200	11.51
1.4 Morgan Stanley & Co. International PLC <sup>(2)</sup>	56,680,000	18.89
2. Mrs. Kesara Manasilp	11,606,100	3.87
3. Central Pattana Public Company Limited	5,625,000	1.87
4. Mrs. Supajed Vivaddhanakasem	4,319,990	1.44
5. Mr. Prin Chirathivat	4,045,700	1.34
6. UOB KAY HIAN (Hong Kong) LIMITED – Client Account	3,910,500	1.30
7. Ms. Suchanpa Balankura	3,780,000	1.26
8. Mr. Steven David Halliday	3,780,000	1.26
9. Mr. Kobchai Tantiwiwatpan	3,777,600	1.26
10. Thai NVDR Co., Ltd.	3,711,720	1.24

Note :

<sup>(1)</sup> AGB Siblings Holdings Company Limited, a company incorporated in Thailand, is held by AGB Family Holding Company Limited 100.0%. AGB Family Holding Company Limited, a company incorporated in Thailand, is held by Dragon Back Investments Limited 100.0%. Dragon Back Investments Limited is held by AGB Holding



Limited 100.00% . AGB Holding Limited is held by Ms. Jomkwan Chirathivat and Mr. Sakkanon Chirathivat, in the portion of 50.0% and 50.0%, respectively

<sup>(2)</sup> Morgan Stanley & Co. International PLC is the total number of shares of 1) Mr. Sakkanon Chirathivat 2) Ms. Jomkwan Chirathivat 3) Dragon Sign Global Limited a company incorporated in British Virgin Islands, is held by Mr. Sakkanon Chirathivat 100.0% and 4) Great Classic Limited , a company incorporated in British Virgin Islands, is held by Ms. Jomkwan Chirathivat 100.0%

#### Foreign Shareholders

As at December 30, 2022 appears as follows:

The Company has 4 foreign shareholders with a total of 60,593,500

shares or equal to 20.20 % of paid-up capital

#### Restriction in the company's share transfer

The company shares could transfer without any restriction except the transfer was resulted in foreign shareholders holding ratio more than 49.0 of total paid up shares of the company

(B) The major shareholders who, by their behavior, have significant influence over the formulation of policies, management, or operations of the Company

- None -

#### 2. List of shareholders of Subsidiary operating main business

Shareholder Structure of the company's subsidiaries as of December 31, 2022 had details as follow

Name of Subsidiaries	Shareholder List							
	The company or ZCG		Mr. Sakkanon Chirathivat		Ms. Jomkwan Chirathivat		Mr. Steven David Halliday	
	No.of Shares (shares)	Holding ratio (%)	No.of Shares (shares)	Holding Ratio (%)	No.of Shares (shares)	Holding ratio (%)	No.of Shares (shares)	Holding rati (%)
ZRH	749,998	100.0	1	0.0	1	0.0	-	-
AKA	799,998	100.0	1	0.0	1	0.0	-	-
GGG	299,998	100.0	1	0.0	1	0.0	-	-
OTT	249,998	100.0	1	0.0	1	0.0	-	-
SYN	499,997	100.0	1	0.0	1	0.0	1	0.0
ZPC	1,999,997	100.0	1	0.0	1	0.0	1	0.0

Name of Subsidiaries	Shareholder List							
	The company or ZCG		Mr. Sakkanon Chirathivat		Ms. Jomkwan Chirathivat		Mr. Steven David Halliday	
	No.of Shares (shares)	Holding ratio (%)	No.of Shares (shares)	Holding Ratio (%)	No.of Shares (shares)	Holding ratio (%)	No.of Shares (shares)	Holding ratio (%)
ZSM	699,997	100.0	1	0.0	1	0.0	1	0.0

Name of Subsidiaries	Shareholder List									
	Zen & Spicy Company Limited Or ZPC		Mrs.Veeradaorn Puengphroenpun		Mr. Nattapon Thongbaiyai		Miss Warinphat Saenglee		Miss. Oranong Saenglee	
	No.of Shares (shares)	Holding ratio (%)	No.of Shares (shares)	Holding ratio (%)	No.of Shares (shares)	Holding ratio (%)	No.of Shares (shares)	Holding ratio (%)	No.of Shares (shares)	Holding ratio (%)
ZKC	51,000	51.0	47,530	47.5	490	0.5	490	0.5	490	0.5

Name of Subsidiaries	Spice Synergy Co., Ltd. or SYN		Mr. Teeratat Bamnetphan		Mrs. Natthasasi Bamnetpan	
	No.of Shares (shares)	No.of Shares (shares)	No.of Shares (shares)	Holding ratio (%)	No.of Shares (shares)	Holding ratio (%)
KMF	25,500	25,500	12,250	24.5	12,250	24.5

3. Shareholders' agreements in matters affecting the Company's issuance and offering or Company performance and explain the key issues that affects the operation

- None -

#### 1.4 Paid up capital of the Company

##### 1.4.1 Paid up capital of the Company

As of December 31, 2022, the Company had registered capital in the amount of 300,000,000 Baht consisting of common stock 300,000,000 shares at the par value of 1.0 Baht per share and had paid up capital in the amount of 300,000,000 Baht consisting of common

stock 300,000,000 shares at the par value of 1.0 Baht per share

Listed stock exchange

The Stock Exchange of Thailand

93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400

#### 1.5 Other issued security

- None –

#### 1.6 Dividend Policy

##### 1. Dividend payment policy of the Company

The board of directors of the Company may consider payment of an annual dividend of the Company and which must be approved by the shareholders' meeting except for an interim dividend payment which the board of directors of the Company has authority to approve from time to time when deemed that the Company has appropriate net profits. The interim dividend will then be reported at the next shareholder meeting after payment of the interim dividend.

The Company has a policy to pay dividend to shareholders in the amount of not less than 50% of the net profit after deduction of corporate income tax, allocation of legal reserve and general reserve based on the Company's separate financial statement. In this regard, the board of directors of the Company may consider to pay a dividend different from the policy, considering factors for the benefit of shareholders such as the economic situation, business performance, financial status, financial liquidity, conditions of loan agreements etc., and the board of directors will consider a dividend that will not significantly affect the normal business operations of the Company.

Regarding the Company's business which receives revenues from its holdings in other companies without itself operating the core business and its main assets are investments in subsidiaries therefore the ability to pay dividend mainly depends on the performance and dividend payment of its subsidiaries.

##### 2. Dividend payment policy of subsidiaries

Annual dividend payment and interim dividend (if any) of the subsidiaries must be approved by the Board of Directors unless the subsidiaries pay dividends for the whole year at not less than that specified in the annual budget of each subsidiary as approved by the Board of Directors

Dividend payment policy of the Company's subsidiaries is under the approval of the Board of Directors of the subsidiary and proposed to the shareholders' meeting of each subsidiary for approval each year. The subsidiary has a policy to pay a dividend of not less than 50% of net profit according to its separate financial statements of the subsidiary after corporate income tax and after deducting various reserves of all types as specified by law and subsidiaries each year, and the obligations under the terms of the loan agreement (if any). In this regard, the Board of Directors of the subsidiary considers paying dividends by considering various factors such as economic conditions, operating results and financial status of the subsidiary, cash flow, reserves for future investments, reserves for repayment of loans or as working capital within the subsidiary. The conditions and restrictions as specified in the loan agreement and the payment of dividends will not significantly affect the normal operations of the subsidiaries as the Board of Directors of the subsidiary deems appropriate.

## 2. Risk Management

### 2.1 Risk Management Policy and Plan

The Group is aware of the risks that exist and may affect the business operations and performance of the Group. The risks may arise from internal factors or external factors. The Board of Directors has therefore formulated the risk management policy and the Risk Management Committee' charter, which are disclosed on the Company's website, as well as appoints the Risk Management Committee for overseeing, planning, and managing the risks. The risks are assessed qualitatively and quantitatively. The following risk factors, if arise, may have negative effects on business operations, operations and financial position of the Group of Companies.

### 2.2 Risk factors affecting the Group's business operations

#### 1. Risk as a Holding Company

The Company operates its business as a holding company, earning mainly from holdings in other companies and has no business of its own with significant income. The Company's performance therefore depends on the performance and the dividends payment ability of its subsidiaries. For the fiscal year ended December 31, 2022, the Company holds shares in 9 subsidiaries, namely ZRH, AKA, GGG, OTT, SYN, ZPC, ZSM, ZKC. and KMF. Therefore, if such subsidiaries cannot pay dividends or pay less dividends, it may affect the performance and dividend payment of the Company.

The Company and its subsidiaries have a dividend payment policy of not less than 50 % of the net profit after income tax of the separate financial statements of the Company and its subsidiaries less the allocation of legal reserve and obligations under the terms of the loan agreement (if any).

#### 2. Business Risks

The Group has defined risk factors by classifying them as economic risks. Environmental and social risks in accordance with the Group's sustainable development policy

**2.1 Economic risks:** cover strategic and financial risks, operational risks, regulatory and regulatory risks, and market risks as follow.

##### 2.1.1 Risk of shortage of raw materials fluctuations in raw material prices;

For restaurant operations, most raw materials are fresh food products such as seafood, meat, rice, eggs, vegetables and fruits with short shelf life. The quantity and price of raw materials vary with the seasons, effects of natural disasters, inclement weather, outbreaks of diseases in plants and animals, the amount of produce reach the market at any given moment and domestic and international market demands. Therefore, the raw materials at different times are inconsistent and

there may be shortages at certain times. Such factors directly and indirectly affect the quantity and price including quality of raw materials and may have a negative impact on the performance and financial position of the Group. For the fiscal year ended December 31, 2022, the cost of raw materials accounted for 75.31% of the total cost of sales.

To mitigate such risks, the Group places great importance on effective cost control and management and mitigating the effects of shortages and fluctuations in raw material prices by implementing action to mitigate the potential risk as follows.

1. Formulate procurement plan and estimate raw material demand; establish efficient procurement system to ensure that the Group can procure the best prices and conditions.
2. Build a good relationship with suppliers, closely monitor factors and events that affect the quantity and price of raw materials, directly and indirectly, as well as assess the risks of shortages or price fluctuations of raw materials in order to prepare, prevent and resolve the potential risk and situations in a timely manner.
3. For some main raw materials, the Group has both short-term and long-term as suitable.
4. The Group has a policy to prepare a list of distributors to reduce the risk of purchasing raw materials from a single supplier, as well as consider adjusting the food items to be appropriate and in line with the market conditions in each season

#### 2.1.2 Risk from concentration of businesses of the Group

Currently, the business operations of the Group Most of the revenue still comes from the restaurant business which includes both Japanese food and Thai food. The Group was aware of the necessity of running a business and tried to spread the restaurant openings across the country in both owned by the Group and franchises. However, operating only a restaurant business is still at risk if there is an event that directly affects the restaurant business.

In order to mitigate such risks, during 2021, the company group has invested by holding 51% of shares in Zen & Kosoum Interfoods Co., Ltd., which operates the business of production, distribution, retail and distribution of cooked fermented fish sauce in bottled or packaged food or condiments in other forms of products which is produced from processing fermented fish sauce as the main raw material. During 2022, the Group has invested by holding 51% of shares in King Marine Foods Co., Ltd., which main business is selling raw materials in the category of frozen and processed foods. such as frozen seafood.



**2.1.3 Risk from failure to procure rental space for new branch expansion and/or failure to renew the rental contract of the existing branch and/or operate a restaurant business on the leased area pending for signing of the lease agreement from the lessor.**

The restaurant business is highly competitive and there are many restaurant operators. The location of the restaurant branch is therefore an important factor in the success of the new branch opening. Finding potential leased spaces to open new branches has become more difficult. There is also a risk of failure to procure targeted, leased spaces for new branch opening. In addition, most of the Group's current rental contracts are short-term leases of approximately 3 years, the Group

of companies may be at risk of failure to renew the leases and/or failure to negotiate the terms and rental prices which may have a material adverse effect on the performance and financial position of the Group.

However, the Group is a business partner with many rental space operators including shopping centers/department stores, community malls and retail stores in Bangkok, its vicinities and upcountry. The Group has a long-standing relationship with lessors, has a good rental payment history, and has always strictly complied with the lease agreement. In addition, the Group is also a leading restaurant network operator in Thailand with a variety of restaurant brands, a strong reputation offering quality products and good services that are in demand by consumers. The Group has a business development team responsible for contacting and tracking information about the rental areas; analyzing opportunities, possibilities, potential of the areas to support the expansion of branches according to the expansion plans in the future. In addition, the Group has developed a smaller restaurant model that can open restaurant branches in more diverse areas, such as shop houses, commercial buildings or other areas with sufficient potential to open a branch. This makes it possible to open create opportunities for branch expansion.

For arranging lease agreements and/or renewing lease agreements with most rental space operators, there are time-consuming internal procedures. However, a memorandum of understanding or confirmation documents with legal effect will be prepared to ensure that the restaurant business is pending the signing of a lease or lease renewal without any legal issues in all aspects.

**2.1.4 Risk of new branch failure**

The Group has the goal of expanding branches as well as continually improving existing branches with a plan to open more branches each year in accordance with market conditions, industry, competition, demand and purchasing power of consumers. For the fiscal year ended December 31, 2020 2021 and 2022, the Group expanded a total 11 branches 6 branches and 25 branches, respectively. In 2022, the Group expanded 45 branches, which made the Group more cautious in new

branch opening. In the investment in new branch opening, the Group spends an average of 5 – 9 million baht per branch for Japanese restaurants and an average of 0.7-3.5 million baht per branch for Thai restaurants, which is an investment in design, construction work, system work, shop decoration, furniture, kitchen equipment and other office equipment.

In addition to the competition in the food business that is getting more intense in the past year, the situation of the Covid-19 pandemic directly affected the revenue and performance of the Group to a certain extent. However, the Group's new branch expansion aims to reduce the potential risks. Therefore, it is necessary to carefully study the feasibility of investment in all aspects, including the determination of design, target customers, project layout of the landlord, market conditions, competition, competitors, consumer demand, investment in development, payback period and return on investment, as well as requiring close follow-up and resolution of business problems in all branches, both old and new branches.

#### **2.1.5 Risks from expanding the franchise business and the franchise not complying with the franchise contract**

The Group has started to expand branches through the franchise system in 2016 trying to cover both domestic and international markets. For the fiscal year ended December 31, 2020, 2021 and 2022, the Group has 204 and 218 branches and 190 branches , respectively.

For the year ended December 31, 2020, 2021 and 2022, the Group's revenue from franchising 3.0% , 2.8% and 2.3% of the Group's total revenue, accounting for 6.6% and 6.5% and 5.0% of the Group's gross profit, respectively.

In the past year, the Group has expanded its franchise 20 branches. However, there are 17 franchises had to go out of business with affected from Covid-19 epidemic.

With the use of the franchise system to expand branches in domestic and international markets, the Group is at risk of franchisee failure to comply with the terms of the contract, copying, negative news about the Group's branded restaurants that can adversely affect the Group's business, financial condition, results of operations and opportunities.

However, the Group has a Franchise Operation Department responsible for measurement, performance appraisal and quality inspection of the franchisees according to the prescribed conditions and terms. In addition, the Group has the related departments responsible for auditing franchise branches to ensure that all franchisees comply with the terms and conditions of the contract. The Group will provide comprehensive franchise support, store opening preparation, ongoing training courses for franchisees, including marketing to support readiness for the franchisees. In the past, the Group has never had a problem in managing franchisees who have significant issue until terminated the contract.

### 2.1.6 Risk from outsourcing services

The Group manages and controls the cost of business operation by outsourcing services 2 types which are 1) warehouse management, logistics service 2) production of ingredients and seasonings according to the Group's recipes. If the service provider fails to comply with the terms or conditions of the service contract, it may have a material adverse effect on the business, performance and financial position. In hiring, consider the qualifications and the experience of the specialist service provider before entering into the contract. The Group selects service providers that are reputable, experienced and have strong financial status to ensure that service providers are able to provide services as required by the Group.

For raw materials and some products, in order to reduce steps to reduce risks and maximize benefits, manufacturers will deliver products/raw materials directly to branches and franchisees only for in the case of hiring third parties to manage warehouses and logistics services. In the case of outsourcing services for the production of ingredients and food ingredients according to the formula of the Group, the quality of the ingredients will be tested to ensure that food ingredients to meet the standards of the Group. Important terms are stipulated in the contract and the service provider is supervised to comply with the contract. In addition, the Group has prepared a list of supplier partners that are ready to replace each other continuously including the evaluation of the performance of the trading partners according to the specified criteria and timeframe. Regular meetings are held to summarize the results to solve problems that arise. In the past, the Group does not found third party errors in providing services that affected the Group's performance significantly.

In the case of outsourcing services for the production of ingredients and food ingredients according to the formula of the Group. The quality of the ingredients will be tested in order food ingredients to meet the standards of the Group. Important terms are stipulated in the contract and the service provider is supervised to comply with the contract. In addition, the Group has prepared a list of supplier partners that are ready to replace each other continuously including the evaluation of the performance of the supplier partners according to the specified criteria and timeframe.

### 2.1.7 Risks of Service Mark and Trademark Protection

It is the Group's policy to register and maintain service marks and trademarks of restaurant brands and their products. The Group has registered for service mark and trademark protection under the law on service marks and trademarks both domestically and internationally.

However, the procedure for the registration and renewal of service mark and trademark registration is time-consuming and the registration shall be approved by the relevant authorities. Therefore, the Group cannot guarantee that the Group's application for registration or renewal of service mark and trademark registration will be approved in the future. An application for registration or renewal of a registered service mark and

trademark may be contested, invalid or subject to certain restrictions. This may result in other operators being able to use the service marks and trademarks of the Group to in their business operations. Such risks may have a negative impact on the Group's reputation, loss of business opportunity and may have a material adverse effect on the Group's business, performance and financial position.

However, the Group has long-standing restaurant brands that are well known and accepted by consumers. Our restaurants also offer a variety of delicious and delicious food with unique recipes as well as the same standard service in all branches. Therefore, the Group believes that it is difficult for other operators to copy the restaurant business to achieve the same quality and standards.

As of the Group. As of December 31, 2022, the Group did not encounter any problems related to the use of service marks and trademarks of the Group.

#### **2.1.8 Competitive Risk**

In the past, Thai people often do not cook food for their own family, but more often eat out or order food to eat at home. As a result, the restaurant business is highly competitive, and the competition becomes more intense accordingly. There are new entrepreneurs entering the industry continuously and introducing new products and menus, modern decorations. These restaurants are the direct competitors of the Group.

However, the ongoing COVID-19 pandemic has affected sales revenue from the entire food industry significantly decreased. This makes the competition even more intense. During the easing of measures or situation has returned to normal, however, consumers remain cautious about safety, hygiene and spending. As a result, sales revenue has not improved or recovered to normal, which is still a problem and affects the revenue and performance of the Group to some extent. However, in the year 2022, the Group has adjusted its marketing strategies and guidelines in accordance with the current situation. This is in an effort to reduce the risks incurred by expanding the customer base, expanding distribution channels, improving services, organize sales promotions, adjust sales patterns to suit and 17 new branches of AKA brand have been opened.

#### **2.1.9 Risk from failure in raw material management and food quality control**

The Group places emphasis on quality, freshness, taste, cleanliness, safety of all ingredients and food items to ensure that customers can be confident in the hygiene and safety of using the service. Most of the Group's raw materials are fresh and frozen foods. Purchasing department and product research and development department will jointly select raw material suppliers which considers the quality, the standard and taste of the raw materials are the main ones. The delivery of raw materials will be delivered by a reliable outsourced warehousing and logistics service provider and has management for all temperature products. In addition, some products or suppliers of raw materials will send directly from distributors to each branch of the company group directly. There is a system for managing and controlling the quality and standards of raw materials and food at every stage from ordering raw materials through R&D process, distribution of products

and raw materials, quality inspection, quality, preparation and cooking, storage and distribution to individual branches. Purchasing departments and R&D will jointly select raw material suppliers which the main consideration are the quality and the taste of the raw materials. Before receiving the goods from the shipper or raw material distributor, the Group will check the product quality, freshness, cleanliness that meets the specified standards.

In addition, the Group has a Food Quality Assurance Unit or “FQA Team” responsible for random inspection of the operations of the branch, including the quality of raw materials, products and prepared food on a regular basis. Therefore, the Group is confident that the strict raw material management and food quality control from all relevant departments can eliminate such risks. This is to enable all branches of the Group’s restaurants can serve customers with products that are quality, hygienic, safe and meet the specified standards. If there are any defects in food quality or hygiene, improvements will be expedited and rectified immediately.

As of December 31, 2022, the Group has no significant legal disputes regarding food quality.

#### **2.1.10 The risk of complying with relevant laws and from failing to comply with important license conditions**

The Group does business under the law and regulations as required whether it is the implementation of civil and commercial law, labor law, excise law, Consumer Protection Act, Securities and Exchange Act, Notification of the Ministry of Public Health including the protection of consumer safety and health, safety and health in the workplace of employees are in line with the principles of human rights.

in addition the Group’s business requires valid licenses, in which the Group must strictly comply with the conditions stipulated in such licenses. For example, food distribution and storage facility establishment license, a food storage facility for a branch. and warehouses, liquor licenses (if any), cold storage licenses for frozen raw materials for food raw materials warehouses and food contact identification cards according to the Public Health Act. However, if the Group fails to comply with the applicable laws, the Group’s business operations may be interrupted and may significantly affect its business operation and performance.

In order to prevent such risks, the Group must comply with the law Including recruiting employees with expertise to act as a supervisory authority for compliance with laws and regulations, supervision of the quality control system and supervision of operations. In addition, the Group has a policy to follow up on changes in regulations and criteria for obtaining permission, manage the acquisition and process of requesting/renewing licenses for use in operations within the deadline. The Group also train employees on the relevant rules/requirements and coordinated with the supervisory authorities to seek advice to ensure compliance with the established guidelines.

As of December 31, 2022, the Group is confident that it complies with laws and regulations, and all important license conditions

### 2.1.11 Technology risk

Technology today has changed. and has progressed rapidly Therefore, the security of technology and protection against cyber threats Strong and efficient Therefore, it is an important factor in preventing risks and protecting against threats in the technology system including protection against access to confidential information and others. Under the Personal Data Protection Act and other relevant laws However, if the technology system crashes or the technological system cannot meet the requirements of use or the technological system cannot be protected or at risk of being exposed to cyber threats It may significantly affect the business operations of the Group.

The Company Group is aware of such risk prevention. Therefore, the security system in the field of information technology has been developed continuously both in the process system and internal personnel. This includes the establishment of a working group on the security of information systems. Important policies are in place. Prepare both short-term and long-term operational plans training preparation of manuals. Procedures to support the operation of all departments, both under normal conditions or in the event of a system failure, regardless of the cause. There is a right to access information. A backup has been made. Have a backup data center to support and be able to replace the main data center in the event of a failure in order not to interrupt business operations and to ensure that the proceedings are in accordance with relevant laws.

## 2.2 Environmental Risks

### 2.2.1 Climate Change Risks

Climate change that occurs in every area will become more severe day by day, whether it is heavy rain, flash floods, drought, inclement weather. All the climate changes affect business in many areas. The Group is aware of the risks that arise and therefore has taken action to mitigate such risks by implementing activities that reduce the impact on greenhouse gases by doing the following:

- Target to reduce greenhouse gas emissions Carbon Credit 20% by 2023 and 50% by 2026
- to use electricity energy and water efficiency Reduced electricity and water consumption  
In the part of offices and branches in 2023, a decrease of 3% and in 2024, a decrease of 5%
- use of plastic and change the type of product packaging use biodegradable materials instead of using. Plastic packaging by 2023: 48 % of all packaging by 2024 50 % of all packaging
- Waste management within the organization to reduce waste sent to landfills manage waste  
sorting recycle 125 tons by 2023 and manage 150 tons of recycled waste by 2026



## 2.3 Social Risks

### 2.3.1 Risks from the spread of COVID-19

The spread of COVID-19 that began to spread in Thailand since January 2020 and continued throughout the year 2021 under the situation that the government has continuously issued various measures, including Announcement of closures or conditions for the use of certain types of business, including department stores, shopping centers, restaurants, issuing lockdown measures. sitting in a restaurant spacing Including other measures that have affected the behavior of the people's lives. Living in accordance with the new normal has caused the lifestyle and behavior of consumers to change. The food business has adjusted to use the digital system technology in various forms to create comfort being able to respond to the needs of consumers. However, in the second half of 2022, the situation began to improve and since October 1, 2022, COVID-19 has been declared a surveillance disease and relax measures until the situation returns to normal, which has a significant positive effect on the operation of the restaurant, including the operation of the Group as well.

### 2.3.2 Human Rights Risk

The Group has given importance to human rights by having a policy on human rights to be a guideline for conducting human rights operations in a comprehensive manner covering business partners throughout the supply chain. This is to reduce human rights risks both within the Group and in the supply chain. The group has created a video for employees and executives to learn and understand human rights in order to be careful in performing duties in accordance with human rights principles. For the supply chain, at the supplier and business partner meeting of the year, the Group put the topic of human rights as one of the agendas of the meeting. In addition, to evaluating suppliers business partners, the Group has included human rights as a topic in their assessment as well.

In addition, there has been an oversight of human rights matters such as occupational health and safety management. covering all employees and service customers, especially the restaurant branches both owned by the group and those of franchisees closely. This includes strict compliance with the Personal Data Protection Act.

## 2.4 Emerging Risk

The Group has assessed emerging risks by asking different departments to consider risk factors in all activities. For emerging risks, there is a risk of cyber threats, risk from the effects of greenhouse gases and also risks from the implementation of the Personal Data Protection Act (social risks) where the Personal Data Protection Act is an important law and directly related to the Group business operates and must act in accordance with the Act as such correctly and completely. Therefore, in order to reduce the risks that may occur, the Group has prepared a general personal data protection policy, employee personal data protection policy, and prepared a relevant operating manual. Including other actions as follows.

- Establish a personal data protection working group to supervise the implementation of the Personal Data Protection Act
- Provide training for employees within the company
- Closely follow the announcements of the Personal Protection Committee
- Communicate practice guidelines and criteria under the Personal Data Protection Act to internal and external parties who involved completely.
- Improved the guideline and practices according to the announcements, rules and regulations that have changed.

## 3. Management Risks

### 3.1 The risk that the major shareholder has control over the management of the Group.

According to the current shareholder structure, Chirathivat family (Mr. Sakkanon Chirathivat and Miss Jomkwan Chirathivat) holds not less than 66.9% of the total paid-up capital of the Company, directly and indirectly. In addition, Chirathivat family also hold positions as executives, directors and authorized directors of the Group. As a result, this group of major shareholders has the power to control the management of the Group, including controlling the majority of the shareholders' meeting such as appointment of directors or seeking approval in other matters requiring the majority vote of the shareholders' meeting, except for matters that require a vote of not less than three-fourths from the shareholders attending the meeting and having voting rights as required by law or the Company's Articles of Association and having the right to vote. Therefore, minority shareholders may not be able to collect votes for inspection and balances on matters proposed by the group of major shareholders.

However, the Group has managed and operated its business with transparency in accordance with the good corporate governance policy. Management structure consists of personnel with knowledge and abilities and

scope of operations, duties and responsibilities are clearly defined. The authorization to directors and executives is clear and transparent, measures are in place for transactions related to directors, shareholders with controlling power, including those who have conflicts of interest. Such person will not have voting rights to approve such transaction.

The Board of Directors of the Company consists of 5 independent directors out of 11 directors, representing 45.4%. Three independent directors serve as members of the Audit and Corporate Governance Committee responsible for auditing, balancing decision-making, as well as considering the meeting agendas with the Chairman of the Board of Directors before presenting them to the shareholders' meeting. This is to assure the minority shareholders and other stakeholders that the management of the Group has an auditable, appropriate balance of management powers, transparency, efficient management, execution or entering into any transaction is for the best interest of the Group and auditable.

### **3.2 Risk of dependency on personnel, especially on key high-level executives**

Running a restaurant business and related businesses requires high-level executives with knowledge, abilities, expertise and long experience who are able to manage and drive the Group for good reputation, strong financial position with stable and profitable growth. Failure to retain personnel or failure to recruit qualified candidates to replace such personnel may affect the continuity of management and the Group's performance.

However, the Group's current management structure includes a Critical Position Project plan, an appropriate and decentralized structure and scope of duties and responsibilities for managers based on knowledge, ability and experience. The Group has a policy to continuously promote and develop knowledge, abilities, leadership skills for executives and personnel and to develop career advancement and have a succession plan as well as a policy to recruit more knowledgeable personnel to join the Group in accordance with business plan and business expansion plan to prevent such risks.

### 3. Driving Business towards the Sustainable Development Goals

#### 3.1 Sustainability Management Policy and Goals

In 2022, the Company has established guidelines for driving business towards the sustainable development goals by establishing a working group responsible for planning and defining significant issues. Procedural analysis was conducted and define 6 stakeholder groups as follows:

1. Staff
2. Customers / Consumers
3. Business partners / partners
4. Investors
5. Community and Society
6. Regulators

The company has a sustainable development goal. and sustainability strategy details appear in Section 1.3, clause 3.5 Sustainability Report, clause 5. Summary of Sustainability Performance page 13.

#### 3.2 Management of Effects on Stakeholders in Value Chain

The company has studied Analyze the impact caused by the company. to the stakeholders and impacts caused by stakeholders to the Company with consideration Analyze each stakeholder group to recognize the expectations of stakeholders Details appear in Section 1.3, Topic 3.5 Sustainability Report, Sub-Topic 3. Stakeholder Expectations, page 7

#### 3.3 Sustainable Development Policy

The company has set issues and assessed sustainability (Materiality Assessment) such as product and service development, company performance, customer relations, health and food safety, raw material procurement and compliance with the law In order to set goals and business plans, and have taken these 8 issues to form a sustainable development policy. Such policy is disclosed on the Company's website at <https://investor.zengroup.co.th/storage/download/cg/20210527-zen-sustainable-development-policy.pdf>

#### 3.4 Sustainability Actions

In 2022, Zen Corporation Group Public Company Limited is committed to conducting business along with good corporate governance with responsibility to society, community and environment. Aiming to create good impacts to change society in a way that promotes, supports, and builds potential to develop towards sustainable growth with quality. By paying attention to various matters, the company has established a policy of social responsibility. and disclosed on the Company's website at <https://investor.zengroup.co.th/storage/download/cg/zen-csr-policy-th.pdf>

### 1) Social Action

Operations related to social management includes respect for human rights, fair labor practices, responsible production and service for customers participation in community and social development details appear in Section 1.3 Section 3.5 Sustainability Report clause 7.2 Fair Labor Practices Page 23 and clause 7.4 Community / Social Responsibility on page 38.

The company has hired people with disabilities into the system. and empowering and creating careers for people with disabilities by supporting Support Jaidee Farm Project and Kob-pha-kwang Project

### 2) Education Action

In the year 2022, the company provides a project "Scholarship for Employees' Children" provides scholarships to children of employees of the Company with good grades and aim to study. The company has continually awarded funds every year and has a goal of awarding scholarships up to a bachelor's degree

The project was organized to promote education for employees' children. Including helping to lighten the cost of employees. IN addition, those who graduated can work with the Company in order to extension for employees' children to have jobs to support after graduation. This is one of the sustainability projects for all employees of the Company.

### 3) Human Rights Actions

The Company has established a human rights policy and set guidelines including preventive measures and solutions (in case of an event) which is disclosed on the Company's website at <https://investor.zengroup.co.th/storage/download/cg/zen-human-rights-policy-th.pdf>

The company group has a comprehensive human rights audit process and assess human rights risks, and value chain covering personnel, activities, products, business partners and all groups of stakeholders according to the United Nations Business and Human Rights Principles. In addition, the Comapany is aware of potential human rights risks and ensure that the Company continue to conduct business in line with human rights commitments as well as to show stakeholders from all sectors to realize the commitment to respect the human rights of stakeholders. In 2022, the company has conducted human rights training for all employees.

Details of human rights actions appears in Section 1.3, clause 3.5 Sustainability Report, clause 7.1 Human Rights, page 23.

### 4) Environmental Actions

The company realizes the importance of the environment. Therefore, it is committed to taking action to reduce environmental impact arising from the business operations of the company in all dimensions In order to manage the environment that emphasizes the use of resources for the most value through waste management, caused by food production, such as the separation of plastic bottles, stretch plastic, and paper. To achieve

circulation, reuse and food waste separation management in order to reduce waste generation in landfills through cooperation with various agencies Including modifying the packaging to be environmentally friendly. Details appear in Section 1.3, clause 3.5 Sustainability Report, clause 6 Sustainable Operations. Environmental Dimension Page 15

In 2022, the Company did not find any illegal practices in the environment. and no accidents from the environment. In addition, the Company has no conflicts or complaints on environmental issues from communities and external agencies.

The Company and its subsidiaries do not have significant violations of environmental laws or regulations. Educating and training employees on the environment has been carried out as follows.

1. Prepare video clips for employees at various levels to learn through ZEN Smart Learn about sustainable development and environmental policies.
2. Provide knowledge and understanding from consultants to employees involved in the operation related to greenhouse gases.
3. Providing knowledge to the housewives of head office and branches of various brands. In the classification of waste, which will be divided by type into 8 categories in order to sort waste correctly, easily, conveniently and quickly.
- 4 . In stores and branches of various brands, employees will be educated on how to use various types of chemicals for maximum benefit, the most cost-effective, such as mixing chemicals at an appropriate rate use through the machine which will control the amount of use. How to wash or clean many pieces at a time. Setting a quota for the amount of chemical consumption compared to the sales generated. and if it is used abnormally, the cause will be sought immediately

The company has organized training on policies and guidelines for environmental management. to achieve consistent operations and support the same direction Including creating a culture and instilling consciousness of personnel in the organization in being responsible for the environment. by scheduling online training such as environmental policy electricity and water consumption including waste management effectively

The company has established an environmental policy. disclosed on the Company's website at <https://investor.zengroup.co.th/storage/download/cg/20210527-zen-environmental-policy.pdf>



5) Implementation of practices related to safety, occupational health and working environment

practices concerning occupational safety, health and working environment details appear in section 1.3, topic 3.5 Sustainability Report, subsection 7.2.4 Safety, Occupational Health and Working Environment Practices, page 31.

The company has a policy on safety, occupational health and working environment disclosed on the Company's website at <https://investor.zengroup.co.th/storage/download/cg/zen-environment-2019-th.pdf>

### 3.5 Sustainability Report

#### **Zen Corporation Group Public Company Limited presents the Sustainability Report for 2<sup>nd</sup> year, 2022**

The purpose of this study is to convey to stakeholders about business and corporate sustainability development challenges, with an inclusion on 3 major areas: environmental, social, and economic, all of which are critical components of sustainable company operations in today's world.

##### **1. Scope of Work**

This annual sustainability report 2022 presents the operating results from 1 January to 31 December 2022 for the ZEN Group restaurant business, which includes the brands of ZEN Japanese Restaurant, On the Table, AKA, Dins, Sushi Cyu& Carnival Yakiniku, Tetsu, Tummour, Lao Yuan, and Khiang, as well as the head office.

##### **2. Value Chain**

The Company Group operates food-related businesses, with a focus on restaurants that provide consumers with high-quality, standardized food and services. Furthermore, the Company Group has additional restaurant-related businesses such as franchising businesses, retail businesses, and food delivery businesses that are now developing gradually and rising in proportion.

In each process in the business value chain from procurement, production, service, distribution, marketing and sales, after-sales service, the Company Group has considered the significance of stakeholders in each process in the Company Value Chain, from procurement through manufacturing, service, distribution, marketing and sales, and after-sales service, from the beginning to the end. To establish a balance between the Company and its stakeholders, the Company Group must regularly create understanding for them and satisfy their expectations, as well as undertake annual surveys.

##### **2.1 Main activities**

###### **2.1.1 Production Factor Management**

The Company Group prioritizes the selection of trade partners who meet safety standards that have been certified by government agencies in the production of raw materials so that customers can have confidence in the standards of the Company Group, as well as inspects the production processes from origin to destination on a regular and comprehensive basis. Aside from quality, the Company Group considers its suppliers who care about social concerns such as human rights, the environment, and governance to ensure that the Company Group's whole value chain is driven the business for true sustainability through an efficient and transparent procurement process. Most importantly, the Company Group promotes the use of community raw resources or small SMEs in a variety of fields that highlight the importance of developing a robust economy to produce long-term revenue for communities and society.

###### **2.1.2 Operation**

The Company Group is committed to providing outstanding food and service to its consumers. It is always developing products to meet consumer trends while also keeping health and environmental concerns in mind. The Company takes actions to reduce waste and environmental impact, makes the best use of resources, considers food safety and nutrition to provide customers with an experience that meets the standards set by each brand, has a food inspection system and continues operations in accordance with international standards to build customer confidence, conducts customer satisfaction surveys, values interaction with customers, and receives feedback through social media, email and mobile applications to bring survey results to regularly improve service standards.

### 2.1.3 Distribution of goods and services

The Company Group has business alliances with worldwide storage and distribution standards. WMS (Warehouse Management System) is used to manage inventory and includes a quality control system to monitor commodities receipt, storage, and distribution, as well as a traceability system. In terms of transportation management, the Company Group has used a standardized system that can monitor the transportation status in real time using a GPS system and control the temperature of the goods on the truck to be stable according to standards throughout the route and can be traced temperature reversal. The Company Group has discussed with partners to better understand each other and enhance work in warehouse management and transportation in order to support the Company Group 's future business development.

### 2.1.4 Marketing and Sales

The Company Group conducts marketing activities with a focus on creating the best experience for customers through various brands under the ZEN Group, namely ZEN Japanese Restaurant, On the Table, AKA, Dins, Sushi Cyu& Carnival Yakiniku, Tetsu, Tummour, Lao Yuan, and Kiang, by creating food menus that are excellent in both taste and quality, presenting menus and services in innovative forms, and offering various promotions and attentive service at every step. Furthermore, the Company Group employs Omnichannel strategies to enable customers to access products and services via a variety of channels, ranging from online (Digital E-commerce) and offline services, including dine-in or take-out services, Delivery 1376 and Food Applications, Social Media and E-marketplace, including the creation of a CRM system under the name of ZEN Group Member by analyzing customer Big Data and utilizing new technologies to provide consumers with goods and promotions that best match their requirements and to guarantee that customers have the greatest possible experience across all ZEN Group businesses.

### 2.1.5 After-sales service

The Company Group values customer satisfaction and is willing to listen to consumer feedback in order to improve goods and services. To sustain service standards and maintain customer satisfaction levels, the company has assessed Customer Satisfaction using the NPS (Net Promoter Score) approach. Furthermore, the Company Group offers channels to listen to customer opinions through Social Media and Call Center to serve customers and address issues in a timely manner.

## business value chain



## 3. Stakeholder Expectations

Stakeholders	Stakeholders' Expectations	Fulfilling Stakeholders' Expectations
Employees	<ul style="list-style-type: none"> <li>- Appropriate compensation and benefits</li> <li>- Job security &amp; career advancement</li> <li>- Safety and hygiene</li> <li>- Employee engagement</li> <li>- Promoting learning and developing employee potential</li> <li>- Respect for human rights and fair treatment</li> </ul>	<ul style="list-style-type: none"> <li>- A comparative study of income and welfare of companies in similar businesses</li> <li>- Organizing employee relations activities such as tea time with the CEO to provide all employees with the opportunity to exchange ideas with executives</li> <li>- Regular health and safety training and reduce the risk of accidents at work</li> <li>- Communicating activities, policies and news related to the Company to employees through various channels, both online and offline</li> <li>- Set up internal channels for employee complaints</li> <li>- Conducting job satisfaction and happiness surveys</li> <li>- Providing training courses for skill development through online teaching materials</li> <li>- Formulating human rights policy and conducting a comprehensive human rights audit and monitoring</li> </ul>
Customers/Consumers	<ul style="list-style-type: none"> <li>- Standards, quality and safety of goods and services</li> <li>- Raw materials/sources of raw materials</li> <li>- Fair and reasonable prices of goods and services</li> <li>- Responsibility to customers/consumers</li> <li>- Business operations with transparency and social and environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>- Using interaction, feedback and survey results to improve service standards</li> <li>- inspection, selection of raw materials/sources of raw materials with quality and safety standards according to the Ministry of Public Health</li> <li>- Applying the results of market research on raw materials and sources of raw materials used to deliver quality products to customers/consumers</li> <li>- Conducting customer satisfaction surveys and using the results to review the management of promotional programs and selling prices on a regular basis</li> </ul>

Stakeholders	Stakeholders' Expectations	Fulfilling Stakeholders' Expectations
		<ul style="list-style-type: none"> <li>- Responding to service errors and follow up on the results of the solution to reach customer satisfaction</li> <li>- Management under the 3R - Reuse Reduce Recycle concept</li> </ul>
Business Partners/ Partners	<ul style="list-style-type: none"> <li>- Fair and equal treatment of business partners</li> <li>- Fair and transparent procurement process</li> <li>- Code of Conduct, strategic leadership and long-term business partnerships</li> <li>- Creating values and mutual business benefits</li> <li>- Anti-corruption</li> </ul>	<ul style="list-style-type: none"> <li>- Organizing an annual supplier meeting and build good relationships with partners and listen to comments and suggestions from all partners in order to improve the working process</li> <li>- Determining procurement policy and defining principles and practices of selection of suppliers based on a transparent, unbiased and verifiable selection process</li> <li>- Communicating business plans with business partners every year to define guidelines for business growth and development of continuous and sustainable supply chain management</li> <li>- Promoting knowledge sharing and joint development</li> <li>- Thai Private Sector Collective Action Against Corruption (CAC)</li> <li>- Announcing the anti-corruption policy and communicating to partners via the Company's website and annual partner meeting, as well as providing training courses on anti-corruption measures for the employees</li> </ul>
Investors	<ul style="list-style-type: none"> <li>- Good performance and a good return on investment</li> <li>- Good Corporate Governance</li> <li>- Taking into account environmental, social and governance issues in strategic plans and operations</li> </ul>	<ul style="list-style-type: none"> <li>- Annual General Meeting of Shareholders</li> <li>- Participating in the Opportunity Day event of the Stock Exchange of Thailand and quarterly analyst meeting</li> <li>- Reporting the performance to the Stock Exchange of Thailand on a quarterly basis</li> </ul>

Stakeholders	Stakeholders' Expectations	Fulfilling Stakeholders' Expectations
	<ul style="list-style-type: none"> <li>- Good risk management and crisis management</li> <li>- Transparency of business information and timely, accurate disclosure of information</li> <li>- Opportunity for shareholders and investors to participate and express their opinions on the Company's business performance</li> </ul>	<ul style="list-style-type: none"> <li>- Regular notification of news to shareholders through the Company's website and e-mail</li> </ul>
Community and Society	<ul style="list-style-type: none"> <li>- Creating jobs and promoting careers for the community</li> <li>- Promoting the quality of life and good hygiene for the community</li> <li>- Sustainable economic development for the community</li> <li>- Promoting and preserving the environment for the community</li> </ul>	<ul style="list-style-type: none"> <li>- Involvement with the community through employment, raw material procurement and other community development activities</li> <li>- Engaging with government and private organizations for better social and environmental promotion</li> <li>- Promoting the production potential of SME products to be standardized and competitive</li> </ul>
Supervisory Authorities	<ul style="list-style-type: none"> <li>- Respect for human rights, labor welfare and safety</li> <li>- Sustainability Management Policy</li> <li>- Food quality and safety</li> <li>- Legal and ethical advertising and merchandising</li> <li>- Providing support and complying with government regulations or activities at both local and national levels</li> </ul>	<ul style="list-style-type: none"> <li>- Preparing annual reports, correctand complete public announcements, policies, regulations, and practices that comply with the laws</li> <li>- Attending meetings, trainings, seminars, and participating in activities of regulatory agencies on a regular basis</li> <li>- organize activities to educate Personnel development in accordance with the specified rules, announcements, and regulations.</li> <li>- control, oversight, action to ensure that the regulations, announcements of supervisory authorities have been carried out completely.</li> </ul>

#### 4. Corporate Sustainability Management Policy

The Company has a Sustainability Management Policy that focuses on the environment, society, and the economy in an integrated manner in line with the United Nations' Sustainable Development Goals (SDGs),



taking into consideration all stakeholders associated to the Company both internally and externally. It is a critical aspect in concentrating on satisfying stakeholder expectations and driving business in a responsible and sustainable way in order to establish a balance alongside economic development in accordance with the SDGs 6 listed below:

**Environmental Dimension;** Actions on natural resources and the environment include responsible consumption and production, continuous attention to product and service quality standards, end-to-end efficient and responsible resource production and usage, climate change response action, developing and improving processes, and efficiently managing business value chains to reduce environmental impacts.

**Social Dimension;** Actions on people's quality of life include Zero Hunger, social engagement in food and well-being,

reducing inequalities, and conducting business that respects human rights through promoting the employment of persons with disabilities for a secure and sustainable income.

**Corporate Governance Dimension;** Actions on sustainable and all-encompassing economic growth include decent work and economic growth, as well as providing employees with stability in terms of remuneration, welfare, safety, occupational health, and a pleasant working environment, growing and sustainable business operations, transparency and consistent risk management, sustainable cities and communities, career development, income distribution to communities through supporting community raw materials.

### Identification of key points

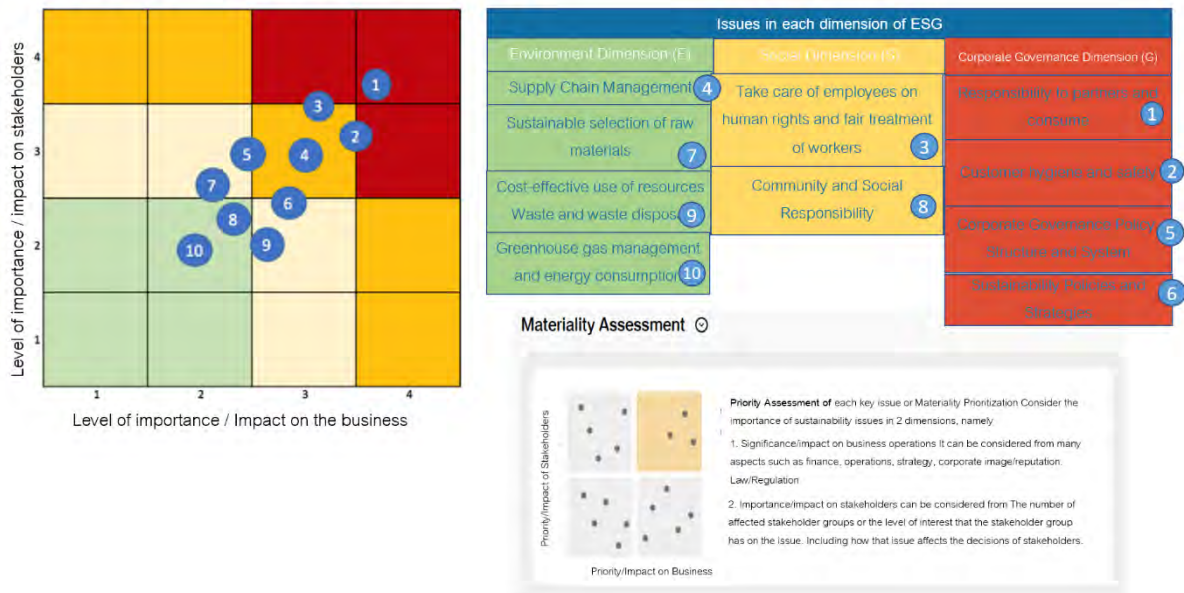


From major trends and issues that emerge, whether it is about changing consumer behavior, technical innovation, strong rivalry, or Covid-19 epidemic situation that impacts diverse lifestyles, consider analyzing the degree of significance and the inevitable influence on stakeholders, the following are the important sustainability problems as organized by the Company.

Sustainability Key Issues	Factors affecting the business	Factors affecting stakeholders
Responsibility to customers and consumers	Responsibility to customers and consumers will enable the Company to do business under the significance of constantly being responsible for customers and consumers in all aspects. It will have an influence on the reputation, reputation trust, and business if it is not carried out.	Responsibility to customers and consumers will instill confidence stakeholders in the standards and quality of raw materials, food, and services provided by the Company, as well as follow up, develop, and enhance efforts to mitigate the effect of complaints.
Customer health and safety	Customer health and safety is the aspect that drives customers to utilize the Company's services and is the fundamental standard of the restaurant. If it is not prioritized, it will harm the Company's reputation, credibility, and business.	The health and safety of our consumers motivates our stakeholders to ensure food safety from raw ingredients to the final product, including safe procedures and processes to minimize the effect of complaints.
Supervise employees on human rights and fair labor practices.	Human rights prevention and remedial strategies will assist to reduce the danger of human rights violations in the business process due to unlawful labor or conflicts causing business harm.	The Company's supervision and execution of the human rights policy will ensure that all stakeholders' rights are protected equally, and that employees are treated equitably.
Efficient supply chain management	Efficient supply chain management across the entire corporate value chain will help the company perform well, quickly, decrease expenses, reduce energy consumption, minimize losses, and allow for steady and sustainable development.	Effective supply chain management enables stakeholders to benefit from their operations and businesses both directly and indirectly.
Corporate governance and structural policies.	Good corporate governance effectively decreases existing risks, positions organizations for opportunities, and mitigates potential economic, social, and environmental changes.	Good corporate governance will reduce the impact on stakeholders from all aspects of the Company's business activities.

Sustainability Key Issues	Factors affecting the business	Factors affecting stakeholders
Sustainability policies and strategies	Sustainability policies and strategies will assist in making the Company's operation paying attention to environmental, social, and governance concerns in order to lessen short-term and long-term consequences and achieve sustainability in the Company's operation.	Sustainability policies and strategies will assist in responding to the advantages of all stakeholders and reducing effects in order to promote sustainability for stakeholders.
Community and Social Responsibility	Business operations must be accountable for the community and society in order to avoid and limit the effect on the community or society so that they may coexist in a sustainable manner, which affects the business.	Business activities must be accountable to the community and society or stakeholders in order to avoid and reduce effects on the community or society that may result in harm to property, health, or mind, including creating a high quality of life for stakeholders.
Sustainable raw material selection	Sustainable raw material selection that is safe and includes criteria for the environment, human rights, and raw material selection enables the Company to produce good business value.	Sustainable raw material selection that is safe and has criteria that take into consideration stakeholders who promote sustainability for all parties to provide sustainable revenue and careers.
Efficient resource utilization and garbage and waste management	Efficient resource utilization and garbage and waste management lead to high-quality, efficient operations, and reducing a company's negative environmental and economic factors, as well as results in a rise in business value.	Efficient resource usage and waste management have an indirect impact on stakeholders. If the corporation manages its resources effectively and properly handles trash, it will lessen the burden on government agencies and society.
GHG management and energy	GHG management and energy consumption reflect energy efficiency, lowering costs and increasing business value.	GHG management and energy consumption assist local and international organizations, as well as indirect stakeholders, in addressing the causes of natural catastrophes, global warming and climate change.





## Materiality Assessment)












### 5. Sustainability Strategy

ZEN Group promotes good quality of life of consumers and stakeholders through food and services in order to contribute to sustainable and comprehensive economic prosperity by taking into account natural resources and environment under ZEN CARE concept.

### Summary of Sustainability Performance

Sustainable Development Goals	Sustainable Development Goals	2022 Performance	2026 Long-Term Goal
<b>Environmental Dimension</b>  	1) Garbage and Waste Management  2) GHG management and energy saving  3) Change of plastic packaging to paper packaging	178.84 tons   GHG emissions 0.0070 per unit/sqm  52% 	150 tons  Reduce in quantity of 5% per unit/sqm  50% of all packaging
<b>Social Dimension</b>	1) Human Rights Operations	- Human Rights Violations (Employment) =0	- Human Rights Violation =0 - 100% trained and tested staff

Sustainable Development Goals	Sustainable Development Goals	2022 Performance	2026 Long-Term Goal
  	<p>2) Employee Engagement to the organization</p> <p>3) Employee potential development</p> <p>4) Employment of disabled employees</p> <p>5) various support projects Including the Jaidee Farm project, the FOOD FOR GOOD project, the Zen scholarship project for the children of employees, and the Kob Pha Kwang Foundation</p> <p>6) Selection and procurement of local community raw materials and SME</p>	<p>- Prepare online training courses 80.35% </p> <p>15%</p> <p>2 staffs</p> <p>Ongoing support</p> <p>14.8% </p>	<p>Survey results not less than 80% Best Employer Brand Awards</p> <p>Employees at the supervisor level both in the operational line and 100% of the support lines were evaluated for competency and have a 100% individual development plan</p> <p>Employees with disabilities under section 33 at 100%</p> <p>continually support as well as generate income for the supported projects totaling 150,000 baht per year</p> <p>Purchasing value from SME and community of the Group</p>
<p>Economic Dimension</p> 	<p>1) Product and service quality standards</p> <p>2) Increasing Efficiency per sales area and efficiency of employees per hour</p>	<p>QA = 89.90 NPS = 76 % MS = 89%</p> <p>11,697 baht / sqm.</p> <p>599 baht </p>	<p>Quality Assurance = 92% Net Promoter Score = 77% Mystery Shopping = 90%</p> <p>Productivity Selling area = 12,000 baht / sqm.</p> <p>Productivity Employ = 550 baht / sqm.</p>

Sustainable Development Goals	Sustainable Development Goals	2022 Performance	2026 Long-Term Goal
	3) Innovations to increase production or work efficiency	5 project 	Prepare technology project development plan Collaborate with all departments at least 3 project per year.

## 6. Sustainability Operations, Environmental Dimensions

### 6.1 Policies and Compliance with Environmental Management Standards

The Company recognizes the importance of the environment, therefore it is committed to reducing negative environmental impacts caused by its operations in all dimensions to ensure that the Company's environmental management, whether it is resource management, energy management, water management for the most cost-effective and efficient recycling of garbage and waste, including establishing guidelines for managing greenhouse gases from energy and resources usage throughout the business chain that are important causes of climate change and global warming to achieve the goals and in accordance with the intent of doing business to develop the organization to grow steadily and sustainably.

#### 6.1.1 Environmental Management Policies and Practices

The Company has a primary policy to manage the environment that has a negative impact on the environment, to create a culture of environmental and social responsibility within the organization, including the efficient use of electricity, water, and other resources, and to reduce the amount of waste that occurs during the manufacturing process.

The Company operates on environmental management, compliance with environmental laws, regulations, and government requirements or agencies, taking action to prevent, reduce the occurrence of waste from the Company's operations, and supporting recycling to reduce the impact on the environment to a minimum, focusing on reducing energy use by using only what is necessary and for maximum benefit. Furthermore, the Company has regularly arranged environmental training with Company personnel to stimulate and develop awareness of manufacturing process concerns that influence the environment.

In 2022, the Company found no unlawful environmental activities, no accidents caused by the environment, and no disagreements or complaints about environmental concerns from communities or external authorities.

## 6.2 Energy Management

### 6.2.1 Energy Management Plan

The Company recognizes the importance of efficient energy management by setting goals and developing plans to reduce energy consumption, as well as establishing guidelines for both office and restaurant branches to ensure that the Company can effectively control energy consumption and truly reduce the cost of business operations, as well as promoting and raising awareness of the importance of energy conservation, as well as allowing employees to participate in the operation and act in the same manner.

In terms of energy management practices, the Company has set goals and strategies to reduce electricity consumption, including practices in office buildings, there are measures to set the opening-closing time for lighting

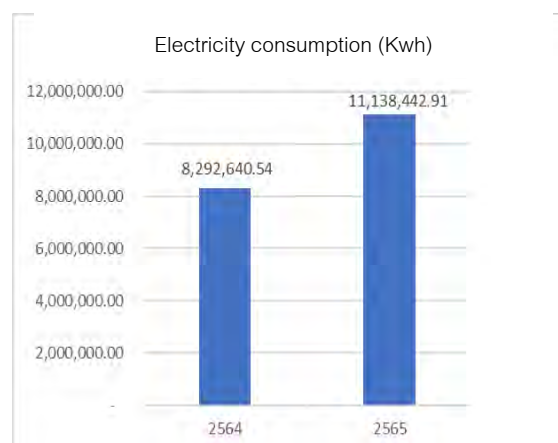


and air conditioning, perform inspection and maintenance of the machines on a regular basis, improve and change various electrical equipment to be energy-saving, which can be seen in more detail at the Company's website <https://www.zengroup.co.th>

### 6.2.2 Power consumption (electricity/fuel)

Summary of electricity consumption for the whole company  
(Office and Branches)

Power Source	2021	2022
Electricity consumption (Kwh)	8,292,640.54	11,138,442.91



**Remark :** Electricity consumption in 2022 is higher than in 2021 because not all branches are open in 2021 and under the covid-19 pandemic, however, in 2022, the energy consumption per unit is lower than in 2021 (details according to clause 6.2.4).

### 6.2.3 Energy management goals

Target In 2023, the rate of electricity consumption per unit (energy intensity) in the company decreases by 3%.

Target In 2026, the rate of electricity consumption per unit (energy intensity) in the company decreases by 5%.

Using year 2022 as a full year base year (note: year 2020 - 2021, the situation of COVID 19)

### 6.2.4 The amount of energy consumed per unit (Energy Intensity)

Power Source	Quantity	Unit
2021	263.83	Kwh / sq m.
2022	231.35	Kwh / sq m.

## 6.3 Water management

### 6.3.1 Water management plan

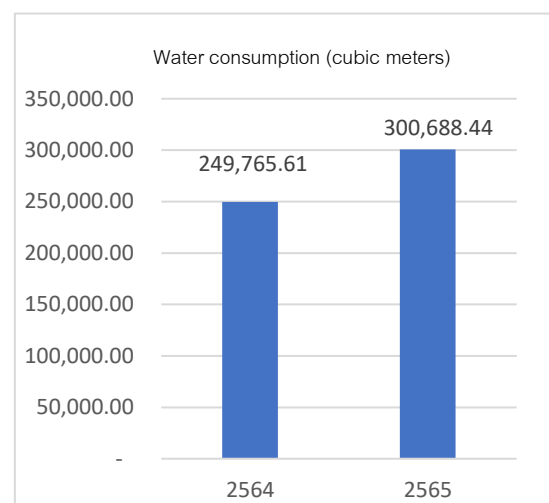
The Company places importance on efficient water management in the work process. And the company has set guidelines for reducing water use. Practice in both the office and the restaurant branch. It also promotes awareness raising. Through water saving campaign activities Which can see more details at the company's [website https://www.zengroup.co.th](https://www.zengroup.co.th)



### 6.3.2 Water consumption

Water consumption	2021	2022
Water consumption (cubic meters)	249,756.61	300,688.44

Remark : 2022, water consumption per unit is lower than 2021  
(details in clause 6.3.4)



### 6.3.3 water consumption

Target In 2023, the rate of water consumption per unit (water intensity) in the company decreases by 3%.

Target In 2026, the rate of water consumption per unit (water intensity) in the company decreases by 5%.

Using year 2022 as a full year base year (note: year 2020 - 2021, the situation of COVID 19)

### 6.3.4 Water consumption per unit

Power Source	Quantity	Unit
2021	7.94	M3 / sq m.
2022	6.96	M3 / sq m.

## 6.4 Garbage and Waste Management

The Company Group has a policy of reducing the negative impact of cities on the per capita environment by paying special attention to air quality and municipal waste management through food production waste management, such as plastic bottle waste segregation, stretching plastic to achieve recycling, performing Circular Economy, managing the segregation of food waste that accounts for the majority of waste in restaurants to be used as animal feed or fertilizer to minimize trash output in landfills by collaboration with multiple organizations, as well as adjusting packages to be environmentally friendly.

### 6.4.1 Garbage and Waste Management Plan

The Company prioritizes waste segregation, reuse, and recycling in both offices and restaurants in order to decrease landfill and promote sustainable waste management by segregation of waste at the source in a systematic and proper manner.

Moreover, the Company has raised awareness and understanding of sustainable waste management through a waste separation campaign prior to dropping in order to systematically manage waste, such as the Company's headquarters joint waste separation from the source, separating paper waste in the office for recycling and reuse, and using GEPP Application for systematically recording waste monitoring data.

The Company intends to manage waste from the cooking process by focusing on waste segregation at restaurants by segregating recyclable plastic materials, segregating food scraps and bringing them to the waste

segregating point in various shopping centers in collaboration with various projects, such as plastic waste segregation with the Loop Project, plastic bottle segregation with the CENTRAL Tham Project, segregating food waste to reduce waste to landfills, and providing education and understanding to branch employees in proper waste segregation.

#### 6.4.2 Food Waste Management

In 2022, the Company recognized and addressed the environmental pollution problem in waste management from business operations on an ongoing basis by continuously improving and controlling work processes to help reduce the amount of waste to a minimum, such as reducing the amount of loss from raw material trimming, proper raw material ordering management, raw material loss prevention by calculating raw material quantity and ordering planning for efficiency, as well as having a menu development plan in place to consistently decrease raw material waste in the restaurant.

Furthermore, it has collaborated with shopping centers that have food waste management by segregating food waste from dry garbage and not combining them. To decrease food waste to landfills, the Company has partnered with Central World Shopping Center to utilize food waste to manufacture animal feed and with Central Festival Samui to bring food waste to compost to make organic fertilizer.

#### 6.4.3 Garbage and Waste Management Goals

Goals In 2022, 125 tons of recyclable waste sorting management

Goals In 2026, 150 tons of recyclable waste sorting management

#### 6.4.4 Amount of garbage and waste that go through the process of Reuse or Recycle

##### 1) office paper waste sorting

Head office paper waste sorting Forward to the project “SCG Paper X” old paper and new paper project to collect waste paper to bring back to recycling Operational results In the year 2022, the paper can be collected number of recyclable 2,720 kg



##### 2) Waste Management

In terms of garbage recycling, the Company segregates waste both inside the head office and branches in order to manage waste that can be disposed of properly and reused according to the circular economy principle, which has resulted in the Company being able to segregate waste arising from the use of resources from the cooperation of the head office and 6 affiliated brands, totaling 65 branches across the country, with up to 17.4 tons of waste and the amount of greenhouse gases reduced by 186,770.40 kilograms CO2e. Thanks to all employee's cooperations.

## Recycled waste sorting management volume (head office and restaurant branches)

Waste sorting	Recycled material quantity (Kg.)	The amount of glass gas measured. (KgcO <sub>2</sub> e)
2021	90,649.60	74,381.01
2022	173,840.80	186,770.40



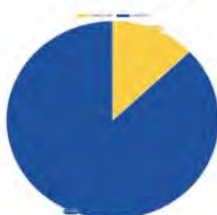
รายงานข้อมูลขยะตั้งแต่วันที่ 01-01-2022 ถึงวันที่ 31-12-2022

ZEN Corporation Group

สาขา สำนักงานใหญ่

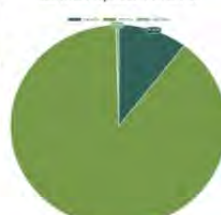
ปริมาณวัสดุรีไซเคิล รวมขยะอินทรีย์ ที่นำไปทำปุ๋ยหมัก (Kg.)	สัดส่วนการรีไซเคิล(%)	ปริมาณก๊าซเรือนกระจกที่ลดได้(kgCO <sub>2</sub> e)	มูลค่าเงินจากการขายวัสดุรีไซเคิล(บาท)
3,031.89	12.85	15,791.20	492.56

สัดส่วนประเภทขยะ(กิโลกรัม)



ประเภทขยะ	น้ำหนัก(กิโลกรัม)	สัดส่วน(เปอร์เซ็นต์)
วัสดุรีไซเคิล	3,031.89	12.85
ขยะทั่วไป	20,568.42	87.15

สัดส่วนของวัสดุรีไซเคิลที่ส่งไป(กิโลกรัม)



ประเภทขยะ	น้ำหนัก(กิโลกรัม)	สัดส่วน(เปอร์เซ็นต์)
พลาสติก	313.48	10.34
กระดาษ	2,705.35	89.23
อูฐนิยอน	13.06	0.43



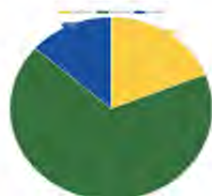
รายงานข้อมูลขยะตั้งแต่วันที่ 01-01-2022 ถึงวันที่ 31-12-2022

ZEN Corporation Group

สาขา เครือร้านอาหาร

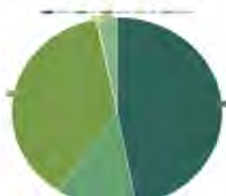
ปริมาณวัสดุรีไซเคิล รวมขยะอินทรีย์ ที่นำไปทำปุ๋ยหมัก (Kg.)	สัดส่วนการรีไซเคิล(%)	ปริมาณก๊าซเรือนกระจกที่ลดได้(kgCO <sub>2</sub> e)	มูลค่าเงินจากการขายวัสดุรีไซเคิล(บาท)
170,808.99	86.47	170,979.20	5,173.26

สัดส่วนประเภทขยะ(กิโลกรัม)



ประเภทขยะ	น้ำหนัก(กิโลกรัม)	สัดส่วน(เปอร์เซ็นต์)
วัสดุรีไซเคิล	37,559.49	18.91
ขยะอินทรีย์	133,649.50	67.56
ขยะทั่วไป	28,728.19	13.53

สัดส่วนของวัสดุรีไซเคิลที่ส่งไป(กิโลกรัม)



ประเภทขยะ	น้ำหนัก(กิโลกรัม)	สัดส่วน(เปอร์เซ็นต์)
พลาสติก	17,577.98	47.05
แก้ว	4,638.43	12.42
กระดาษ	13,862.15	37.37
เหล็ก	62.45	0.17
อูฐนิยอน	1,118.30	2.99

### 3) E-waste Management

The Company has the management processes for the useless E-waste, such as categorizing the types of equipment that must be disposed of, performing a device check to ensure that those devices can no longer be used, or separating some devices that can be used as a backup device, such as a hard disk, memory (RAM) to register, and then weighing. After that, the department will directly collaborate with the E-waste disposal agency.

Amount of e-waste sorted

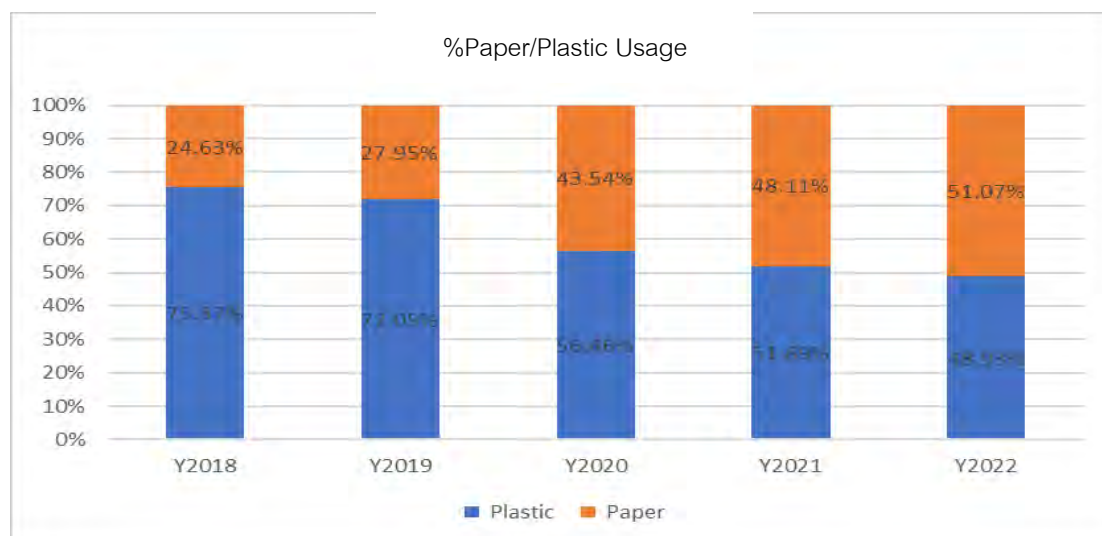
	Year 2020	Year 2021	Year 2022
Amount/Volume (Item)	2,567	5,670	528
Weight of e-waste (kilograms)	918	1,656.14	2,029.40

### 4) Converting food-containing plastic containers to paper or biodegradable materials;

The Company Group prioritizes delivering safe and ecologically sustainable packaging, addressing consumer demands, conserving and sustaining food quality for consumers, and committing to minimize the use of single-use plastics by converting them into paper packaging to minimize their effect on the environment and the globe. Since 2018, it can be seen that the amount of plastic consumption has been decreasing continuously until 2021. Although there was a Covid-19 circumstance with the usage of delivery packaging growing several times, the Company was still dedicated to its objective in 2022 until it achieved the goal of reducing the proportion of plastic packaging use to less than 50% of total packaging.

Goal In 2022, 48% of all packaging can be replaced with paper packaging.

The goal in 2026 can replace 50% of all paper packaging.



Amount of plastic and paper products used each year (in Tons)

Use of Packaging	Q'ty (Tons.)					% (Y2022)
	Y2018	Y2019	Y2020	Y2021	2022	
Plastic	118.92	121.60	131.07	171.61	125.70	48.93%
Paper	38.85	47.18	101.10	159.09	131.21	51.07%
Grand Total	157.77	168.79	232.17	330.70	256.91	100.00%

5) **The 'ZEN Group' intends to save the world by reusing plastics bottles to create uniforms**

Later, in the recycling process, Zen restaurant created a new uniform with the concept of SAVE THE WORLD, produced by Indorama Ventures, the world's biggest PET manufacturer.

With the process of recycling over 230,000 PET plastic bottles to generate high quality yarn by a factory that meets world-class standards, which is then woven into fabrics to sew into 6,100 sets of uniforms that are pleasant to wear, flexible, suited for work, as well as robust and durable.



## 6.5 Greenhouse Gas Management

It is well known that the food system is involved in the inevitable global warming of methane emissions, whether it is food production, agriculture, and livestock are all indirect factors contributing to greenhouse gas emissions. However, the primary activities occur in the restaurant operations, including transport, processing, packaging, refrigeration, and waste management use a lot of energy, leading to more greenhouse gas emissions.

Since the Company recognizes the significance of the organization's carbon footprint, it has participated in a project to assess the amount of the organization's greenhouse gas emissions and consider ways to effectively reduce the organization's greenhouse gas emissions to mitigate the effects of climate change.

### 6.5.1 Greenhouse Gas Management Plan

In terms of management guidelines for 2022, the Company focused on energy management, energy reduction, preparation of the organization's carbon footprint, waste reduction from manufacturing processes to reduce greenhouse gas emissions as much as possible. It was in the process of organizing a plan to embrace the transformation to a Carbon-Neutra to contribute to the country's greenhouse gas reduction, climate change action, and social responsibility.

### 6.5.2 Verification of greenhouse gas emissions data by external agencies

In 2022, the Company engaged in the evaluation of the organization's carbon footprint and prepared reports on emissions and greenhouse gas removal with advice and support from the Center of Excellence in Green Business Strategies, Faculty of Environment, Kasetsart University (VGREEN). The organization's carbon footprint calculation data has been verified by LRQA (Thailand) Co., Ltd., which is registered with the Thailand Greenhouse Gas Management Organization (Public Organization), an independent third-party agency specialized in greenhouse gas data verification.

### 6.5.3 The total amount of greenhouse gas emissions from Scopes 1, 2, and 3

In 2022, the Company revised the carbon footprint assessment under ZEN BRAND for 42 branches in place of the original one to make the carbon assessment more effective and can be further expanded from 1 January to 31 December 2021 with the limited certification level at materiality level 5% and certified by Thailand Greenhouse Gas Management Organization (Public Organization) on 29 November 2022.

	unit	Scope 1	Scope 2	Scope 3
greenhouse gas emissions	tons of carbon dioxide equivalent	430	4,261	5,623

Corporate greenhouse gas emissions

Scope	The amount of glass gas measured. (KgcO <sub>2</sub> e)	Ratio(%)
Category 1	430.00	4.17
Category 2	4,261.00	41.31
Category 3	5,623.00	54.52



Scope and activities of the organization

Scope	List
Category 1	1) Stationary Combustion of Music in Stationary Combustion - Use of LPG in cooking/using LPG (canned gas) In cooking/using charcoal briquettes 2) Use and leakage of greenhouse gas-based chemicals - Leakage from the use of fire extinguishers CO <sub>2</sub> /Refrigerant use of refrigerators/freezers of type R-134 and R404a 3) Leakage - Methane gas from employee toilet use
Category 2	Electricity consumption
Category 3	Use of tap water/acquisition of cooking ingredients and inventory(Inventor)Use of diesel fuel from transportation of main raw materials/food waste

### Certificate Carbon Footprint of the Organization





#### 6.5.4 Greenhouse gas management goals

will jointly assess the carbon footprint annually Ready to find ways to reduce the use of greenhouse gases regularly. Along with continuing to cooperate and support activities to reduce greenhouse gas emissions, offset carbon credits.

#### 6.5.5 The amount of greenhouse gas emissions per unit (carbon intensity)

Greenhouse gas emissions sources	quantity	unit
Carbon Intensity(category 1+2)	0.0019	TonCO2e / sq m.
Carbon Intensity(category 1+2+3)	0.0070	TonCO2e / sq m.

### 7.1 Human Rights

#### 7.1.1 Human Rights Policy and Guidelines

In 2022, the Company Group had a policy to conduct business with integrity by adhering to social responsibility and accountability to all groups of stakeholders according to the principles of good governance and the Company's code of conduct, emphasizing on the United Nations Guiding Principles on Business and Human Rights (UNGP), the UN Global Compact (UNGC), and the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO), which is the foundation of the Company's sustainable business operations and conducts internal communications for employees to strictly understand the rights of the Company's Human Rights Policy. The Executive Committee will post the Human Rights Policy on the Company's website in order to communicate to external parties, Suppliers, Contractors, Business Partners, and Joint Ventures for participating in quality business, respect and treat everyone according to human rights principles, and adhere to the same social responsibility standards as the Company.

#### 7.1.2 Number of occurrences involving human rights breaches with corrective and remedial measures

In 2022, the Group had no labor conflicts or problems that breach human rights, with the exception of 8 incidences in which users at the branch were injured and had minor health consequences, which the Company Group addressed both financially and non-financially until a resolution is made in all cases.

### 7.2 Fair Labor Practices

Furthermore, the Company prioritizes employee employment by developing an Employment and Labor Management Policy that is consistent with international human rights guidelines and standards such as the United Nations Universal Declaration of Human Rights (UNDHR) and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, as well as the labor laws of the country in which the Company operates in accordance with international standards, the Company's Management Policy and Code of Conduct in order to enhance employees' good quality of life and commitment to the Company on the basis of fair treatment and mutual respect, consisting of:

- 1. Child Labor;** The Company will follow the legislation regarding the minimum age for employment. and will not allow young people to conduct labor that is detrimental to their health and development, including employment that affecting their compulsory education.
- 2. Forced Labour;** The Company will not engage in or support the use of forced labor in any manner, and will not collect money or retain any employee identifying documents unless the conduct is not illegal.
- 3. Non-discrimination;** The Company shall respect diversity and treat employees equitably, without unfairly favoring or depriving employees' rights based on race, nationality, ethnicity, skin color, ancestry, religion, socioeconomic standing, gender, age, handicap or infirmity, political philosophy, or marital status.



Furthermore, the Company will devise strategies to avoid and resolve sexual harassment issues, as well as help the community by hiring personnel from the community, particularly those who are underprivileged in society.

4. **Compensation;** In compliance with labor legislation, the Company will pay wages, compensation, cost of living, and benefits in various forms. The company will follow the principle of equal pay for equal work for men and women.
5. **Working hours;** The Company shall establish regular working hours that do not exceed the legal restrictions and will ensure that employees' overtime hours are in conformity with the law.
6. **Freedom of Association and negotiation;** The Company will respect the rights of employees to associate or unite in any manner that is not illegal, including engaging in the legal negotiation process.
7. **Safety, Occupational Health, Environment and Facilities;** The Company will continue to promote, support, maintain, and develop a safe working environment in order to avoid negative effects on the health of employees and those involved.
8. **Protection of pregnant employees;** The Company will make arrangements for pregnant employees to work safely, at the appropriate time, and in a way that is not damaging to the pregnancy or the unborn child.
9. **Discipline and punishment;** The Company will not utilize improper verbal or corporal punishment.

The Company Group intends to conduct business while respecting employees' labor rights and adhering to labor standards for excellent organizational human resource management, as well as freedom of expression of opinions and concerns through channels to listen to the Company's opinions, and aiming to create fairness and suitability in terms of employment, wages, working hours, breaks from work, as well as creating a good environment and social welfare. As an example shown in the table below, the Company has allocated various welfare and benefits to employees in a fair and appropriate manner.

Welfare benefit	Legal rights	Rights given by the company to employees
Number of days to raise children for female employees	98 Day	98 Day
traditional holiday	Not less than 13 days per year	14-16 Day
Annual vacation	Not less than 7 days per year	7-15 Day
Business leave	3 Day	3 Day

Furthermore, the Company provides various economic welfare advantages to employees, such as welfare loans with special interest rates from financial institutions, allowances for visiting overseas / upcountry, allowances, and so on. Employees also receive special benefits regarding life security, such as provident funds, group insurance (life insurance, accident insurance, medical expenses for in-patients - out-patients), subsidies in the event of an employee's death, granting scholarships for employees' children, long employment period gratuity, and financial assistance in the event of disasters, and so on.

#### 7.2.1 Employment;

With the following guidelines, the Company Group has a policy on fair and equitable employment without discrimination, offering equal and transparent chances to persons with knowledge and ability.

According to employee employment legislation, the Company Group offers equal employment opportunities based on knowledge, talents, and qualifications in compliance with employee qualifications and has a transparent selection procedure. The Company publishes the recruitment announcement and considers qualifications, expertise,

ability, determination, and attitude by the Human Resources Group, the Recruitment and Hiring Department, as well as the department's supervisors jointly perform recruitment and selection considerations.

The Company's job advertisements for various positions demonstrate respect for human rights, provide equal opportunities for genders to apply for jobs, as well as posting jobs for special positions with disabilities in order to open up job opportunities for people with disabilities. In addition, the Company Group gives importance to the promotion and development of the quality of life for the disabled, along with guidelines for the implementation to promote the disabled to have a better quality of life in various forms, including employment, providing financial support for career development, and any other assistance including financial support as required by law.

#### 7.2.1.1 Number of employees classified by gender, age, position level

Employee details	2564		2565	
	Man	Woman	Man	woman
Number of Employees Classified by Type of Employment Contract				
Permanent staff (person)	722	1,016	915	1,304
Part-time employees (persons)	191	375	339	613
Number of Employees Classified by Operational Level				
High-level executives (person)	5	5	7	7
Director level executives (person)	4	9	3	10
Manager-level executives (persons)	81	91	56	45
Chief executives (persons)	105	180	50	141
Operating staff	718	1,106	1,138	1,714
Number of Employees by Age				
Age <30	581	819	852	1,244
Age 30-50	333	499	381	606
Age >50	12	60	21	67
Total number of employees (person)	913	1,391	1,254	1,917
	2,304		3,171	

### 7.2.1.2 Number of employees with disabilities and/or the elderly

#### 1) Disabled People

In 2022, the Company Group operated in accordance with the Persons with Disabilities Empowerment Act, B.E. 2550 (2007) by supporting people with disabilities with equal practices, organizing works suitable for people with disabilities, and allowing people with disabilities to work in their place of residence in order to achieve the goal of creating jobs for people with disabilities and distributing income to the community residence.

In 2022, the Company Group employed 23 disabled persons, who were divided into 3 groups:

1. Section 33 Group - The Company has employed 2 persons with disabilities as employees.
2. Section 35 Group - The Company assisted the disabled via a contract to oversee the projects and offered financial supports to 3 community enterprise projects.

The company supported 21 disabled people as follows:

- 2.1) Jaidee Farm Hankha Project/Prainokyoong, Chainat Province for 10 people;
- 2.2) Kobfakwang Project, Khon Kaen Province for 5 people;
- 2.3) Sandblasted Glass Project, Khon Kaen Province for 2 people
- 2.4) Contract for services under the supervision of Jaidee Farm Project for 4 people

#### 2) Elderly

Employees are required to retire at the age of 60, according to the Company Group's Work Regulations. Currently, the Company maintains a policy of renewing staff retirements on a year-by-year basis. The voluntary retirement renewal will include perspectives from both the employer and employee parties.

In 2022, the Company Group had 2 retired employees, and the Company performed as follows.

1. An employee desired to retire and obtain severance compensation in accordance with labor legislation.
2. An employee requested that the Company extend their retirement years on an annual basis.

### 7.2.2 Employee Compensation

The Company Group has considered appropriate remuneration according to the position and job descriptions of the employees. It also provides appropriate welfare and benefits that can meet the needs of employees, consider salary adjustment based on performance of employees as a tool in order to create motivation for work, encourage employees to strive to work continuously and retain talented personnel to have a commitment to the Company.

#### 7.2.2.1 The total amount of compensation of the employee;

For the year 2022, the Company Group compensated employees adequately based on employment status. The Company Group paid total fixed income compensation to employees in the amount of 596.30 million baht, which had been split into 2 types as follows.

employee type	Compensation for total employees for the year 2022 / million baht
Full time employee	516.28
part time employee	80.02
<b>รวม</b>	<b>596.30</b>

#### 7.2.2.2 Percentage of Employees who are Provident Fund Members;

As an incentive to employees, the Company Group offered provident fund welfare for permanent employees, with the goal of saving money for retirement. By the end of 2022, 537 employees applied to become provident fund members, accounting for 33.27% of all permanent employees.

#### 7.2.2.3 Gender Pay Gap

The Company Group determined the compensation ratio of female employees to male employees in 2022 to be 0.96:1, indicating that male employees of the Company Group were paid roughly 0.22% more than female employees.

### 7.2.3 Employee Development

The Company Group places a high priority on "Human Resource Development and Support," which is reflected in the organization's fundamental principles and strategic goals for long-term growth. We believe that competent employees with positive attitudes will help the business expand and stay competitive in the long run, as well as provide value to society as a whole. As a result, we are dedicated to providing a safe and healthy work environment that supports the well-being of our 3,171 employees. We also continue to encourage learning and professional development, as well as personal development, for our employees, high potential executives, and leaders, with an emphasis on increasing awareness, creating socially responsible in the Company Group, supporting communities and different educational institutions to encourage young in many disciplines, including providing them with ongoing opportunities to study and work with the Company. We constantly try to improve staff potential via personnel development activities at 3 levels:

- Members of the community and educational institutions
- Employees Group
- A group of executives and leaders with strong potential.

#### 7.2.3.1 Employee development work plans or activities;

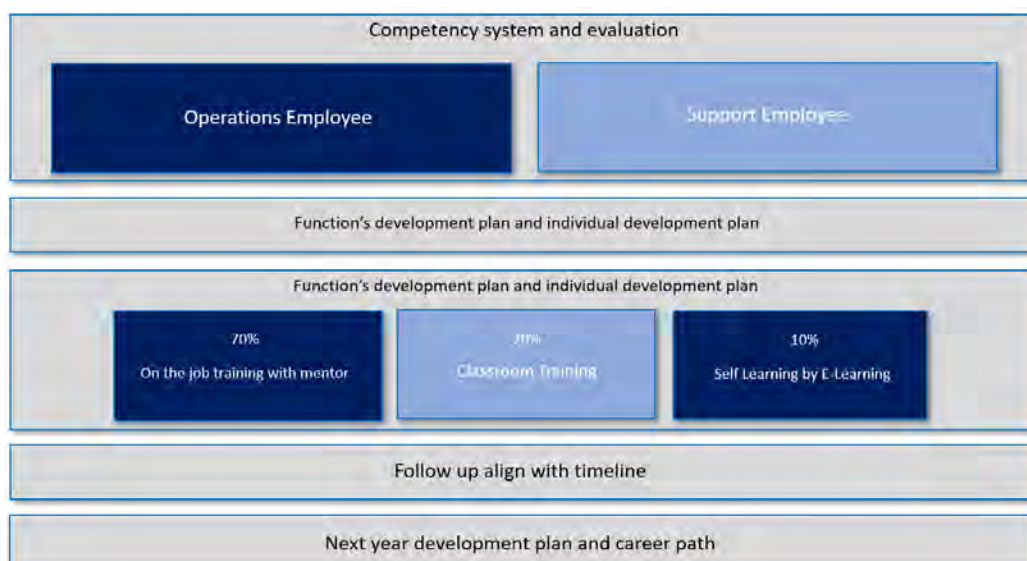
##### 1) Community Members and Educational Institutes

The Company Group has always prioritized community and societal participation, which has resulted in numerous projects in collaboration with educational institutions and the government sector by encouraging students to have the opportunity to work with the organization, beginning with an orientation for employees to get to know the organization and have an understanding of the restaurant business, and then the company has organized an official learning plan for students. After that, the Company developed an official learning plan for students to study and work in both operational and support lines, as well as providing students with the chance to meet and discuss with the Company's executives.

##### 2) Employees;

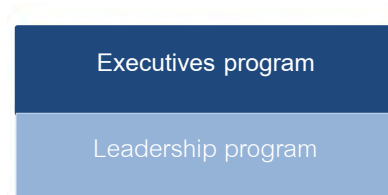
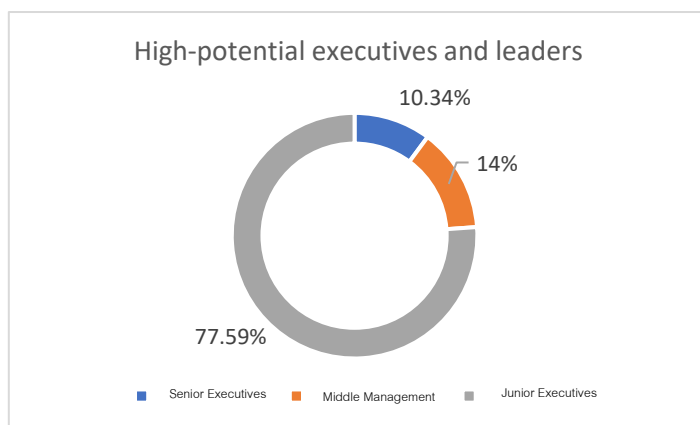
The Company Group is committed to promoting the development of employees' knowledge and potential at all levels, including all employees in all departments, both operational and support lines, by preparing and analyzing their competencies and developing personnel development plans for each line as well as an individual personal development plan.

Then the Company develops employees using the 70/20/10 Model, which means that 70% encourage employees to train from actual work with mentors, 20% promote classroom training, and 10% promote self-learning through the E-Learning system, with a follow-up on development results within a specified period of time and a continuous development plan, including a career development plan to support as follows.

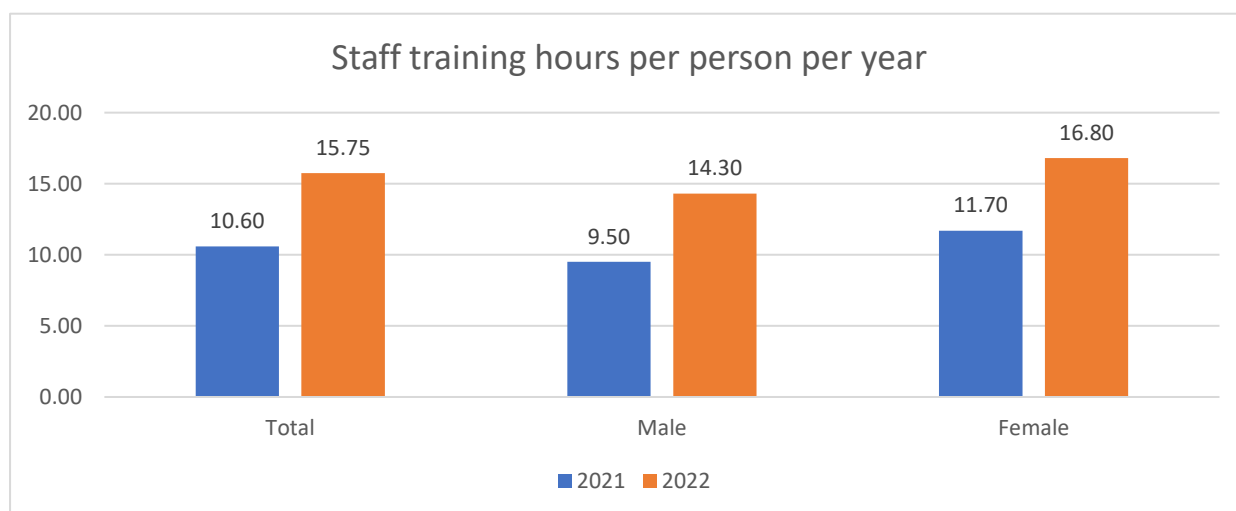


### 3) Group of high potential executives and leaders

The Company Group has determined the selection of Talent and Successor and has prepared an Executive Program & Leadership Program based on the competencies that have been determined and evaluated in order to promote knowledge and skills in strategic planning in conducting business and managing human resources and other operational resources, as well as promoting positive attitudes in order for executives and senior leaders to become sustainably effective personnel for the organization and society, and so on.

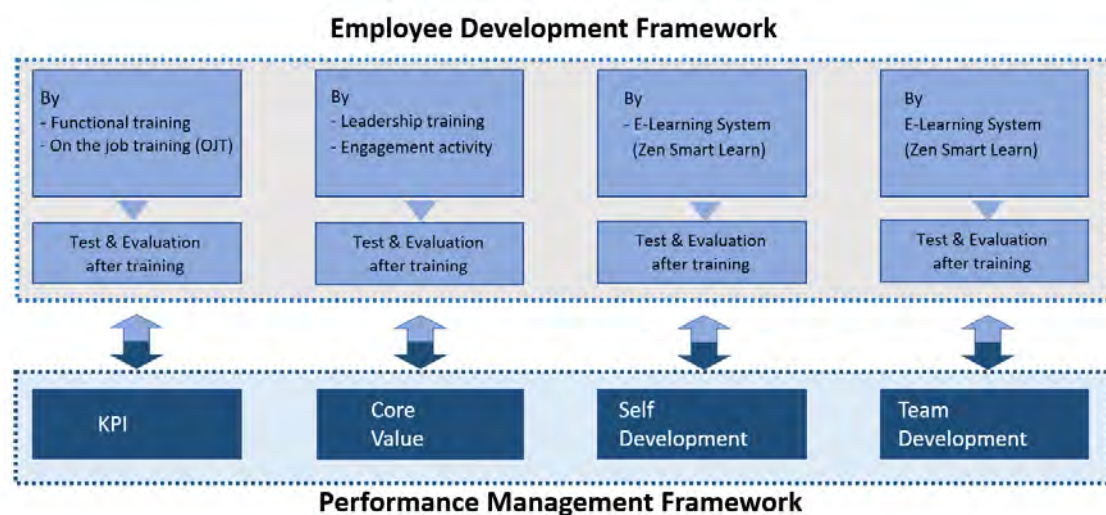


#### 7.2.3.2 Average number of training hours for employees



#### 7.2.3.3 The employee development plan is included in the annual performance appraisal

The Company Group attaches great importance to employee development and has consistently implemented a range of employee development programs targeting at groups of employees at various levels. Importantly, the Company has explicitly integrated employee development with the assessment system using the conceptual framework outlined below:



Improving operational knowledge by providing functional training courses and hands-on training with mentors or on-the-job training, in addition to conducting a test after training, the Company is also integrated to the annual performance review of the KPI.

Developing desirable behaviors in accordance with the demands of the business via Leadership Training courses (with post-training exams) and employee engagement activities that are related to the company's Core Value Annual Assessment.

Promoting employee self-learning using the Zen Smart Learn system, which clearly outlines quarterly objectives for employees at all levels and records learning history as one of the annual assessment criteria for Self-Development.

The promotion of team learning is the management level assessment criterion that the organization has explicitly specified by considering the Self-Development score of everyone in the team to be the team leader's evaluation.

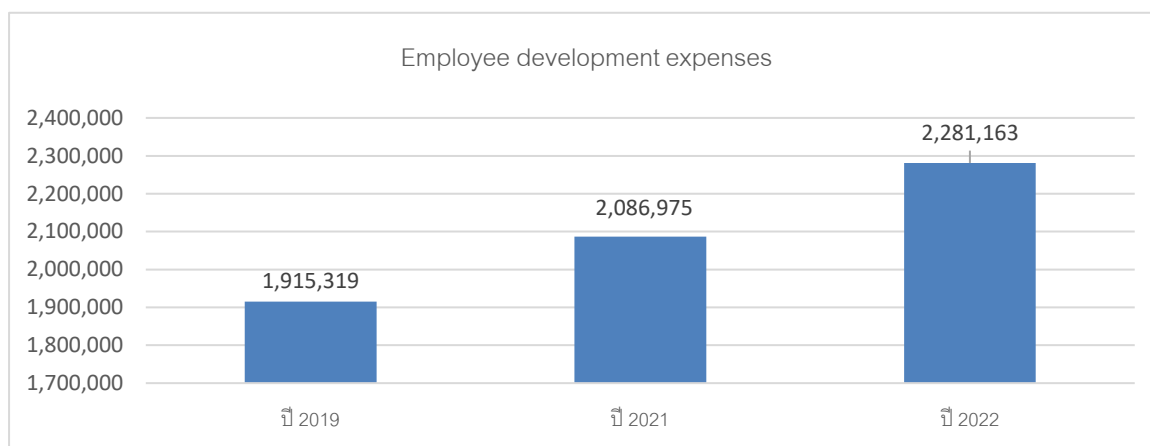
The following summarizes the conceptual framework for connecting staff development with annual performance reviews.

#### 7.2.3.4 Employee development goals

<b>Community and educational institutions</b> There are co-operative and bilateral students 50% of the number of part-time employees.	<b>Community and educational institution</b> 100% for employment of disability persons including support to disable charity	<b>Employee</b> 100% of employees at all levels in the operations and support are trained.	<b>Management and Hi-PO</b> 100% of management and Hi-PO in operations and support function are trained.
<b>Achieve as target</b> There are co-operative and bilateral students 50% of the number of part-time employees.	<b>Achieve over target</b> 105% for employment of disability persons including support to disable charity	<b>Achieve as target</b> 100% of employees at all levels in the operations and support are trained.	<b>Achieve as target</b> 100% of management and Hi-PO in operations and support function are trained.
Follow up and evaluation : External evaluation (Employment ratio and community feedback)			
Responsible Person : Human Resources (HR)			



### 7.2.3.5 Amount of expenses for employee development



### 7.2.3.6 Employee development benefits employees and/or organizations

Since employees are extremely valuable resources, the Company is devoted to and places a high value on employee development by doing so on a constant basis. Employee development assists the organization in having employees with high potential, knowledge, and ability, as well as positive attitudes and behaviours, resulting in a high level of efficiency and effectiveness in the entire operating process system, the organization grows, and has the potential to compete in business. Furthermore, in the current circumstance, macroeconomic changes are always occurring, which may have an impact on the business operations of an ever-changing organization. Employee potential development aids in preparing the business and its personnel to deal with future growth and changes in a timely and effective way. Employee development also fosters better levels of employee engagement with organization.

Employee development entails promoting potential, providing guidelines, methods, and tools to help employees gain knowledge and understanding, encouraging employees to be able to work correctly and smoothly, reducing employees' operational concerns, and fostering teamwork, the results of which are reflected in increased engagement scores. Furthermore, the organization has produced a career growth plan to help individuals who have been developed and are ready according to the defined competence standards. The newly promoted employees will be honored during the annual promotion event, where many executives and employees will congratulate them, allowing them to feel proud of their contributions to the Company.





#### 7.2.4 Practices pertaining to occupational safety, health and working conditions

##### 7.2.4.1 Plans or efforts for improving occupational safety, health and working conditions

The Company Group places a high priority on employee's occupational safety, health and working environment, and as a result, has established following policies and guidelines for adherence to operations, including a plan to set up a security system and an alarm system that has a sufficient and appropriate amount of efficiency in offices and workplaces to prevent and control risks that may result in losses due to accidents, injuries, or illnesses at work, loss or damage to property, incorrect work practices, and so on.

- Encourage employees to operate in an environment where safety is everyone's responsibility, including the protection of employees' lives, property, the Company Group, and those associated;
- All Company employees must strictly comply with all laws, rules, acts or announcements of government authorities, Company policies regarding occupational safety, health and working environment;
- The Company will encourage and support workplace improvement, develop workplace security and safety, offer sufficient safety-related equipment and further training to educate employees on the significance and possible risks, as well as the causes and proper approaches for prevention;
- The Company will continue to establish a clean and sanitary atmosphere in the workplace and surrounding the office area for the public's decent quality of life;
- Encourage and promote safety initiatives as well as efforts to enhance working conditions for the benefit of all employees;
- The Company shall constantly analyze and evaluate the safety and working environment in order to carry out suitable improvements;
- The supervisor must serve as a good role model, conduct assessment based on policy in order for optimal efficiency and effectiveness. Employees must pay close attention to accidents and incidents that affect life and property, offer help to impacted individuals promptly and with the best effort, as well as determine the cause, and avoiding recurrence; and
- In the event that employees breach the work regulations, the Company considers penalties and corresponding actions in accordance with the relevant rules and regulations.

The Company Group's objective is to establish a culture of safety in the organization so that employees at all levels pay attention and understand their obligation to work safely and in accordance with safety regulations. The following are the safety activities conducted by the Company:

- 1) Providing safety information and guidance;
- 2) Training to accomplish learning
- 3) Disseminating safety information through e-mail.

In 2022, the Company organized a occupational safety, health, and environment training course for new employees and general employees, comprising a basic safety course for new employees and a course on occupational safety, health, and working environment, which includes the following topics: (1) Knowledge of occupational safety, health and working environment (2) Related laws; and (3) Occupational Safety, Health and Working Regulations.

Furthermore, the Company Group has designated a person in responsibility to examine all equipment on a regular basis to guarantee that it is always ready for use.

##### 7.2.4.2 The number of incidences or cases of work-related injuries that resulted in absence

There were 49 cases of employees suffering accidents and injuries while working in the restaurants/branches, accounting for 1.54% of the total number of employees, with no severe or fatal injury, and the number of employees who experienced work-related injuries resulting in 1 day leave from work totaled 39 persons.

#### 7.2.4.3 Occupational safety, health, and working environment development objectives

The Company Group has established a committee for occupational safety, health, and working environment. As the Company Group recognizes the importance of occupational safety, health, and working environment in order to comply with the vision of being a leading restaurant business group, it has thus appointed a Safety Committee in the workplace to comply with the Ministerial Regulation on Setting Standards for the Administration and Management of Occupational Safety, Health, and Working Environment in 2006, with the goal of reducing the number of accidents and injuries or injured employees to zero. However, in 2022, the majority of staff accidents or injuries were small, such as knife cuts on fingers or oil splashing from a cooking pan. In 2022, there were 49 accidents and injuries among restaurant/branch employees, representing 1.54% of the total number of employees, and the number of employees who experienced work-related injuries resulting in 1 day leave from work totaled 39 persons.

#### 7.2.4.4 Lost Time Injury Frequency Rate: LTIFR

In 2022, the Company Group's lost time injury frequency rate (LTIFR) was 1.37%.

#### 7.2.5 Promoting Employee Relations and Engagement

##### 7.2.5.1 Employee Engagement and Retention Development Plan

The Company Group prioritizes developing employee engagement in order to retain potential employees to work with the organization in the long term. As a result, the Company Group has prepared a Knowledge Management Framework emphasizing on-5 parallel operations that are constantly aligned with the Company Group's target by setting goals for all target employees (100%) to be developed and participating in learning and determined activities, and achieving the performance goals in all aspects details as follows:



##### 7.2.5.2 Employee voluntarily leaving percentage

According to the Company Group established a policy to keep employees to love, bond, and remain with the organization for a long time, taking care of employees is thus important. However, the labor market remains very competitive, and people quit on a monthly basis. As a result, the turnover rate is determined to regulate, oversee, and retain staff.

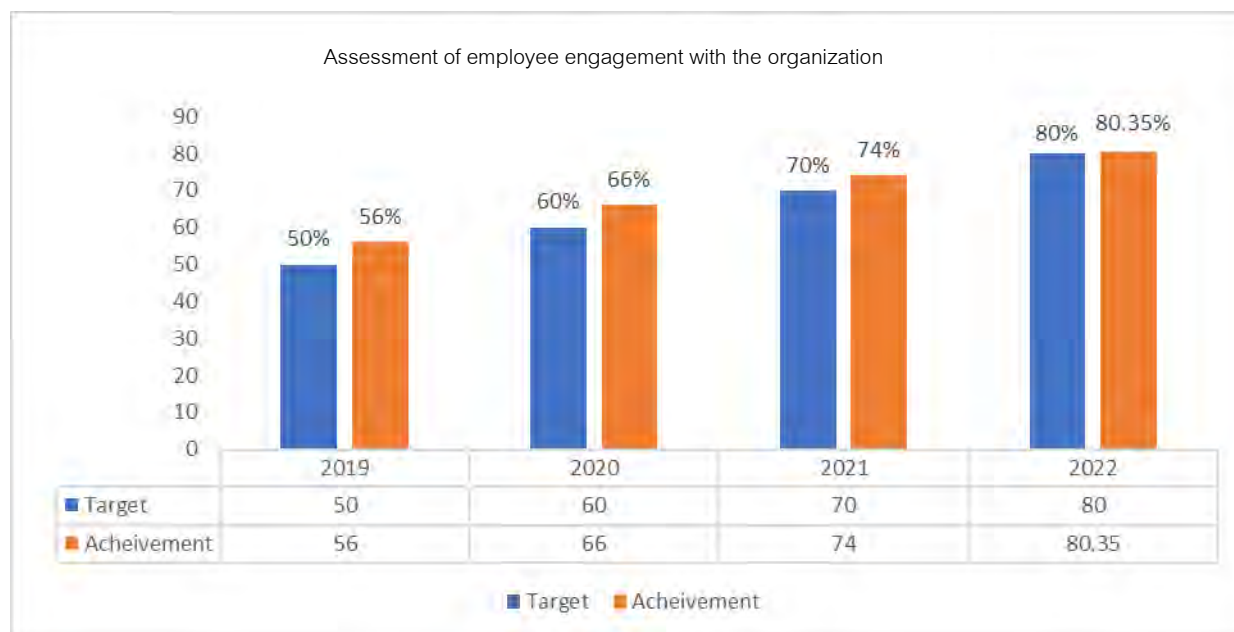
As a result, based on the employee resignation statistics in 2022, it could be determined that the reasons for voluntary resignation accounted for 98.5% of all employees.

### 7.2.5.3 The number of major labor disputes with corrective measures

The Company Group had no labor disputes with employees in 2022, and the Company had prioritized employees by executing employee-related activities, complying with employee work requirements, and following to labor law principles.

### 7.2.5.4 Employee engagement and retention development goals

The Company Group values employee well-being at all levels; therefore, the Company has performed an employee engagement evaluation for the organization, with a target group of 100% full-time employees at all levels, and the findings are as follows.



### 7.2.5.5 A gathering of employees to discuss employee benefits and welfare with the employer;

The Company Group has provided appropriate monetary and non-monetary welfare to employees, as well as announced a clear welfare policy to employees, such as provident fund, employee group insurance (life insurance, accident insurance, medical expenses for in/out patients), and discounts at Company Group restaurants, among other things.

As a result, by 2022, the Company Group took care of its employees and provided appropriate welfare that was equivalent to or greater than the labor market, and there was no employee negotiating or making demands on employee benefits and welfare.

## 7.3 Customer/Consumer Responsibility

**7.3.1 Consumer rights;** Initially, the Company saw that product and service standards were very important in operating a restaurant business, but this may not be enough in today's world. Therefore, the Company satisfies customers and develop highest efficiency and productivity through innovation or continuous development to achieve cost-effective use of human or natural resources, which truly creates sustainability for the Company and Thailand's economy.

### 7.3.1.1 Customer privacy policies and guidelines;

#### Implementation of the Personal Data Protection Act

The Company Group has prioritized the implementation of the Personal Data Protection Act by announcing the Personal Data Protection Policy for general public and the Personal Data Protection Policy for employees to provide practices for the collection, use and processing of personal data. The Company Group has the right to process

personal data in a secure, honest, and transparent manner, not allowing data to be misused or leaked, as well as the right of the data owner in the process of different matters relating to the data subject's personal data. Furthermore, the Company Group has created a Personal Data Protection Manual to serve as a guidance for the conduct of individuals concerned and the detailed implementation of the Personal Data Protection Act.

The Group has provided training for all executives and employees so that they are knowledgeable and comprehend the Personal Data Protection Act.

#### **7.3.1.2 Number of occurrences of customer data leaking with corrective measures**

In 2022, the Company Group had no personal data leakage instances involving consumers, business partners, contractual parties, or employees. However, in accordance with the Personal Data Protection Act, the Company Group have defined the operations and corrective measures in the event of a personal data leakage in the personal data protection manual, including requiring the responsible person to closely monitor the Personal Data Protection Committee's announcements.

#### **7.3.1.3 Number of occurrences or complaints involving infringement of consumer rights, as well as corrective actions Implementation of the Consumer Protection Act**

The Company Group's business operations are governed by the Consumer Protection Act, which must be observed in terms of advertising, product and service safety, damage compensation, and other related matters. The Company Group has regularly trained all relevant employees to have knowledge and awareness of the Consumer Protection Act, including having a legal department provide advice/comments on product advertisements in line with the Consumer Protection Act. In 2022, the Company Group received no complaints or penalties from the Office of the Consumer Protection Committee or other government agencies. However, there have been 2 incidents in which the Company Group has provided remedies to service recipients who have suffered mild accidents from utilizing the branch's services, with all remedies being terminated.

#### **7.3.1.4 Channels that the company accepts complaints from customers/consumer**

In addition, complaint channels from customers and/consumer about products, services or other matters Actions can be taken by customers/consumers in accordance with our Complaints and Whistleblowing Policy. (Whistleblower Policy) at

- Internal Audit Director (email: internalaudit@Zengroup.co.th) or
- Company Secretary (email: corporatesecretary@Zengroup.co.th) or
- Audit and Corporate Governance Committee (email: auditcom@Zengroup.co.th)

#### **7.3.1.5 Customer Satisfaction Development Plan**

##### **1) Product and Service Development**

The Company Group operates the restaurant business with the highest commitment to provide quality, tasty, clean, sanitary, and standardized food, as well as excellent restaurant services, in order to maximize customer satisfaction.

Working with the brand's Product Research and Development Department to create new food menus, whether special seasonal meals, promotional menus to boost sales, or regular main menus, so that the Company can compete with the market and changes in consumer behavior on time. In addition to developing new menus, the Company constantly improves recipes to maintain the uniqueness of each brand, as well as to innovate production processes to be more efficient and reduce costs, conduct basic cooking training, and randomly check food quality and taste of all restaurant brands to ensure that the food served to customers meets the quality and taste standards set and can truly deliver the food and services as promised to consumers and meet the needs of today's people lifestyle. The Company has prioritized the development of delivery menus

that can create high sales and the transformation of ecologically friendly packaging to decrease the environmental effect as much as possible.



raw materials in the law, and have traceability to manufacturers, have quality and safety controls from storage, transportation, and distribution to maintain product quality and safety standards that comply with international standards such as ISO 22000, BRC, and GMP/HACCP to provide customers confidence that the food ingredients in the Company Group's restaurants are truly standardized and safe.

### 3) Sources of raw materials selection

The Company Group has standards for selecting raw material sources, a raw material supplier selection process, procuring and selecting potential partners, and complying with relevant laws and regulations, as well as having guidelines to promote, support and develop the potential of partners under the responsible procurement process and supply chain management. Sustainability risks are assessed throughout the procurement process, beginning with the registration of new partners, selecting and evaluating suppliers to satisfy customers' ever-changing demands and expectations. Sustainability risks are defined internationally into 3 dimensions: environmental, social, and governance, which encompass a variety of sustainability challenges such as water resource management, human rights, and business ethics.

### 4) Research and development in improving work efficiency

Furthermore, the Company Group has carried out concurrent developments in information technology and process reengineering in order to reduce work procedures and sustainably increase efficiency at the branch in the long run, as well as immediate access to information for decision-making, determine strategies or action plans to respond to customer satisfaction in a timely manner.

In terms of Governance Process, the organization has evolved periodically for more openness and efficiency in every process, both at the headquarters and in the branches, for example, in conducting board meetings and management meetings, both online and offline.

### 5) Creating innovative restaurant concepts and enhancing sales area efficiency

In order to achieve maximum efficiency, the Company Group has developed a full service restaurant style using an area of 100 - 150 square meters rather than the original 200 square meters, including developing a small model restaurant style such as Khiang restaurant to support current consumer behavior that focuses on convenience and value for money. In addition to increasing sales, the Company has calculated sales per square meter to ensure that the space is managed with optimum efficiency, making the investment worthwhile.

For the establishment of restaurant design standards in the cooking area, the Company establishes a standard model of equipment that can be manufactured and is compatible with all brands, accounting for around 90% of the total, except for specific equipment such as AKA grills. In the service area, the Company has built up seating arrangements that consumers can touch and reach, such as sushi bars, beverage and dessert bars, as well as papaya salad bars, all of which are located in the same section as the customer's seating area. It enables consumers to observe the precise preparation of foods, the attention of the employees,

and the creation of confidence in the cleanliness of the customers and the Company standards. Furthermore, the restaurants will employ loose furniture that can be removed, installed, and moved later by purchasing them from the manufacturers, resulting in the Company significantly decreasing construction expenditure per square meter and each branch, as well as service space rental.

Before making an investment, the Company will evaluate investment and sales volume, determine adequate service and cooking areas, the cost of different goods and services, and the rental fee. Once the restaurant is open for business, the restaurant management will operate it with utmost efficiency, offering standard food and services and driving sales in accordance with the Company objectives.

**6) Developing employees' capability for understanding of their job and improving service quality will lead to the development of long-term services and increased customer engagement with the organization**

In addition to efficient area management, Labor Productivity Measurement of the restaurant staff is used to achieve the greatest efficiency by comparing sales volume and number of employees, as well as scheduling work appropriately and adequately with the set sales volume each day to prepare for delivering good service without affecting customers, reducing complaints and instead receiving praise from customers.

In addition to measuring Labor Productivity, the Company has employed the MS (Mystery Shopper), a data analysis tool for gathering the opinions of anonymous consumers in order to enhance the quality of excellent service. The Company assigned representatives to use the service without informing the branches, and analyzed the data collected in various aspects of the service, such as the cleanliness of the restaurant, the availability of services, and the accuracy and cleanliness of food, in order to improve the service even further. As part of its ongoing brand development, the Company has implemented the NPS (Net Promoter Score) tool, which is presented in the form of a simple survey question. Customer answers are computed and processed into NPS values, which may be used to indicate Customer Loyalty.

As the Company measures Labor Productivity, MS (Mystery Shopper), and NPS (Net Promoter Score), it also has a work development plan with a training plan for new and existing employees in food and service throughout the year, as well as implementing the Mobile Ordering system in the restaurant to increase Labor Productivity and customer satisfaction in order to achieve the objectives established.

**7) Satisfaction development goals and customer satisfaction assessment results**



**7.3.2 Responsible marketing and advertising**

**7.3.2.1 Responsible Marketing and Advertising Practices;**

Fundamentals of Marketing and Advertising:

- 1 All advertising must be legal, respectful, honest and truthful;
- 2 Advertising should not be created in a manner that contradicts good morals and social order; it should be done with a sense of social responsibility and within the generally recognized principles of fair competition in business;
- 3 Advertising must not make the people feel untrustworthy of the advertisement.



Details of the practice:

1. Perform duties with integrity in line with practical and academic standards, as well as the provisions of the law;
2. Do not conduct anything that may bring discredit to the profession's dignity;
3. Have social responsibility while without jeopardizing ethics and good culture;
4. Do not engage in marketing or promotion that insult the general public's race, religion, creed, or worship;
5. Do not conduct marketing/advertising that produces misunderstanding in material issues about products, services; performances, or others, or exaggerate the properties to the extent that the audience or listeners are misled;
6. Do not use superstitious or fortune beliefs as a motivation in marketing or advertising;
7. Do not conduct marketing/advertising by imitating other people's trademarks, slogans, or significant statements, or others of individual's advertisements that cause others to misunderstand or mislead about the product, service, or others' performance.
8. Do not conduct marketing/advertising by using statistical terminology, study findings, or allude to scientific reports in an inappropriate or misleading manner when the product does not qualify as stated.
9. Do not conduct marketing/advertising by referring to any individual or organization that does not actually exist and does not utilize products and services or watch that performance.
10. Do not conduct marketing/advertising that may cause physical, mental, or moral damage to children or minors, or that relies on the improper negligence of such a person as a method of persuasion.

**7.3.2.2 Guidelines for communicating to customers/consumers information regarding the effect of goods and services;**

A business crisis may occur at any time, but it is more often in an age when Social Media has a significant influence. This is known as a Social Media Crisis because news spreads rapidly, encouraging individuals on Social Media to participate, such as commenting and sharing. The more the involvement, the more Social Media algorithms will promote the broader expansion. We often see Social Media Crisis in Thailand. The following lists are approaches to assist deter the social media crisis by offering the guidelines for disseminating information to customers/consumers regarding the effect of goods and services:

- Stop communicating via Social Media platforms (in the early stages):

When a crisis occurs, the comment channel and the Inbox are inundated with messages from social media users; now stop communicating back to consumers and have a formal discussion with the team on the impact, including response guidelines to reduce violence and stop replying using automatic bots with patterned responding messages and posting content on schedule, because it appears that the Company is unconcerned about the impact;

- Make a statement acknowledging the issue and outlining a specific solution:

It should be dealt with the arising problems as soon as possible at this stage. Don't leave the situation occur for too long time, because it will appear that the Company don't care about the problem. Instead, issue a statement in a concise, easy-to-read format, expressing sincerity and attention to the arising problems, as well as informing preliminary solutions and methods to remedy issues, which can be in the form of images, text, or video. It is preferable to build a FAQ page dedicated to this crisis.

- Respond to comments, but do not bring up a side issue to complicate the matter, instead stressing that you are aware of the problem and providing information on how to resolve it.

At this phase, you may respond to comments, but attempt to limit how much you know about the issues and how you act to resolve them without bringing up a side issue to complicate the matter,



as it may cause dissatisfaction. Stop replying using automatic bots with patterned responding messages, but answering the inquiries with more naturally humanity will help mitigate the crisis.

#### 7.4 Community / Social Responsibility

##### 7.4.1 Policy on community/society development and involvement;

In 2022, the Company Group committed to operate business while contributing to society by improving people's quality of life via numerous initiatives that aim to enable the disabled to have potential and develop themselves until they can help and support themselves so that the disabled can have a stable career and income that allows them to be self-sufficient. This was consistent with the government's policy of assisting the disabled under Persons with Disabilities Empowerment Act by contributing to the Fund for Empowerment and Development of Persons with Disabilities via the Jaidee Farm Project and the Kobfakwang Foundation.

##### 7.4.2 Plans to encourage community/society development and involvement;

In addition to its internal employees, the Company believes that social responsibility is a significant mission that cannot be overlooked; thus, the Company promotes community/society development and involvement and incorporates these missions into the Company's supply chain in order to create sustainable economic, social, and environmental development in the country.

- **Zend Scholarship for employees' children;** The Company Group has offered educational support with the goal of extending the education of employees' children by awarding scholarships from the "Zen Scholarship for Employees' Children" program to employees' children who are pursuing knowledge, love education, and have good grades.

In 2022, the Company granted 50 scholarships at 5,000 Baht each, totaling 250,000 Baht. This helps to promote education for employees' children while also alleviating employee expenses.



- **Jaidee Farm Project**

The Company recognizes the potential of the disabled group and thus continues to support "Jaidee Farm" in order to truly improve the quality of life of the disabled group by generating income, creating employment opportunities for people with disabilities, and promoting and improving the quality of life of people with disabilities.

The Company operates an organic farming project for communities in Chainat Province with the Foundation for Empowerment of Persons with Disabilities (FEPD) as a consultant. The working area for the disabled group is located at House No. 109 Moo 6, Prai Yoong Sub-district, Hankha District, Chainat Province.

The project's purpose is to enable disabled people and their families to have occupations and incomes in organic agriculture that can be self-sufficient as appropriate, by establishing a small organic farming community market with project members as a production base that serves as a model for promoting social enterprise between disabled people, non-disabled people, and the business sector.

Due to the continuous spread of the Coronavirus 2019 (COVID-19) around the world, it has a direct impact on the economic situation, public health, and social security, so disable groups in Hankha District, Chainat Province gather to propose an organic agriculture project for communities in Chainat Province with the Company Group, based on the main principle of strengthening people with disabilities and their families to be self-sufficient by pursuing a profession in chicken raising, doing an organic farm, as well as conducting the marketing management, which can generate income for people with disabilities, families, and be a good example for communities and societies, with the government, private sector, and community as the driving mechanism. This will allow people with disabilities to live in society with dignity and equality, and it will provide another channel for people with disabilities to survive and overcome crises.

The project functions in a group form with business management by raising hens, cultivating mushrooms, and growing organic vegetables and fruits both inside and outside the house. The income from sales is used to compute the cost of products and expenses, and the surplus is distributed to the members as dividends.

Jaidee Farm is currently a life skills training center for people with disabilities who can come to practice life skills, social skills, and working in agriculture to support disabled people from southern border provinces in addition to agricultural works designed for people with disabilities to be able to farm. The Sustainable Development Working Group visited the Jaidee Farm Project



on Thursday, 24 November 2022, to enquire about their well-being and to encourage the disabled in the project to live happily in society.





- **Kobfakwang Foundation - Furniture Professional Group;**

Kobfakwang Furniture Project, Mueang Khon Kaen District, Khon Kaen Province has a Community Business Development Institute as a consultant with the objective of creating careers for parents and children with disabilities and to enable people with disabilities to have income, be self-sufficient and not be a burden to society. It operates by promoting and developing a career in making wooden furniture, producing wooden furniture, producing and distributing various items such as phone holders, Scan QR Code labels, key chains and a variety of souvenirs.



#### 4 **Kobfakwang Foundation - Sandblasted Glass Professional Group**

The Sandblasted Glass Project, Ubolratana District, Khon Kaen has Community Business Development Institute as a consultant with the objective of creating careers for people with disabilities in making sandblasted glass to enable them to have a career and earn income, be self-sufficient and not be a burden to society. It operates by promoting and developing the sandblasting profession via the production and distribution of products in the community, as well as the organization of different trade fairs to distribute income among group members.



- **Food For Good Initiative:**

In 2022, the Company implemented a strategy to increase the quality of life for society in a sustainable manner through the Food For Good Initiative under the concept of “Good nutrition is Foundation of Growth”. It aims to encourage nutritionally balanced children in Thailand and developing a mechanism for sustainable child nutrition.

With the slogan of "Giving that does not limit to only meals," the initiative operates by teaching culinary skills to teachers in remote schools so that pupils obtain full nutrition, supporting mechanisms for healthy child nutrition, and lowering the number of malnourished children in Thailand.

In 2022, the Company granted fund in the amount of 249,800 baht to support the food and agricultural budget in order to increase the school's ability to provide students food services in order for the student having complete and diverse nutrition in sufficient quantities for growth and good nutritional status, enhancing complete nutrition knowledge for school personnel so that schools can properly care for food for students. The purpose of budget support is for schools to fulfill meals based on nutrition and to transfer knowledge that will allow school personnel to serve quality school meals.





Summary of FOOD FOR GOOD child nutrition development performance outcomes in Academic Year 2022, sponsored by Zen Corporation Group Public Company Limited with a budget of 249,800 baht.

Loei Province had 2 subsidized schools, with a total of 242 pupils getting the following benefits:

- 1) Ban Nong Tum School, Erawan District (Kindergarten-Elementary Level) There were 81 students in total, 19 of them were special poor students.
- 2) Ban Na Din Dam School, Mueang District (Elementary - Junior High School Level) There were 161 students in total, 45 of them were special poor students.



1. A school committee has been established to oversee student diets and nutrition. There were 8 personnel who have received training from the FOOD FOR GOOD project, as well as participating in monitoring and evaluating performance, and constantly developing work, such as establishing a community committee to jointly change food consumption behavior and bring good health for students and communities, and also cooperating with sub-district health promotion hospitals to promote nutrition care for children in the area.
2. The school was able to offer entire school food services that met nutrition, food cleanliness, and food safety standards for primary schools. (Refer to the Bureau of Nutrition, the Department of Health, and the Ministry of Public Health).
3. In order to provide appropriately care for child nutrition, the school has arranged activities to improve understanding of right nutrition for kids and parents, as well as with other food and nutrition related professionals in the school.
4. The school has established safe agriculture as a source of food ingredients and a source of learning, as well as a revolving fund to be utilized in the provision of food services in the school, representing a completely nutritious meal for pupils in the academic year 2022, totaling 41,400 meals.
5. The school brings knowledge and care of the correct student nutrition to proceed. As a result, the number of students is high, more suitable for 20 people (collecting nutrition data in May 1, 2022 and 2nd September 2022).

The Sustainable Development Working Group nutrition development operations of Ban Nong Tum School and Ban Na Din School in Loei Province on the 5<sup>th</sup> and visited the 6<sup>th</sup> of January 2023.



#### 7.4.3 Number of disputes with the community/society with corrective actions;

In the year 2022, the Company Group had no disputes with the communities or society around the office. It shall notify adjacent communities orally and/or in writing when carrying out any activities such as fire evacuation exercises. Furthermore, the Company Group has established a comment box in front of the Company's office enabling individuals in the community and society around the office to express their opinions and make direct complaints to the Company.

#### 7.4.4 Developmental objectives and community/society involvement;

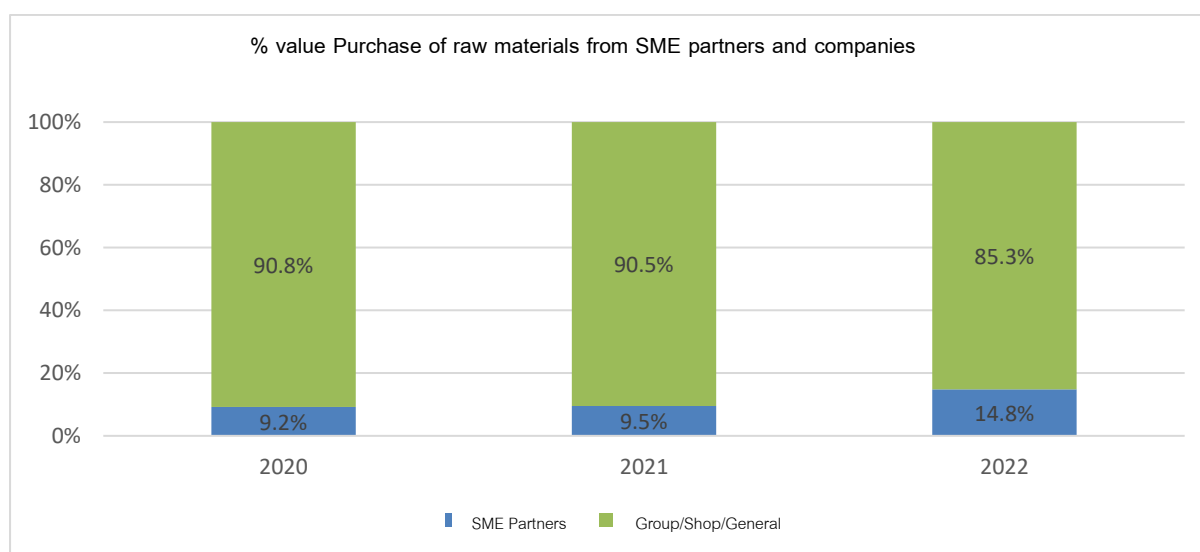
The objectives of the projects funded by the Company in 2022 was to generate a sustainable income in the community of 100,000 baht per year in addition to financial assistance.

The objectives of the projects funded by the Company in 2026 is to generate a sustainable income in the community of 300,000 baht per year in addition to financial assistance.

#### 7.4.5 Balancing revenue creation and distribution to society;

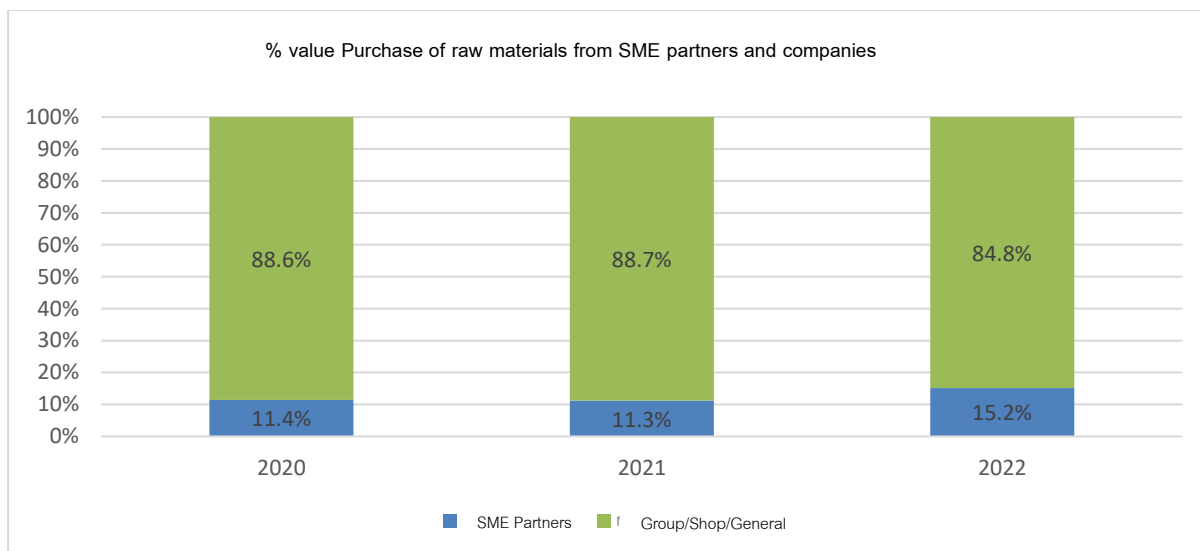
Supporting community employment, small businesses, and fostering community vocations in order to have a secure income are all actions for the distribution of the country's economic revenue. The Company is highly committed and focused on this matter, and it recognizes the role that the company will play in establishing sustainable income in a variety of areas, including revenue and seller growth. Furthermore, the Company believes that the community's determination to select products that fulfill standards and are of high quality will have a significant impact on consumer satisfaction.

Year	Total turnover	SME partners	companies/ general stores
2020	811,449,103.36	75,001,539	736,447,564
2021	917,809,425.47	87,117,453	830,691,973
2022	1,091,667,147.30	162,073,227	931,356,885
		14.8%	85.3%





Year	number of sellers	SME partners	Group companies/ general stores
2020	429	49	380
2021	391	44	347
2022	422	64	358



#### 7.4.6 The total amount spent on projects or activities for community and societal development;

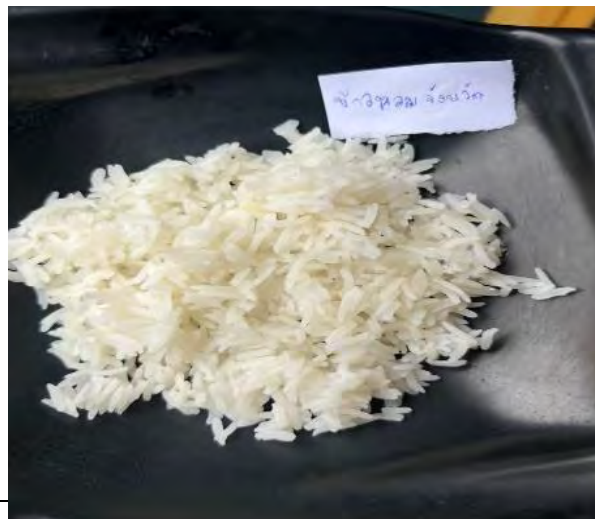
The Company's target for 2022 was to have a 12% of trading ratio in terms of both turnover and the number of communities/SMEs comparing to overall trades in the Company.

In 2026, the Company's trading ratio is expected to expand by 1% every year, both in terms of turnover and the number of communities/SMEs, with a target of 15% of overall trades in the Company.

Examples of merchandising products of communities and SMEs

##### 1) Fragrant rice grown by farmers in Khok Na Sai Farmer Community, Saraburi

The Company supported and encouraged small entrepreneurs, farmers in the Khok Nasai Farmer Community in Saraburi Province by utilizing fragrant rice ingredients in 3 branches of Kiang Restaurants (value of purchases in 2022 was about 6,000 - 7,000 baht).





2) Frozen seedless watermelon produced by Nakhonphanom for Processing Vegetable Fruit Company Enterprise Co., Ltd.;

The Company supported and encouraged the distribution channels for frozen seedless watermelon products of Nakhonphanom for Processing Vegetable Fruit Company Enterprise Co., Ltd. to promote and generate income for farmers in Nakhon Phanom Province by providing distribution channels. The Company assisted with the transportation of frozen and temperature-controlled products to ensure product quality throughout the delivery process in the year 2022, totaling 515,970 baht.



## 8. Sustainability, Corporate Governance and Economic Dimensions

### 8.1 Innovation development;

Rapid changes in technology and evolving consumer behavior have resulted in business operations requiring the use of technology that is suitable for business operations to help develop and innovate business practices in line with the changes by bringing technology and innovation that are good and suitable for business operations to improve the business in order to keep up with changes, the organization will be able to develop to support the rapidly changing situation well.

The Company has prioritized the use of appropriate technology and encouraged the development of innovations on a regular basis to meet the needs of customers, society, and the environment by continuously supporting research and development and encouraging various collaborations. The management of employing technology to enhance innovation not only fulfills the demands of the present, but also looks to the future in which lifestyles will change while considering social and environmental sustainability in operations to boost management efficiency in each process.

#### 8.1.1 Policies and guidelines for the development of corporate innovation;

To achieve sustainability in corporate operations, the Company has used information technology based on the principles of economic viability, innovation, and environmental impact. As a result, the Company has established an information technology and innovation strategy with the objective of becoming an organization with cutting edge information technology systems fit for the present global changing environment.

1. Assist management in selecting appropriate information technology for use in the Company, decreasing e-waste generation, sending waste to agencies that destroy e-waste for conducting proper destruction or recycling in accordance with the goals;
2. Promote the use of information technology for operational purposes and develop information-related procedures to enhance operational efficiency and effectiveness by emphasizing on maximum benefits;
3. Promote knowledge and understanding, communicate technology management policies or measures, and raise awareness of the importance of developing and using information technology for safety and utilization, and apply it as operational guidelines that do not violate the organization's and the law's requirements; and
4. Support resources in terms of manpower, funding, and training to allow efficient technology deployment, which leads to continued sustainable growth.

### 8.1.2 The procedures for developing and promoting an organization's innovation culture;

The development of an information system-related project is an innovation that enables efficient and effective operations, which are collaboratively designed and authorized projects to maximize the profit of the company and provide an excellent experience to customers with exciting projects as follows:

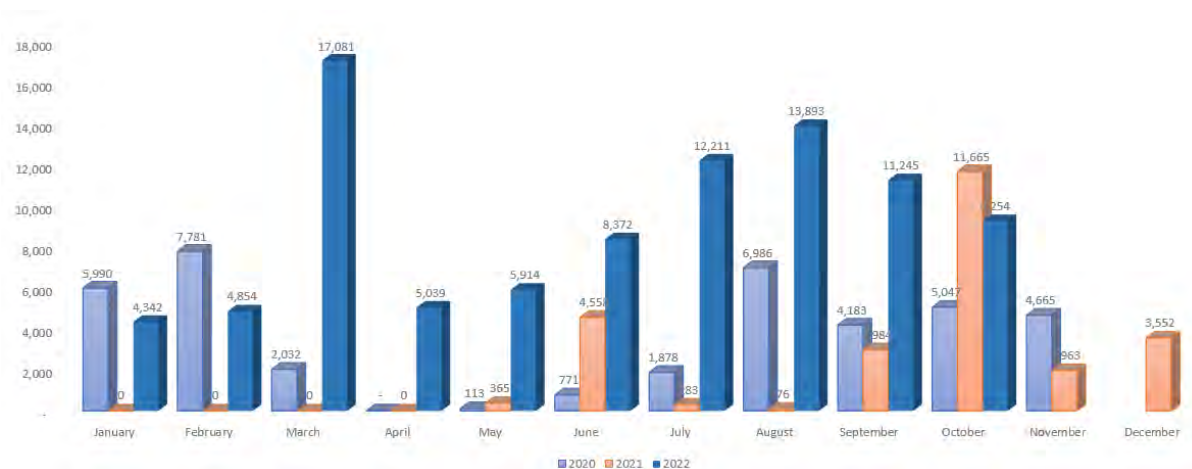


#### 1) ZEN Group Member System

(<https://zengroup.co.th/member>); Originally, this initiative is called ZEN Group Sookciety, which is a point of members relationship with ZEN and other brands in ZEN Corporation Public Company Limited's affiliated company. Customers may earn points at all ZEN Japanese Restaurants and all branches of On the Table, AKA, and Din's Restaurants. Every 25 Baht spending may be redeemed for 1 point, allowing the membership to get further benefits. The Company will provide frequent updates on news and promotions.

Zen Group Members may obtain various special benefits, such as earning points for employing restaurant services and redeeming points for discounts according to the conditions or receiving free discount coupons instantly upon subscription, as well as special privileges for the Zen Group family from rapid changes.

Many consumers are interested in becoming members as a result of the improvements to the Zen Group Member system. When compared to the previous year, the proportion of subscribers climbed by more than 262%. The increasing number of members was 98,254 in 2022, representing a 49% rise from the objective of 200,000 members in 2022.



The graph shows a comparison of the yearly increase in sign group members from 2020 to October 2022.

Digital membership also helps to decrease waste generated by the original creation of more than 100,000 sets of plastic and paper cards every year. It may also assist to minimize the issue of forgetting or losing membership cards.

In terms of business value, collecting members' data allows for more efficient analysis of consumer information by grouping consumers based on their consumption styles in order to send marketing communications that fit their demands. The aim is to raise the frequency of use of the service to 2 times per month, up from the existing average of 1.2 times per month, and to increase the spending each bill to 1,300 baht (or 20% of total average spending amount). In the year 2022, the Company offered meal sets for members as well as a variety of promotions. It helped raise the value of members' spending by 17%, with average spending per bill of members at 1,226.77 baht per bill, while average spending per bill for general customers was 1,046.87 baht per bill.

2) **1376 Online food Delivery system and Call Center;** Or 1376Delivery.com, a website offering food delivery services for leading restaurants in the Zen Group with more than 12 brands in the network for more than 30 years in service, intends and strives to serve customers with experience from food experts who have selected quality menus from famous brands across 240 branches.

The website also has a management function for the call center system. When customers call, personnel may utilize the website as a tool to assist them accept orders and transfer food order information to a restaurant near the delivery point, or the customers can pick up the ordered food at the branch.

As an alternative method of ordering meals, the 1376Delivery.com system has functionalities that may be utilized with LineOA. According to the present COVID scenario, all functions may be connected to different information, such as product information, order information, discount information, and discount coupons for the convenience of consumers ordering food back to dine at home.

### 3) Robot Services;

Enjoyable serving food with robots! Covid 19 pandemic situation necessitates the consideration of Food Hygiene for the cleanliness and safety of service providers and recipients which is not limited to culinary hygiene. The usage of robots to assist with meal service is also meant to help contactless.

Aside from the contactless experience, robots also help reduce employee labor, give employees more time to focus on other customer service duties and increase customer experience by providing features or functions coming with a screen that keeps interacting, offering promotions appropriate for the digital age society.

4) **Mobile Ordering;** Eating out with loved ones and family is a relaxing and delightful experience. As a result, offering fast customer service and not leaving customers waiting for a longer period of time is critical in creating a pleasant atmosphere in the mealtime.

Using Mobile Ordering or meal ordering through customers' smartphones significantly saves the amount of time spent ordering food with staff. When a large number of customers enter the restaurant, ordering food through staff may take a long time, especially if the Customer orders a substantial amount of food. Ordering food via Mobile Ordering helps reduce mistakes in taking orders because customers press to order their own food like ordering food with a chef by themselves. When the chef gets an order, he may rapidly prepare the food for the customers.

When the meal menu is already on the customers' mobile phones, we would like to give attractive promotions to customers for support sales by giving a special menu for members and enabling customers to pay for foods via Mobile Ordering now.

5) **Project to enhance the Point of Sale (POS) system;** The point of sale system, known as the POS (Point of Sales), has been enhanced to include additional features to facilitate more than before.

In addition to taking food orders and transmitting them to the kitchen via a Kitchen Display System (KDS) or printer, further assisting functions are included with the following key features:

- **Cashless Payment;** It allows customers who do not prefer carrying cash can pay for services through other channels, namely QR Payment of the bank, online wallet or Money Wallet, with 3 major service providers including True Money Wallet, Dolfin Wallet) as well as Airpay developed by ShopeePay or credit card payments can still be transacted normally.
- **Inventory Management;** It assists in product management and calculating the cost of sales from ordering materials to cooking, as well as calculating the cost of sales from cooking or loss to assist restaurant staff in managing raw material stock conveniently and effectively.
- **Data connection between the sales system and other systems;** To transmit the inventory system's sales data back to generate reports for management or delivery of the accounting system, which can be given promptly and the data can be studied to develop better services.

6) **"BOT" system implementation project to reduce repetitive work;** "BOT" or "Robot" is the introduction of a robot system or Robot Process Automation to help imitate the work process of people with repetitive tasks from 5 affiliated companies by altering to let technology handle it instead. At the moment, the system has been implemented to assist in automating back-office work, reducing mistakes, working more efficiently and quickly and working 24 hours a day without break. Essential initiatives that have been utilized to develop internal procedures include:

- **Franchise customer billing process** - Operating time was reduced by 91 % from 2,028 operating hours per year;
- **Financial data preparation process** - To examine bank reconciliation - Reduce working hours by 90% from 548 hours per year;
- **Process of importing/delivering employee data to the government sector** – To notify employment information to the Social Security Office and the Labor Department to produce a large amount of employee information per month can bring the system to help reduce the process by an average of about 80% from 13 hours per month based on data from an average of 550-600 employees per month;

Other internal operational processes may help shorten the process, produce more consistent outcomes, and be less expensive than hiring full-time or outsourced employees.

7) **Data Analytic provided by Power BI;** From the introduction of technology to assist in the operation of various domains increasingly in the digital age, the Company Group has information in the digital form. We have the data integration as a center for analysis in various fields, such as marketing and consumption information, popular menus, dietary preferences of each customer group, and even suggestions. We have introduced a set of data relationships to analyze and develop customer demands in order to be more suitable, responsive to the point, and to be used to plan future preparations such as acquiring raw materials, making promotions, and so on.

The Company used Power BI report preparation tools to analyze data, making it simple, quick, elegant, and straightforward to comprehend, uncomplicated, and handy to access data and produce reports. It aids in determining marketing target groups capable of solving issues on the moment, either directly or indirectly.

Capable of using information supplied by the service to discover answers or estimate probabilities based on the connection of the information in order to clearly define strategic objectives, promote corporate development, and improve operational efficiency.

8) **Asset Inventory;** The project's goal is to acquire a system for asset management. Since the Company Group has branches distributed across Thailand, management is complex and difficult to manage, which is the source of the project preparation.

The operation guidelines must be capable of developing the organization's asset management process with the QRcode system which is easy to use and convenient, capable of notifying the transfer, counting and supporting the notification of equipment maintenance, creating the asset control registers and recordings in the system, reducing the complexity of the management process from the original, whether it is in the form that applies the user manual or uses an automatic technology.

The project has improved, changed the management method of the entire system to suit and solve the original problem, the modified process starts from receiving the property to create the property registration, creating a QRcode and installing the system in every branch and managed by the Company Group, processing improvements for asset additions, rectifying, transferring, counting, and maintaining, sending the notices of repair, write-offs and destruction, as well as various reports that are used for further planning. This must be facilitated by being able to use programs that can be used with current smart phones.

9) **ZEN Smart Learn; Learn the basics to improve;** The Company has completely implemented a learning system, and online testing through the Internet. Employees at all levels may attend the Company's fundamental mandatory courses or study alternative courses of interest, which are simple to use and convenient, minimizing the need to travel. Entering the Company's learning center is possible via an online channel that everyone may access and assess their performance immediately.



Employees at each level will take compulsory courses as well as general knowledge courses to acquire skills that will be used at work. The course material is accessible at any time and from any location, since it is web-based learning that can be studied from anywhere, whether at home or at work all the time. It also improves the capacity to utilize technology more effectively, and the Company may review the study performance to instantly assess learners' comprehension.

In addition to the technological innovations mentioned above, The Company Group has developed other innovations such as a Budget Control System Improvement Project, Feedback Transmission System Development Project for customers and employees, and so on to increase the efficiency and effectiveness of each department, and will continue to develop new innovations to help develop good food and service delivery experiences for customers and stakeholders in the future (ZEN Innovation Link: <https://www.zengroup.co.th/Innovations>)

## 4. Management Discussion and Analysis : MD&amp;A

## Business Overview

For the operating results in the 4<sup>th</sup> quarter of 2022, the Company's total revenue was THB 946Mn, an increase of 21% compared to the same period of last year. This was driven by the increasing in restaurant revenue from 1) the recovery of Covid-19 situation 2) equity branches expansion with promotion strategies to increase dine-in traffics together with the company's efficient management of costs and expenses. In addition, the retail commercial revenue was also increased mainly driven from the investment in King Marine Foods Co., Ltd. As a result, the Company can deliver a net profit of THB 61Mn, (an increase of THB 51Mn YoY) from the Company's overall efforts to adjust the business models.

For the total year of 2022, the Company's total revenue was THB 3,413Mn, an increase of 51% compared to the same period of last year. The Company can deliver a net profit of THB 172Mn, turned from net loss of THB 89Mn in year 2021 (an increase of THB 261Mn YoY). This year, the Company has made the highest financial performance compared to the past (since pre-Covid-19 periods).

## Financial Performance

Statement of comprehensive income Unit: Million Baht	4 <sup>th</sup> Quarter				Year Ended Period			
	2021	2022	Change		2021	2022	Change	
Revenue from sales of goods and services	765	938	173	23%	2,209	3,383	1,175	53%
Other income	15	8	(7)	(59%)	47	30	(17)	(36%)
<b>Total revenues</b>	<b>781</b>	<b>946</b>	<b>165</b>	<b>21%</b>	<b>2,255</b>	<b>3,413</b>	<b>1,158</b>	<b>51%</b>
Costs of sales of goods and services	399	513	114	29%	1,243	1,838	595	48%
Selling expenses	226	213	(13)	(6%)	687	853	166	24%
Administrative expenses	131	138	7	5%	398	477	79	20%
<b>Total expenses</b>	<b>756</b>	<b>865</b>	<b>109</b>	<b>14%</b>	<b>2,328</b>	<b>3,167</b>	<b>839</b>	<b>36%</b>
<b>Profit (loss) from operating activities</b>	<b>24</b>	<b>81</b>	<b>58</b>	<b>233%</b>	<b>(73)</b>	<b>246</b>	<b>319</b>	<b>438%</b>
Finance costs	9	7	(2)	(28%)	38	33	(5)	(13%)
Share of loss of associate accounted for using equity method	0	1	1	59%	2	2	0	22%
<b>Profit (loss) before income tax expense</b>	<b>14</b>	<b>74</b>	<b>57</b>	<b>408%</b>	<b>(112)</b>	<b>211</b>	<b>323</b>	<b>289%</b>
Tax expense (income)	4	13	9	189%	(23)	39	62	266%
<b>Net Profit (loss) for the year</b>	<b>10</b>	<b>61</b>	<b>51</b>	<b>505%</b>	<b>(89)</b>	<b>172</b>	<b>261</b>	<b>295%</b>
<i>Profit/(Loss) of Parent Company</i>	<i>9</i>	<i>55</i>	<i>46</i>	<i>487%</i>	<i>(92)</i>	<i>154</i>	<i>245</i>	<i>268%</i>
<i>Minority Equity Profit/(Loss) of Subsidiary</i>	<i>1</i>	<i>6</i>	<i>5</i>	<i>729%</i>	<i>3</i>	<i>18</i>	<i>16</i>	<i>518%</i>



## Financial Performance Analysis

Revenues Unit: Million Baht	4 <sup>th</sup> Quarter				Year Ended Period			
	2021	2022	Change		2021	2022	Change	
<b>Revenue from sales of goods</b>	<b>748</b>	<b>915</b>	<b>167</b>	<b>22%</b>	<b>2,146</b>	<b>3,306</b>	<b>1,161</b>	<b>54%</b>
▪ Revenue from Restaurant Business	603	728	124	21%	1,582	2,510	928	59%
▪ Revenue from Food Delivery & Catering	72	52	(20)	(27%)	321	252	(68)	(21%)
▪ Revenue from Sales of Raw Material	41	37	(4)	(10%)	143	154	11	8%
▪ Revenue from Retail Commercial	32	98	66	210%	100	390	290	290%
<b>Franchise Fees Income</b>	<b>17</b>	<b>23</b>	<b>5</b>	<b>31%</b>	<b>63</b>	<b>77</b>	<b>14</b>	<b>22%</b>
<b>Revenue from sales of goods and services</b>	<b>765</b>	<b>938</b>	<b>173</b>	<b>23%</b>	<b>2,209</b>	<b>3,383</b>	<b>1,175</b>	<b>53%</b>
Other Income	15	8	(7)	(59%)	47	30	(17)	(36%)
<b>Total Revenue</b>	<b>781</b>	<b>946</b>	<b>165</b>	<b>21%</b>	<b>2,255</b>	<b>3,413</b>	<b>1,158</b>	<b>51%</b>

## 4Q2022 VS 4Q2021

In the 4<sup>th</sup> quarter of 2022, the Company's total revenue was THB 946Mn, an increase of THB 165Mn or 21% from the same period of 2021, and the 4Q22 Same Store Sales Growth (SSSG) was +0.4%. This was due to changes in revenue from various business operations as follows:

- **Revenue from Restaurant Business** increased by THB 124Mn or 21% after ending Covid-19 control measures and customers returned to eating out more. Also, the Company got good results from new branches opening in potential locations.
- **Revenue from Food Delivery & Catering** decreased by THB 20Mn or 27% due to the restaurant business has recovered. However, the Company continues to focus on and drive more sales through food delivery channels both through food delivery service providers and through the "Zen Group Member" application.
- **Revenue from Sales of Raw Material to Franchisee** decreased by THB 4Mn or 10% less purchases of raw materials from the Company.
- **Revenue from Retail Commercial** increased by THB 66Mn or 210% mainly due to the investment in King Marine Foods Co., Ltd., an importer and distributor of fresh and frozen seafood products and processed food ingredients, in March 2022. In addition, Zen & Kosum Interfoods Co., Ltd., a subsidiary, has co-operated with professional distributor to sell seasoning products across Thailand modern-trade outlets.

## 2022 VS 2021

For the year ended 2022, the Company's total revenue was THB 3,413Mn, an increase of THB 1,158Mn or 51% from year 2021, and the total year 2022 Same Store Sales Growth (SSSG) was +25.5%. This was due to changes in revenue from following business operations:

- **Revenue from Restaurant Business** increased by THB 928Mn or 59% after ending Covid-19 control measures and customers returned to eating out more. Also, the company got good results from new branches opening in potential locations.
- **Revenue from Food Delivery & Catering** decreased by THB 68Mn or 21% due to the restaurant business has recovered. However, the Company continues to focus on and drive more sales through food delivery channels both through food delivery service providers and through the "Zen Group Member" application.
- **Revenue from Sales of Raw Material to Franchisee** increased by THB 11Mn or 8% due to franchisees' sales increased (same as the Company's), resulting in more purchases of raw materials from the Company.
- **Revenue from Retail Commercial** increased by THB 290Mn or 290% mainly due to the investment in King Marine Foods Co., Ltd., an importer and distributor of fresh and frozen seafood products and processed food ingredients, in March 2022. In addition, Zen & Kosum Interfoods Co., Ltd., a subsidiary, has co-operated with professional distributor to sell seasoning products across Thailand modern-trade outlets.

- **Franchise Fees Income** increased by THB 5Mn or 31%, mainly from an increase in initial fees income of new franchise branches, higher net royalty and marketing fees income collected from franchisees, consequent to their business recovery.

- **Franchise Fees Income** increased by THB 14Mn or 22%, mainly because the company had higher net royalty and marketing fees income collected from franchisees, consequent to their business recovery.

In 4<sup>th</sup> quarter of 2022, the Company opened 18 new restaurants, 9 of which are owned by the Company and 9 of which are franchised branches. For the total year of 2022, the Company opened 45 new restaurants, 25 of which are owned by the Company and 20 of which are franchised branches.

For the year ended 2022, the Company's total restaurants reached 345 branches, of which 155 are equity-owned branches (45% of total) and 190 are franchise branches (55% of total).

Gross Profit and Gross Profit Margin Unit: Million Baht	4 <sup>th</sup> Quarter				Year Ended Period			
	2021	2022	Change		2022	2021	Change	
Revenue from Sales of Goods and Services	765	938	173	23%	2,209	3,383	1,175	53%
Costs of Sales and Service	399	513	114	29%	1,243	1,838	595	48%
<b>Gross Profit</b>	<b>366</b>	<b>425</b>	<b>58</b>	<b>16%</b>	<b>966</b>	<b>1,546</b>	<b>580</b>	<b>60%</b>
<b>Gross Profit Margin (%)</b>	<b>47.9%</b>	<b>45.3%</b>	<b>-2.6%</b>		<b>43.7%</b>	<b>45.7%</b>	<b>2.0%</b>	

Gross Profit is derived from Revenue from Sales of Goods and Services less Cost of Sales and Services

Cost of sales and services mainly consists of raw material cost, staff cost (kitchen area), rental, service fees and utilities (kitchen area). In the 4<sup>th</sup> quarter and the year ended 2022, the total cost of sales and services increased by 29% and 48%, respectively, from the same period of the previous year, in line with the higher revenue from the restaurant business and retail commercial business.

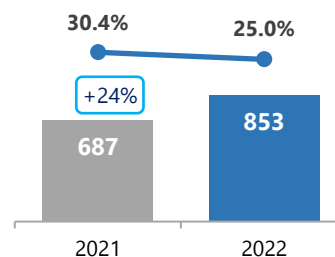
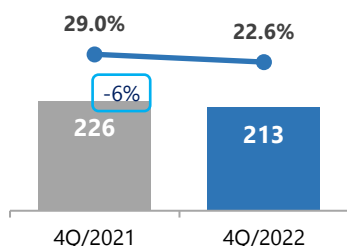
#### 4Q2022 VS 4Q2021

In the 4<sup>th</sup> quarter of 2022, the gross profit was THB 425Mn, an increase of THB 58Mn or 16% from the same period of 2021 which was mainly due to the Company's efficient management of raw material costs, and the economies of scale achieved through the use of common raw materials across many brands. In addition, the recovery of revenue from various business operations, especially revenue from the restaurant business after the relaxation of COVID-19 preventive restrictions. However, the gross profit margin decreased a bit from 47.9% in the 4<sup>th</sup> quarter of 2021 to 45.3% in the 4<sup>th</sup> quarter of 2022.

#### 2022 VS 2021

For the year ended 2022, the gross profit was THB 1,546Mn, an increase of THB 580Mn or 60% from year 2021, and the gross profit margin increased from 43.7% in the year ended 2021 to 45.7% in the year ended 2022, which was mainly due to the Company's efficient management of raw material costs, and the economies of scale achieved through the use of common raw materials across many brands. In addition, the recovery of revenue from various business operations, especially revenue from the restaurant business after the relaxation of COVID-19 preventive restrictions.

#### Selling Expenses



Selling expenses mainly consist of marketing expenses and commission paid to delivery operators, staff expenses (service area), rental, service fees and utilities (service area),

#### 4Q2022 VS 4Q2021

In the 4<sup>th</sup> quarter of 2022, selling expenses were THB 213 Mn, a decrease of THB 13 Mn or 6% from the same period of 2021. This was mainly due to efficient management on marketing and promotional activities, rental, service fee and utilities.

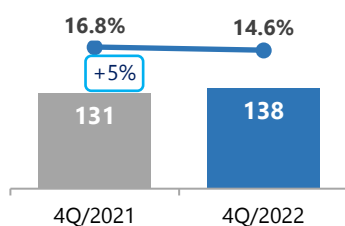
As a percent of total revenue, selling expenses decreased from 29% in 2021 to 22.6% in the same period of 2022.

#### 2022 VS 2021

For the year ended 2022, selling expenses were THB 853 Mn, an increase of THB 166 Mn or 24% from year 2021 because of full business recovery.

The Company had been more efficient in selling expenses management. As a percent of total revenue, selling expenses decreased from 30.4% in 2021 to 25.0% in the year ended of 2022.

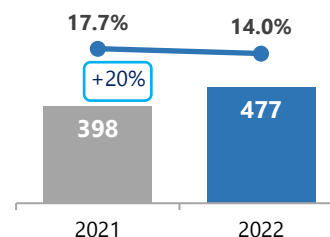
#### Administrative Expenses



#### 4Q2022 VS 4Q2021

In the 4<sup>th</sup> quarter of 2022, total administrative expenses were THB 138 Mn, an increase of THB 7 Mn or 5% from the same period of 2021. This increase was in line with the Company's business growth due to employee and benefit expenses increased, bank fees from higher dine-in sales and a recognition of the subsidiary's expenses.

As a percentage of total revenue, administrative expense was decreased from 16.8% in the 4<sup>th</sup> quarter of 2021 to 14.6% in the same period of 2022.

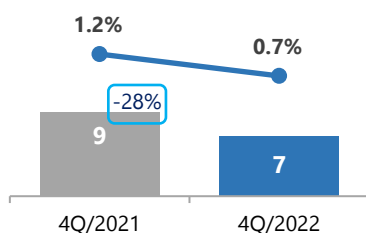


#### 2022 VS 2021

For the year ended 2022, total administrative expenses were THB 477 Mn, an increase of THB 79 Mn or 20% from year 2021. This increase was mainly due to an increase in expenses of the Company's support functions and a recognition of the subsidiary's expenses, that was in line with the Company's business growth.

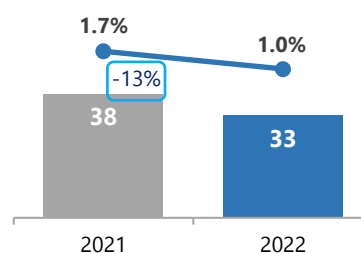
Although, administrative expense had increased, as a percentage of total revenue, administrative expenses was decreased from 17.7% in the year ended 2021 to 14.0% in the year ended 2022.

#### Finance Expenses



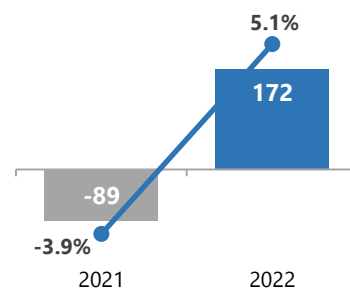
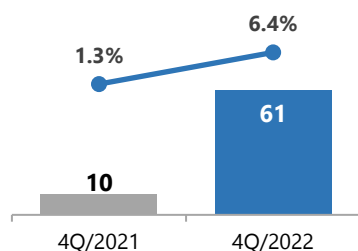
#### 4Q2022 VS 4Q2021

In the 4<sup>th</sup> quarter of 2022, finance expenses were THB 7 Mn, a decrease of THB 2 Mn or 28% from the same period of 2021. This was due to the Company recognized finance expenses on the lease liabilities relating to the Thai Financial Reporting Standard No. 16 "Leases" (TFRS-16) and the recognition of the subsidiary's interest expenses.



#### 2022 VS 2021

For the year ended 2022, finance expenses were THB 33 Mn, a decrease of THB 5 Mn or 13% from year 2021. This was due to the Company recognized finance expenses on the lease liabilities relating to the Thai Financial Reporting Standard No. 16 "Leases" (TFRS-16) and the recognition of the subsidiary's interest expenses.

**Net Profit (Loss) and Net Profit (Loss) Margin****4Q2022 VS 4Q2021**

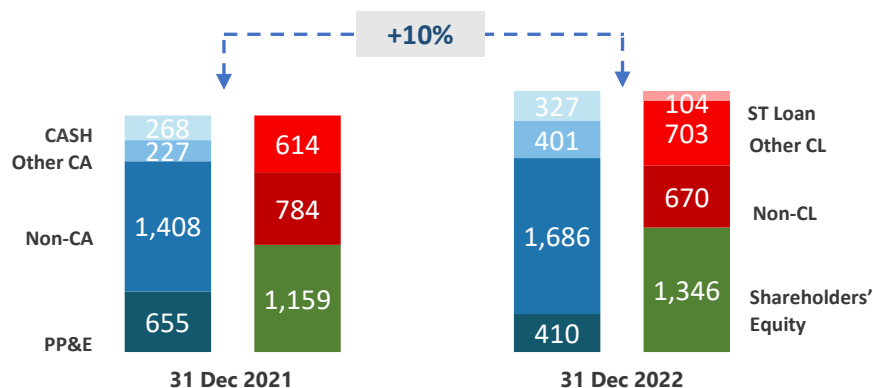
In the 4<sup>th</sup> quarter of 2022, the Company had a net profit of THB 61 Mn (which was contributed from Parent Company 55 Mn and Minority Equity of Subsidiary 6 Mn), an increase of THB 51 Mn from the same period last year. These main factors were the growth of revenue from the restaurant business, franchise business and retail business, as well as efficient cost and expense management.

The Company's net profit margin increased from 1.3% in the 4<sup>th</sup> quarter 2021 to 6.4% in the 4<sup>th</sup> quarter of 2022.

**2022 VS 2021**

For the year ended 2022, the Company had a net profit of THB 172Mn (which was contributed from Parent Company 154 Mn and Minority Equity of Subsidiary 18 Mn), or an increase of THB 261 Mn from year 2021. This was mainly due to the recovery of revenue from restaurant business and growth of retail business, as well as more efficient cost and expense management.

Net profit margin increased from -3.9% in the year ended 2021 to 5.1% in the year ended 2022.

**Financial Position Analysis****Assets**

As of 31 December 2021, and 31 December 2022, the Company had total assets of THB 2,557Mn and THB 2,824Mn respectively, an increase of THB 267Mn or 10% mainly due to increases of inventories and other current assets.

**Liabilities**

As of 31 December 2021, and 31 December 2022, the Company had total liabilities of THB 1,398Mn and THB 1,478Mn respectively, an increase of THB 81Mn or 6% mainly due to an increase in current liabilities.

**Shareholder Equity**

As of 31 December 2021, and 31 December 2022, the Company had shareholders' equity of THB 1,159Mn and THB 1,346Mn respectively, an increase of THB 187Mn or 16%. This increase in shareholders' equity was mainly derived from (1) total profit during the period THB 155Mn. (2) deficient on business combination under common control THB 3Mn. And (3) acquisition of non-controlling interests from subsidiaries THB 29Mn

**Liquidity and Capital Structure**

As of 31 December 2022, the Company current ratio was increased to 0.9, compared to the end of 2021 at 0.81.

The debt-to-equity ratio as of 31 December 2022 was decreased to 1.1, compared to the end of 2021 at 1.21.

**Progress of sustainable development of the organization (ESG)****E: Environment**

- The Company purchased carbon credits from greenhouse gas reduction projects that provided benefits to local communities.
- The Company has participated in the Carbon footprint assessment under ZEN brand and has been certified by the Thailand Greenhouse Gas Management Organization on November 29, 2022.

**S: Social**

- Some community agricultural produces have been selected as main ingredients of Tummour, LaoYuan and Kiang brands.
- Together with contributing donations of 249,800 Baht for 2 schools in Loei Province, the Company's Sustainable Development Committee also paid the visits to the schools to oversee the work on child nutrition development under the FOOD FOR GOOD project, which is set up to promote good nutrition for Thai children.

**G: Governance**

- The Company is committed to ensure the accurate, complete, timely, transparent, through easy access channels, fair and reliable disclosure of important information, both financial and non-financial, relating to the company and its subsidiaries, and strictly comply with relevant laws and regulations.

## 5. General Information and other significant information

### 5.1 General Information

The Company name (Thai)	: บริษัท เซ็น คอร์ปอเรชั่น กรุ๊ป จำกัด (มหาชน)
The Company name (English)	: Zen Corporation Group Public Company Limited
Type of Business	: holding company which invested in companies operating restaurant business and other related businesses
Main Business	: restaurant business and other related businesses
Core Company	: Zen Restaurant Holding Company Limited (“ZRH”)
Registered Capital	: 300,000,000 Baht (Three Hundred Million Baht Only)
Paid up Capital	: 300,000,000 Baht (Three Hundred Million Baht Only) Consisting of 300,000,000 ordinary shares with a par value of 1 baht per share
Head Office	: 662 Soi Onnut 17 Suanluang, Suanluang, Bangkok 10250
Company’s registration number	: 0107561000439
Home Page	: <a href="http://www.zengroup.co.th">www.zengroup.co.th</a>
Telephone	: 0-2019-5000
Facsimile	: 0-2030-5322

Details of subsidiaries and associated companies in which the company holds 10 percent or more of the total issued shares, please see details in the topic of “Company Group Structure”



## Other Party's Reference Information

Reference Party	Details
Auditor	<ul style="list-style-type: none"><li>- KPMG Phoomchai Audit Limited. Head Office: Building Empire Tower 1 Floor 50 Road South Sathorn Yan Nawa Sathon Bangkok 10120</li><li>- Telephone: 0-2677-2000</li><li>- Facsimile : 0-2677-2222</li></ul>
Registrar	<ul style="list-style-type: none"><li>- Thailand Securities Depository Company Limited Head Office: The Stock Exchange of Thailand's building 93 Ratchadaphisek Rd, Khwaeng Din Daeng, Khet Din Daeng, Bangkok 10400, Thailand</li><li>- Telephone: 0-2009-9000</li><li>- Facsimile: 0-2009-9991</li></ul>

## 5.2 Legal Dispute

As of 31 December 2022, the Company and its subsidiaries are not prosecuted as a defendant in any litigation or disputes, including any arbitration proceedings (1) that may have a negative impact on the assets of the Company or its subsidiaries that have higher than 5.0% of shareholders' equity (2) that affects the Company's business operations or its subsidiaries but unable to assess the impact in numbers and (3) that is not caused by the normal business operation of the Company or its subsidiaries. From time to time, however, the Company may be involved in legal or administrative proceedings in the ordinary course of business.

## 5.3 Secondary market

No secondary market and no debt instrument

Zen Corporation Group Public Company Limited

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Section 2

Corporate Governance

## 6. Corporate Governance Policy

### 6.1 Corporate Governance Policy Overview

The Board of Directors established a corporate governance policy and the Code of Conduct for Zen Corporation Group Public Company Limited as a guideline in business conduct for the Company's directors, executives and employees. The Board of Directors regularly reviews and improves corporate governance principles. The Corporate Governance Committee is appointed to support performance of the Board of Directors corporate governance. The Corporate Governance Committee reviews and revises the good corporate governance policy to be suitable for any changes that may arise from business operations, environment, situations, including changing rules and regulations, as well as to monitor compliance with the Code of Conduct and good corporate governance. The Group discloses the corporate governance policy and the Code of Conduct on the Company's website under Investor Relations, sub-topic of Corporate Governance. It shall be the policy applied to the directors, executives and employees of the Company to acknowledge, understood and comply with on a regular basis, both in written practice and intention of integrity. Business ethics is disclosed on the Company's website below.

<https://investor.zengroup.co.th/storage/corporate-governance/20221128-zen-cg-policy-th.pdf>

#### 6.1.1 Policies and guidelines for the Board of Directors, shareholders and stakeholders

##### The details

The Company has established a good corporate governance policy, which sets out guidelines relating to the Board of Directors, Shareholders, and stakeholders, with details shown in **Attachment 5**.

In addition, the Company has an anti-corruption policy, including the preparation of guidelines approved by the Board of Directors, which are disclosed on the Company's website below.

<https://investor.zengroup.co.th/storage/download/cg/20221128-zen-anti-corruption-policy-th.pdf>

Furthermore, the Company and 7 other subsidiaries have joined the Thai Private Sector Collective Action Coalition Against Corruption (CAC) and have been certified, and the Company has renewed its certification as a Member of the Thai Private Sector Anti-Corruption Coalition from CAC.

### 6.2 Code of Conduct (if any)

The details appear in Appendix 5.

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

**6.3.1 Significant changes and developments in policy review, practice and corporate governance or the Board of Directors Charter in the past year:**

Moving the authority of good corporate governance to the supervision of the Audit and Corporate Governance Committee increases the efficiency of good corporate governance of the company. In addition, there are revision of the good corporate governance policy, reviewing the code of conduct, reviewing corporate governance system, and reviewing the Charter of the Board of Directors and sub-committees once in the past year.

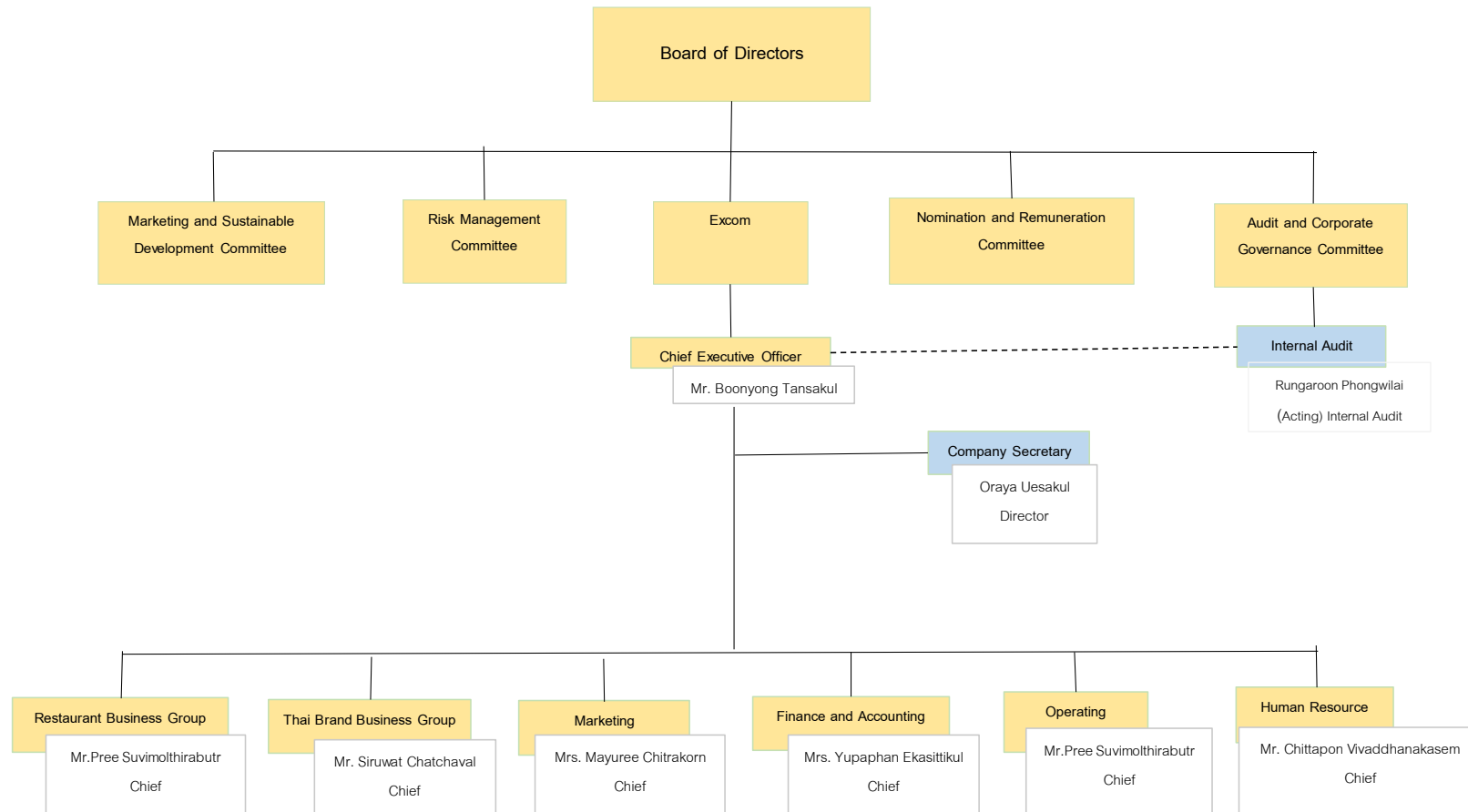
**6.3.2 Other matters in accordance with good corporate governance principles**

The Company complies with the good corporate governance principles to support the assessment of the Corporate Governance Report (CGR) and the shareholder meeting quality assessment projects. In 2022, the Company had the following assessment results:

1. Corporate Governance Report (CGR) 2022 from the Thai Institute of Directors with an overall rating of 96% or an Excellent level (5 stars), which is higher than last year at 94%.
2. Annual General Meeting Checklist (AGM Checklist) 2022 from the Thai Investors Association with an assessment result of 99%.

## 7. Corporate governance structure and important information concerning the Board of Directors, Sub-committees, management, employees, and others

### 7.1 Corporate governance structure as of 31 December 2022



## 7.2 Information about Board of Directors

### (1) Board of Directors

Board of Directors consist of 11 Directors with 5 independent directors and 2 female directors. The board of directors diversity with skills and expertise in line with the Company's business strategy (Board Skills Matrix) as shown below;

Name	position
1. Mr. Paitoon Taveebhol	Chairman of the Board of Directors / Independent Director
2. Mr. Sakkanon Chirathivat	Vice Chairman of the Board of Directors / Nomination and Remuneration Committee/ Risk Management Committee / Director
3. Mr. Prawit Kijpaisalrattana	Chairman of the Audit and Corporate Governance Committee / Chairman of the Nomination and Remuneration Committee / Independent Director
4. Assoc.Prof.Dr. Wilert Puriwat	Chairman of the Marketing and Sustainable Development Committee/ Nomination and Remuneration Committee / Independent Director
5. Mrs. Jotika Savanananda	Audit and Corporate Governance Committee / Nomination and Remuneration Committee / Independent Director
6. Mr. Chavalit Chindavanig	Chairman of the Risk Management Committee / Audit and Corporate Governance Committee / Independent Director
7. Mr. Boonyong Tansakul	Chairman of the Executive Committee/ Risk Management Committee / Director / Chief Executive Officer
8. Miss Jomkwan Chirathivat	Executive Director / Marketing and Sustainable Development Committee / Director / Head of Sustainability Development Group
9. Mr. Chittapon Vivaddhanakasem	Executive Director / Risk Management Committee / Director / Chief People Officer
10. Mr. Steven David Halliday	Risk Management Committee / Director
11. Mr. Siruwat Chatchaval	Executive Director / Marketing and Sustainable Development Committee / Director / Chief Commercial Officer Thai Brand

Miss Oraya Uesakul is Corporate Secretary who passed Corporate Secretary training from Thai Institute of Directors, class 36/2010



**The authorized directors:** (1) Mr. Sakkanon Chirathivat or Miss. Jomkwan Chirathivat signs together with Mr. . Chittapon Vivaddhanakasem or Mr. Steven David Halliday or Mr. Boonyong Tansakul, or Mr. Siruwat Chatchawan totaling two persons, with the Company's seal affixed; or (2) filing tax returns or filing financial statements with the Ministry of Commerce, in addition to the authorized directors (1) acting on behalf of the Company, Mr.Sakkanon Chirathivat or Miss. Jomkwan Chirathivat or Mr. Chittapon Vivaddhanakasem or Mr. Steven David Halliday or Mr. Boonyong Tansakul or Mr. Siruwat Chatchawan , two of the six persons, sign with the Company's seal affixed.

#### **Authority, Duties, and Responsibilities of the Board of Directors**

The Board of Directors Meeting No. 6/2018 on August 14, 2018, approved the scope of authority, duties and responsibilities of the Board of Directors as follows:

- 1) To define visions, missions, policies, strategies and financial goals for the Company and its subsidiaries, as well as to consider and approve policies and operating directions proposed by the management and supervise the management to comply with the visions, missions, policies, strategies and financial goals in order to increase economic value to shareholders by taking into account all stakeholders involved;
- 2) To review the Board of Directors charter at least once a year;
- 3) To establish the structure and process of the Company and its subsidiaries to ensure compliance with rules and regulations of the Board of Directors' and shareholders meetings' resolutions with integrity and caution;
- 4) To establish the structure and process of the Company and its subsidiaries to have a risk management system, supervision and inspection, and appropriate internal control;
- 5) To follow up and assess the performance of the Company's management duties and its subsidiaries to achieve strategic plans under a budget approved by the Board of Directors;
- 6) To ensure accounting and maintenance of accounts and related documents, including disclosure of appropriate information to shareholders and the general public;
- 7) To inspect and act to ensure that the Company and its subsidiaries follow the Code of Conduct and anti-corruption policy set by the Board of Directors, as well as to determine the Company's and its subsidiaries' corporate governance (CG) and corporate social responsibility;
- 8) To appoint the Board of Directors and set remuneration for the sub-committees (not more than the total number approved by the shareholders)

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- 9) To consider and approve operations of the Company and its subsidiaries in accordance with the regulations of each company, which cover the following matters:
- Visions, Missions, Policies and Strategic Plans (to be reviewed annually)
  - Annual business plans
  - Annual budgets
  - Financial statements for the quarters and annual financial statements
  - Interim dividend
  - Organizational structure changes at the group level and other significant changes in the organization
  - Acquisition, establishment, disposal, or freeze of any important assets or any business of the Company
  - Any change in power which the Board of Directors has assigned other persons to perform
- 10) To consider delegating certain powers from time to time to the sub-committees;
- 11) To supervise administration and performance of the Executive Committee, Chief Executive Officer, or any person assigned to perform the said duties in order to meet the visions, missions, goals, business objectives, business strategies, business plans, and annual budgets set by the Board of Directors;
- 12) To follow up on performance of the Company and its subsidiaries continuously in order to comply with business plans and the budgets of the Company, as well as to monitor sufficiency of financial liquidity and solvency of the Company;
- 13) To proceed for the Company and its subsidiary to apply an appropriate and efficient accounting system and an internal control system, and an adequate and effective internal audit system, as well as to regularly provide a process for assessing appropriateness of the Company's and its subsidiaries' internal control system;
- 14) To consider and appoint the Chief Executive Officer as specified by the Nomination and Remuneration Committee and to determine remuneration for consideration by the Board of Directors, as well as to assess performance and determine compensation of the Chief Executive Officer.
- 15) To consider and approve connected transactions between the Company, its subsidiaries, and the connected persons as stipulated in the Securities and Exchange Act B.E.2535

- (1992) (including amendments) as well as related regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board, and to consider approving principles of trade agreements with general trade terms in entering into transactions between the Company and its subsidiaries with directors, executives or related persons in order to establish a framework for the management to have the power to conduct such transactions within the framework and relevant laws and regulations;
- 16) To provide appropriate communication channels with each group of shareholders and supervise disclosure of information to ensure accuracy, clarity, transparency, reliability, and of the highest standards;
  - 17) To appoint persons to hold positions as directors or executives of the subsidiaries and associates at least in proportion to their shareholding in such subsidiaries and associates, as well as to determine authority, duties, and responsibilities of the appointed directors and executives. This includes determination of power for exercising discretion in voting at the Board of Directors' meetings of the subsidiaries and associates on important matters that require a prior opinion from the Board of Directors. To ensure the management comply with the Company's policies and conduct transactions to be legal and disclosure of financial positions, performance, connected transactions, and acquisition or disposition of significant assets to be complete and accurate;
  - 18) To ensure the business continuity of the Company and its subsidiaries in the long run, as well as to prepare an employee development plan and succession plan;
  - 19) To supervise business operations of the Company and its subsidiaries to be effective and protect any interests concerning all stakeholders;
  - 20) To assess performance of the Board of Directors with a self-assessment method by assessing the overall results of each group and individual in order to consider and review performance, problems, and obstacles each year to be able to apply the results of the assessment to develop and improve performance in various areas;
  - 21) To supervise management and operations of the Company and its subsidiaries to comply with the Company's policies, securities laws, and relevant notifications, regulations, and rules of the Capital Market Supervisory Board, Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand, such as connected transactions and acquisition or disposition of important assets as they are not contrary to or inconsistent with other laws, as well as to provide an adequate and appropriate internal control and internal audit system.

- 22) The Board of Directors may authorize and/or assign other persons to perform specific actions on their behalf with authorization or delegation within the scope of the authorization under power of attorney given and/or in accordance with the regulations, requirements, or orders set by the Board of Directors and/or the Company. However, delegation of authority, duties and responsibilities of the Board of Directors shall not constitute a delegation or sub-delegation of powers that enable the Board of Directors or the Board of Directors' attorney to approve a transaction that may or may not have a conflict of interest (according to the definition of the Securities and Exchange Commission and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant agencies), or benefit in any way, or that may be a conflict of interest with the Company and its subsidiaries, except for approval of transactions in accordance with a policy and criteria approved by the shareholders' meeting or the Board of Directors and for approval of transactions in accordance with ordinary course of business and normal trade conditions in accordance with Notification of the Securities and Exchange Commission and/or Notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant agencies.

### 7.3 Sub-committee

The Company's management structure consists of the Board of Directors and five sub-committees:

(1) Audit and Corporate Governance Committee (2) Marketing and Sustainable Development Committee (3) Executive Committee (4) Nomination and Remuneration Committee and (5) Risk Management Committee. The details are as follows:

#### 1. Audit and Corporate Governance Committee

Currently, the Audit and Corporate Governance Committee consists of 3 independent directors whose qualifications are met in accordance with Notification of the Capital Market Supervisory Board and related notifications of the SET. The details are as follows:

Name	Position
1. Mr. Prawit Kijpaisalrattana	Chairman of the Audit and Corporate Governance Committee
2. Mrs. Jotika Savanananda	Audit and Corporate Governance Committee
3. Mr. Chavalit Chindavanig	Audit and Corporate Governance Committee

Miss. Rungaroon Phongwilai is a Secretary of Audit and Corporate Governance Committee

Mr. Prawit Kitpaisarnrattana is a director with sufficient knowledge and experience to be able to perform the duties of reviewing the Company's financial statements.

### Authority, Duties and Responsibilities of the Audit and Corporate Governance Committee

The Board of Directors Meeting No. 8/2022 On 11 November 2022 approved the scope of authority, duties and responsibilities of the Audit Committee as follows:

1. Internal control and risk management

- 1.1 To review to ensure that the Company and its subsidiaries have appropriate and effective internal control and internal audit systems in accordance with the Company's risk management policies and activities;
- 1.2 To review the internal processes for whistleblowing and receiving complaints;
- 1.3 To acknowledge internal audit reports relating to preventive, audit and corrective measures and in case of damage or may cause damage to the Company and its subsidiaries;
- 1.4 To take into consideration with an internal auditor and an auditor that it is planned to review methods and controls of electronic data processing and inquire about specific security programs to prevent fraud or computer misuse by company employees, subsidiary employees, or third parties;
- 1.5 Review the good corporate governance policy and code of conduct to keep it up-to-date, suitable for the company's business and subsidiary and in accordance with the guidelines of the Capital Market Supervisory Board Securities and Exchange Commission and the Stock Exchange of Thailand at least once a year
- 1.6 Determine that there will be monitoring and evaluation of the performance of duties in accordance with the good corporate governance policy and the code of conduct of the company and its subsidiaries. and process the annual corporate governance assessment presented to the Board of Directors along with offering opinions and suggestions
- 1.7 To serve as an investigation committee in the event that the Company's directors violate or fail to comply with the Anti-Corruption Policy. When considering and investigating facts at any time where there is a director who violates or fails to comply with the policy as an independent director, such independent director shall be prohibited from being a member of the investigation at such time

2. Compliance with laws and regulations

- 2.1 To review performance of the Company to comply with the law on securities and exchange, requirements of the Stock Exchange of Thailand and laws relating to the Company's business,

as well as to review the Company's subsidiaries to comply with the criteria stipulated in the control policy and mechanisms for governance in which the Company has invested;

- 2.2 To review connected transactions, acquisition, or disposition of assets or items that may have conflicts of interest in accordance with the law Related regulations and regulations of the Stock Exchange of Thailand, Office of the Securities and Exchange Commission. And the Capital Market Supervisory Board in order to ensure that such transactions are reasonable and are in the best interest of the Company;
- 2.3 To review to ensure that the Company and its subsidiaries have an anti-corruption process in accordance with the guidelines of regulators, including self-assessment of anti-corruption measures as an audit agency has audited and assessed.

### 3. Financial report

- 3.1 To review to ensure that the Company and its subsidiaries have accurate and adequate financial reports in accordance with financial reporting standards;
- 3.2 To assess appropriateness of accounting principles used in financial reports;
- 3.3 To consider quarterly / annual financial statements, relevant financial reports, accounting principles and accounting practices, compliance with accounting standards, going concerns, significant changes in accounting policies, reasons for the management regarding the setting of accounting policy before presenting to the Board of Directors for dissemination to shareholders and general investors;

### 4. Supervision of auditors and internal auditors' performance

#### 4.1 Auditors

- To have meetings with auditors to acknowledge an annual audit plan of the Company and its subsidiaries, coordination process of various relevant audit plans, audit evaluation, report on a review of quarterly financial statements, and audit results of annual financial statements, and to have discussions about problems and obstacles that may be encountered in an auditor's performance. The meeting should be attended by the auditors without the management at least once a year;
- To consider, nominate, appoint and terminate the Company and/or person who is independent to act as an auditor and to consider the remuneration of such person.
- Consider hiring companies related to auditors and consider their remuneration for work other than auditing

#### 4.2 Internal auditors

- To consider with internal auditors with problems or limitations that arise during an audit and to review performance of internal auditors;



- To consider independence of the Internal Audit Department, as well as to approve appointments, transfers and terminations of the head of the Internal Audit Department, with the Internal Audit Department having a chain of command directly to the Audit and Corporate Governance Committee;
- To have meetings with the Head of Internal Audit without the management at least once a year to discuss important issues;
- To review and approve charter of the Internal Audit Department at least once a year;
- To consider and approve the annual budget, manpower and resources necessary for performance of the Internal Audit Department;
- To approve annual audit plans, consider review approvals, and modify audit programs in significant area;
- To supervise the Internal Audit Department to comply with approved annual audit plans and with international standards for the practice of internal auditing;
- To assess the quality of internal audit activities annually and conduct an internal audit from independent persons from outside the organization at least every five years.

## 5. Reports

5.1 To prepare the Audit and Corporate Governance Committee's reports for disclosure in the Company's annual reports. The said reports shall be signed by the Chairman of the Audit and Corporate Governance Committee and contain at least the following:

- Opinion(s) on accuracy, completeness and reliability of the Company's financial reports;
- Opinion(s) on adequacy of the Company's internal control system;
- Opinion(s) on compliance with the law on securities and exchange Stock Exchange's Requirements or laws relating to the Company's business
- Opinion(s) on suitability of auditors
- Opinion(s) transactions that may lead to conflicts of interest
- The number of Audit and Corporate Governance Committee meetings and attendance of each Audit and Corporate Governance Committee member;
- Comments or collective remarks received by the Audit and Corporate Governance Committee in performing their duties under the charter
- Other items that the shareholders and investors should know within the scope of duties and responsibilities assigned by the Board of Directors

5.2 In performance of duties of the Audit and Corporate Governance Committee if found or in doubt that any item or action may have a material impact on the Company's and its

subsidiaries' financial position and performance, the Audit and Corporate Governance Committee shall report to the Board of Directors in order to improve within the time the Audit and Corporate Governance Committee deems appropriate. The above items or actions include:

- Transactions that cause conflicts of interest
- Fraud or unusual or material defect in the internal control system
- Violation of the law on securities and exchange of Thailand, requirements of the Stock Exchange of Thailand, Office of the Securities and Exchange Commission or the Capital Market Supervisory Board, or any laws relating to the business of the Company and its subsidiaries

If the Board of Directors or the management fails to take corrective action within the period above, any of Audit Corporate Governance Committee member may report any of such transaction or action to the Securities and Exchange Commission or the Stock Exchange of Thailand

- 5.3 The Chairman of the Audit and Corporate Governance Committee shall report performance of the Audit and Corporate Governance Committee to the Board of Directors' meeting for acknowledgment or for consideration regularly and periodically.

6. Others

- 6.1 To perform any other work as required by law or to be established in the future;
- 6.2 To perform any other actions assigned by the Board of Directors with approval of the Audit and Corporate Governance Committee and that order shall be made in writing;
- 6.3 To review the Audit and Corporate Governance Committee Charter at least once a year to submit for approval from the Board of Directors;
- 6.4 To conduct self-assessment for performance of the Audit and Corporate Governance Committee for the year and propose the assessment results to the Board of Directors.

2. Marketing and Sustainable Development Committee

Currently, the Company's Marketing and Sustainable Development Committee consists of 3 Marketing and Sustainable Development Directors. The details are as follows:

Name	Position
1. Assoc.Prof.Dr. Wilert Puriwat	Chairman of the Marketing and Sustainable Development Committee
2. Mr. Siruwat Chatchaval	Marketing and Sustainable Development Committee

Name	Position
3. Miss Jomkwan Chirathivat	Marketing and Sustainable Development Committee

Miss Oraya Uesakul is a Secretary of the Marketing and Sustainable Development Committee

#### Authority, Duties and Responsibilities of the Marketing and Sustainable Development Committee

The Board of Directors' Meeting No. 7/2021 on September 28, 2021 approved the scope of authority, duties, and responsibility of the Marketing and Sustainable Development Committee as follows:

- 1) To establish marketing policies of the Company and its subsidiaries to propose to the Board of Directors;
- 2) To consider and scrutinize marketing strategies to propose to the Board of Directors;
- 3) To establish the Company's and its subsidiaries sustainable development policy to propose to the Board of Directors;
- 4) To establish the Company's and its subsidiaries' social responsibility policy to propose to the Board of Directors;
- 5) To advise the Board of Directors in matters related to marketing, social responsibility, and sustainable development;
- 6) To review the sustainable development policy and the social responsibility policy to keep it up-to-date, suitable for the business of the Company and its subsidiaries and in line with the guidelines of the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand at least once a year;
- 7) To follow-up and assess performance of the Board of Directors of the Company and its subsidiaries in accordance with a Sustainable Development Policy and Corporate Social Responsibility Policy of the Company and its subsidiaries, and propose to the Board of Directors for the following year with comments and suggestions;
- 8) To prepare reports on performance of Sustainable Development Policy to the Board of Directors and set guidelines for reporting performance of Sustainable Development in annual information (Form 56-1) and annual reports or Annual Report (56-1 One Report) ;
- 9) To review the Charter of the Marketing and Sustainable Development Committee to keep it up-to-date, suitable for the business of the Company at least once a year;
- 10) To perform other duties as assigned by the Board of Directors

### 3. Executive Committee

Currently, the Company's Executive Committee consists of 7 Executive Directors. The details are as follows:

Name	Position
1. Mr. Boonyong Tansakul	Chairman of the Executive Committee
2. Miss. Jomkwan Chirathivat	Executive Director
3. Mrs. Yupaphan Ekasittikul	Executive Director
4. Mr. Siruwat Chatchaval	Executive Director
5. Mr. Chittapon Vivaddhanakasem	Executive Director
6. Mr. Pree Suvimolthirabutr	Executive Director
7. Mrs. Mayuree Chitrakorn	Executive Director

Miss Oraya Uesakul is the secretary of Executive Committee.

#### Authority, Duties and Responsibilities of the Executive Committee

The Board of Directors Meeting No. 6/2018 on August 14, 2018 approved the scope of authority, duties and responsibilities of the Executive Committee as follows:

- 1) To consider and prepare business strategy plans, financial goals and plans (short-term, medium and long-term), as well as annual budgets to propose to the Board of Directors;
- 2) To consider and approve matters relating to various businesses of the Company and its subsidiaries. The credit limit for each item is as specified in a table of authority approved and assigned by the Board of Directors.

The Executive Committee has the power to approve budget expenditures not exceeding 15.0 million baht.

For approval for opening stores / branches to expand the business of Japanese restaurants, an investment value shall be not more than 10.0 million baht and for stores / branches to expand Thai restaurants, an investment value shall be not more than 6.0 million baht.

- 3) To consider and screen all types of work proposed by the Board of Directors for consideration, except those under their duties and responsibilities and/or under the

power of other sub-committees of the Company and propose to the Board of Directors directly;

- 4) To consider and acknowledge other matters, whether it is related to business management and non-management of the Company and its subsidiaries, such as lawsuits relating to the Company and its subsidiaries, as the Executive Committee deems necessary or appropriate to propose for acknowledgment.
- 5) To determine an organizational structure to propose to the Board of Directors and determine the policy on the management of the Company and its subsidiaries, appointments of management of each business, as well as to consider and follow up plans to create a replacement executive and manpower plans, and also determine compensation criteria from the Vice Chief Executive Officer to lower-level employees and criteria for assessing performance of the executives;
- 6) To appoint and/or assign executive directors or any one or more persons doing any act within the jurisdiction of the Executive Committee as the Executive Committee deems appropriate. The Executive Committee may cancel or withdraw or modify such authority;

In this regard, a delegation of authority, duties and responsibilities of the Executive Committee shall not constitute a delegation or sub-delegation of powers that enable the Board of Directors or the Board of Directors' attorney to approve a transaction that may or may not have a conflict (according to the definition of the Securities and Exchange Commission and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant agencies), interest, or benefit in any way, or that may be a conflict of interest with the Company and its subsidiaries and/or related companies. The Executive Committee does not have the authority to approve the aforementioned matters. Such matters shall be proposed to the Board of Directors and/or the shareholders' meeting (as the case may be) for further approval, except for the approval of transactions that are ordinary course of business and normal trade conditions in accordance with Notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant agencies.

- 7) To follow up performance and progress of each business investment project and report results including problems or obstacles that arise and guidelines to improve and resolve such issues to the Board of Directors;
- 8) To consider profits and losses of the Company, interim dividends or annual dividends to propose to the Board of Directors;
- 9) To consider and provide suggestions or opinions to the Board of Directors regarding any project, offer or transaction related to the Company's and its subsidiaries business operations, including considering funding options when needed and/or where applicable laws and regulations or the Articles of Association of the Company require that the shareholders' meeting and/or the Board of Directors shall approve.
- 10) To have any authority and responsibility as assigned or in accordance with the policies assigned by the Board of Directors from time to time;
- 11) To provide a consultant or a person with independent opinions to provide opinions or advice as needed;
- 12) To report to the Board of Directors on any activities performed by the Executive Committee within the scope of authority and duties of the Executive Committee on a regular basis, including any other matters necessary and appropriate to propose to the Board of Directors for acknowledgment;
- 13) To review the Executive Committee Charter at least once a year to submit for approval from the Board of Directors;
- 14) To consider or approve other matters as assigned by the Board of Directors.

#### 4. Nomination and Remuneration Committee

Currently, the Nomination and Remuneration Committee of the Company consists of 4 members. The details are as follows:

Name	Position
1. Mr. Prawit Kijpaisalrattana	Chairman of the Nomination and Remuneration Committee
2. Mr. Sakkanon Chirathivat	Nomination and Remuneration Committee

Name	Position
3. Assoc.Prof.Dr. Wilert Puriwat	Nomination and Remuneration Committee
4. Mrs. Jotika Savanananda	Nomination and Remuneration Committee

Mr. Chittapon Vivaddhanakasem is the secretary of the Nomination and Remuneration Committee

#### **Authority, Duties and Responsibilities of the Nomination and Remuneration Committee**

The Board of Directors Meeting No. 6/2018 held on August 14, 2018, approved the scope of authority, duties and responsibilities of the Nomination and Remuneration Committee as follows:

- 1) To suggest a structure, size and composition of the Board of Directors of the Company and its subsidiaries, and the sub-committees, as well as to determine qualifications, processes and criteria for recruiting candidates under the structure, size and composition of the Board of Directors as specified;
- 2) To consider to propose names of the persons to be elected as the Company's and its subsidiaries' directors to the shareholders' meeting in the event that the position is vacant due to their expiration of term of office and the Board of Directors' meeting in case of vacant positions due to other cases
- 3) To suggest a remuneration structure for the Board of Directors of the Company and its subsidiaries, and the sub-committees, both monetary and non-monetary, in accordance with the Company's and its subsidiaries' strategy, goals and performance, which shall be comparable to other companies in the same industry to propose to the Board of Directors for consideration before presenting to the shareholders' meeting of the Company for further approval;
- 4) To consider recruiting persons to be elected as sub-committee members and the Chief Executive Officer to propose to the Board of Directors' meeting, as well as to determine criteria and policies for recruiting and appointing the Company's and its subsidiaries' executive: and to ensure that the Company has a succession plan for the Chief Executive Officer and senior management for continuity of management;
- 5) To propose performance assessment criteria to the Board of Directors in order to assess overall performance of the Board of Directors, conduct a review of recruitment criteria, and consider related compensation;



- 6) To consider budgets of salary increase and annual bonuses of the Company and its subsidiaries to be appropriate in line with the Company's and its subsidiaries' performance and standards of the same industry to be submitted for approval from the Board of Directors;
- 7) To assess annual performance of the Chief Executive Officer and determine annual compensation adjustments and prize money to be submitted for approval from the Board of Directors;
- 8) To prepare director development plans to develop knowledge of current and new directors to understand the business in which the Company's director holds their positions, roles and duties, and other important developments;
- 9) To review the Charter of the Nomination and Remuneration Committee at least once a year to submit for approval from the Board of Directors;

#### 5. Risk Management Committee

Currently, the Risk Management Committee of the Company consists of 5 members. The details are as follows:

Name	Position
1. Mr. Chavalit Chindavanig	Chairman of the Risk Management Committee
2. Mr. Sakkanon Chirathivat	Risk Management Committee
3. Mr. Boonyong Tansakul	Risk Management Committee
4. Mr. Chittapon Vivaddhanakasem	Risk Management Committee
5. Mr. Steven David Halliday	Risk Management Committee

Mr. Songwut Boakhem is the secretary of Risk Management Committee.

#### Authority, Duties and Responsibilities of the Risk Management Committee

The Board of Directors' Meeting No. 8/2022 on November 11, 2022 approved the scope of authority, duties and responsibilities of the Risk Management Committee as follows:

- 1) To prepare a risk management policy for the Board of Directors for consideration in terms of overall risk management which shall cover the main risks such as marketing risk, liquidity risk, operational risk, and reputation risk of the Company and its subsidiaries, as well as to ensure that the Company and its subsidiaries have identified risks by considering both external and

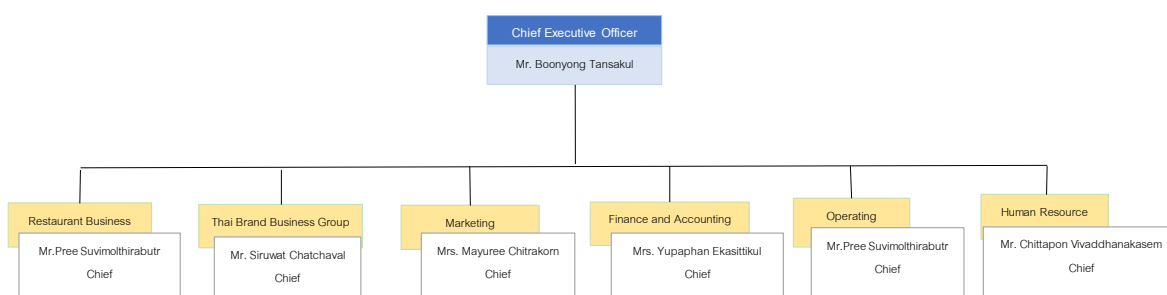
internal factors that may cause the Company and its subsidiaries to fail to achieve their specified objectives.

- 2) To strategize in line with the Company's and its subsidiaries' risk management policy and be able to assess, monitor and supervise a risk of the organization at an appropriate level.
- 3) To review adequacy of the Company's and its subsidiaries' risk management policy and system, including the effectiveness of the system and compliance with the specified policies;
- 4) To provide suggestions on any matters that need improvement to the Board of Directors in order to be in line with the policies and strategies set by the Board of Directors. To review the Risk Management Committee Charter at least once a year to submit for approval from the Board of Directors;
- 5) A formal meeting between the Risk Management Committee and the Audit Committee shall be held at least twice a year so that risk management, organization and internal audit have a consistent direction.

#### 7.4 Information about Executives

##### 7.4.1 Executives

Executives (according to the SEC's notification number Kor Chor 17/2008 Re: Determination of Definition in Notifications Relating to Issuance and Offer for Sale of Securities including additional amendments)



as of 31 December 2022 Executives Consists of 6 members as follows

รายชื่อ	ตำแหน่ง
1. Mr. Boonyong Tansakul	Chief Executive Officer
2. Mrs. Yupaphan Ekasittikul	Chief Financial Officer
3. Mr. Chittapon Vivaddhanakasem	Chief People Officer
4. Mr. Siruwat Chatchaval	Chief Executive Officer, Thai Brand Business Group
5. Mr. Pree Suvimolthirabutr	Chief Restaurant Officer / Chief Operating Officer
6. Mrs. Mayuree Chitrakorn	Chief Marketing Officer

Mrs. Yupaphan Ekasittikul, Chief Financial Officer, is a person appointed to be responsible for the accounting and finance and Miss Kalaya Chuaju is a person who is assigned to be responsible for the supervision of accounting.

#### 7.4.2 Compensation policy Executive Directors and Executives

The company does not have a policy to pay remuneration to Directors who take Executive position or being an employee of the company

#### 7.4.3 Executive compensation

##### (1) Cash Compensation

For the fiscal year ended December 31, 2020, the fiscal year ended December 31, 2021 and the fiscal year ended December 31, 2022, the Company has paid remuneration to executives as follows

Type of Compensation	Executives' Compensation (Baht)		
	Accounting Year as of 31 December 2020	Accounting Year as of 31 December 2021	Accounting Year as of 31 December 2022
Number of executives	7	6	6
Salary and bonuses (Baht)	21,660,823.00	24,359,515.00	30,899,337.00
Provident fund And other benefits (baht)	3,113,645.00	4,357,483.00	4,838,860.99

## (2) Non-cash Compensation

The Company has provided group insurance to the Company's executives. The Company's executives and staff have the benefit to discount on the use of the Group's restaurant services at the rate of 15.0% to 35.0. The discount benefit is allocated to employees according to the type of restaurant brands of the subsidiaries. The Company also provide position car for the highest executives of the Company, etc.

It also provides various welfare according to the law, such as traditional holidays, vacation leave, business leave, sick leave, social security funds, compensation funds, and benefits other than those specified by law such as employee group insurance (life insurance, inpatient treatment, outpatient treatment), fuel, telephone, living expenses, allowances, discounts for subsidiary restaurants, employee scholarships, scholarships for employees' children, sick visiting baskets, death allowance, co-hosting money for legitimate families (parents, husband, wife, children), wreaths, etc.

The Company pays compensation to employees totaling approximately 695.35 million baht for the year 2022 (according to the accounting period ended 31 December 2022)

## 7.5 Information about employees

### 7.5.1 Number of Employees

As of December 31, 2020, December 31, 2021 and December 31, 2022, the Group has total number of employees, excluding executives at 1,830, 2,748, and 2,219 people respectively as per following details:

Division	Employees (person)		
	December 31, 2020	December 31, 2021	December 31, 2022
1. Branch staff	1,473	2,405	1,879
2. Operations Support Management Group	138	102	109
3. Supply chain management group	39	34	35
4. Finance and Accounting Group	48	45	44
5. Human Resources Group	19	19	16
6. Project Management and Business Development Group	27	26	30
7. Brands and franchises	7	7	4
8. Corporate Strategy and Technology Management Group	22	20	22
9. Office of Management	32	26	28
10. New business group	5	7	2
11. Corporate Business Group	13	39	36
12. Management Group	7	18	14
<b>total</b>	<b>1,830</b>	<b>2,748</b>	<b>2,219</b>

Note : In 2020 due to the COVID-19 situation Resulting in a decrease in the number of employees

### 7.5.2 Significant change of employee amount during the past 3 years

-None-

### 7.5.3 Employee Compensation

The company has established a policy for paying compensation and benefits. which has both short-term and long-term benefit. The Company aims to achieve the highest efficiency in compensation management and providing appropriated welfare according to the company's structure as well as building confidence in

compensation payment to employees. As a result, employees are motivated to perform tasks to achieve the set goals as well as to stay with the organization in the long term. The policy is disclosed on the company's website at <https://www.zengroup.co.th>

**Short term compensation** The Company has determined compensation payments that are comparable rates with other companies in the same business in order to be able to compete in human resources. It will be paid based on the performance based on the Company's performance and Individual KPIs.

**Long-term compensation** The Company has set measurement of the performance and potential of the employees by paying reasonable compensation to employees with high knowledge and skills. In addition, the Company will develop for Career Growth in line with the Company's succession plan. Furthermore, the Company provides a provident fund and retirement fund as financial security for employees after the end of their employment or retirement.

unit : million baht

Employee Compensation	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021	Fiscal year ended 31 December 2022
Such employee compensation consists of salary, allowances, bonuses, provident fund contribution, social security fund contribution, contributions to the worker's compensation fund, and so on.	664.3	585.74	695.35

Employee compensation (excluding executives) of the Company and its subsidiaries

The Company also provides group insurance for employees including discounts for the Group's restaurant services at the rate of 15.0% to 35.0%, depending on the restaurant brands of subsidiaries.

#### 7.5.4 Provident fund

The Company and its subsidiaries Established a provident fund in accordance with the Provident Fund Act B.E. 2530 (including amendments) with details as follows

Company	Provident fund establishment date	Proportion of employees joining the provident fund On 2022 ( Permanent staff)
1. ZCG	January 15, 2015	64%
2. ZRH	September 1, 2012	25%
3. AKF	September 1, 2012	16%
4. GGG	September 1, 2012	25%

Company	Provident fund establishment date	Proportion of employees joining the provident fund On 2022 ( Permanent staff)
5. OTT	September 1, 2012	18%
6. ZPC	October 15, 2016	13%
7. ZSM	January 15, 2016	71%

#### 7.5.5 Significant Labor Disputes Over the Past 3 Years

-none-

#### 7.5.6 Personnel Development Policy

The Company strongly believes that qualified personnel are the heart of the company, therefore The company cultivates employees to be both talented and good people according to the corporate culture "CARE" by developing and designing training courses that enhance morality for employees such as work ethic and work practices Including courses that enhance competency in accordance with the competence in working in various fields (Competency) as specified in the development plan. annual personnel so that personnel of all levels and every line of work have the opportunity to develop their skills and abilities by categorizing the courses according to the nature of the work as follows:

- Training courses for branch staff are standard training at various levels such as store staff standards, store manager, standard entrepreneurship, and food handlers, etc.
- Training courses for office staff are Emphasis on developing competence and leadership such as computer courses for effective use, and design thinking skills, etc.



## The average number of training hours in 2022

Employee details	2022	
	Total	
	Male	Female
Operational staff	10.25	10.75
Junior executive	12.50	14.34
Middle management	19.17	22.75
Senior management	15.29	19.50
Average number of training hours (hour/person/year)	14.30	16.84

In addition, the company has opened a channel for personnel development by providing training, development and self-learning through the online training system. by selecting courses that are in line with the Company's direction in each quarter so that employees at all levels are continuous training and self-development.

## 7.6 Other important information

### 7.6.1 List of persons assigned to be responsible for the following

#### 1. Company Secretary

The meeting of the Board of Directors No. 1/2018 held on 9 October 2018, the Board resolved to appoint Miss Oraya Uesakul as the Company Secretary with duties and responsibilities as specified in Section 89/15, and Section 89/16 of the Securities and Exchange Act (No. 4) BE 2551. The Secretary shall perform the duties with care, honesty, as well as compliance with laws objectives. the Company's regulations, resolutions of the Board and the shareholders' meeting. The qualifications of the person holding the position of the Company Secretary appears in Appendix 1. The Board of Directors' Meeting of the Company No. 8/2022 held on November 11, 2022 resolved to approve the scope of authority of the Company Secretary is as follows:

- 1) To prepare and maintain the registration of directors, invitation letters to attend a meeting of the Board of Directors, meeting minutes of the Board of Directors, an annual meeting report of the Company, invitation letters to attend a meeting of the shareholders, and meeting minutes of the shareholders.

- 2) To retain reports of interest reported by directors or executives and submit their copies to the Chairman of the Board of Directors and the Chairman of the Audit and Corporate Governance Committee within seven working days from the date the Company receives the report.
- 3) To organize shareholders' meetings and the Board of Directors' meetings under the law, the Company regulations, and various practices, including supervision and coordination for compliance with the resolution of such meetings.
- 4) To follow up and supervise the disclosure of information and information reports concerning the regulations, notifications, and requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission, and the Capital Market Supervisory Board
- 5) To provide first advice to directors in legal matters, regulations of the Company requested by the Board and to ensure compliance and consistency, as well as to report directors and executives significant changes in legal requirements.
- 6) To oversee the activities of the Board of Directors and perform other tasks as assigned by the Board of Directors.
- 7) To perform different functions according to the Stock Exchange of Thailand, Securities and Exchange Commission, and the Capital Market Supervisory Board.

**2. Those assigned to the highest responsibility in accounting and finance and those assigned to duties for the supervision of accounting**

Mrs. Yupaphan Ekasitthikul, Chief Financial Officer, is a person appointed to be responsible for the accounting and finance and Miss Kalaya Chuaychoo is a person who is assigned to be responsible for the supervision of accounting. (For more details about the Those assigned to the highest responsibility in accounting and finance and those assigned to duties for the supervision of accounting of the company, refer to Appendix 1)

**3. Head of Internal Audit**

The Company has established the internal audit department since October 16, 2014. At present, Miss. Rungaroon Phongwilai has been the Company's Internal Audit Director (Acting). As Miss. Rungaroon Phongwilai has more than 15 years of audit experience with knowledge and understanding of the Company's activities and operations. Therefore, the Audit and Corporate Governance Committee is of the opinion that Miss. Rungaroon Phongwilai is qualified to perform the duties appropriately and sufficiently (For more details about the head of internal audit of the company, refer to Appendix 3).

In this regard, the Audit and Corporate Governance Committee and the Chief Executive Officer are responsible for approving and considering the appointment, transfer, dismissal of the head of internal audit of the Company.

#### 4. Head of Compliance

The Company assigns Mr. Songwut Boakhem to take the position of the Head of Compliance to supervise the compliance with rules and regulations of public agencies that oversee the Company's business operations, with qualifications of the Company's Head of Compliance (see more details about the Company's Head of Compliance in Appendix 3).

#### 7.6.2 Head of Investor Relations

The Company has assigned Ms. Narumon Kittichotirat as Head of Investor Relations.

Contact channel

Email : [IR@zengroup.co.th](mailto:IR@zengroup.co.th)  
Telephone : 0-2019-5000 ext. 981

### 7.6.3 Auditor's remuneration

Appoint the auditor of KPMG Phoomchai Audit Company Limited to be the Company's auditor for the year 2021.

#### 1. Audit Fee

The Group shall pay the audit fees of the Company and its subsidiaries as follows:

Audit Fee	Fiscal year ended 31 December 2022
ZEN Corporation Group Public Company Limited	1,000,000.00
Subsidiary company	
ZEN Restaurant Holding Company Limited	1,000,000.00
ZEN Supply Chain Management Company Limited	300,000.00
ZEN and Spicy Company Limited	550,000.00
AKA Interfood Company Limited	600,000.00
Tokyo Concept Company Limited	600,000.00
Gyu Grill Group Company Limited	300,000.00
Spice Synergy Company Limited	150,000.00
Zen And Kosum Interfood Company Limited	250,000.00
King Marine Foods Co., Ltd. *	250,000.00
<b>Total</b>	<b>5,000,000.00</b>

\*Fiscal year ended 30 November 2022

#### 2. Non-Audit Fee

-none-

## 7.6.4 Report of securities holding and changes in securities holding of directors and executives 2022

NO.	Name of Directors / Executives	Position	Number of shares held (Including related persons) As of 31 December 2021	Number of shares held (Including related persons) As of 31 December 2022	Number of shares changing, increasing / decreasing in 2022	Shareholding proportion (%)
1	Mr. Paitoon Taveebhol	Chairman of the Board of Directors / Independent Director	-	-	-	0.0%
	Spouse and underage children		-		-	-
2	Mr. Sakkanon Chirathivat	Director / Vice Chairman of the Board of Directors / Nomination and Remuneration Committee / Risk Management Committee / Directors of Subsidiaries	100,375,200	100,375,200	-	33.46%
	Spouse and underage children		-	-	-	-
3	Mr. Prawit Kijpaisalrattana	Independent Director / Chairman of the Audit and Corporate Governance	-	-	-	0.0%

NO.	Name of Directors / Executives	Position	Number of shares held (Including related persons) As of 31 December 2021	Number of shares held (Including related persons) As of 31 December 2022	Number of shares changing, increasing / decreasing in 2022	Shareholding proportion (%)
		Committee / Chairman of the Nomination and Remuneration Committee				
	Spouse and underage children		-	-	-	-
4	Assoc.Prof.Dr. Wilert Puriwat	Independent Director / Chairman of the Marketing and Sustainable Development Committee / Nomination and Remuneration Committee	-	-	-	0.0%
	Spouse and underage children		-	-	-	-
5	Mrs. Jotika Savanananda	Independent Director / Audit and Corporate Governance Committee / Nomination and Remuneration Committee	-	-	-	0.0%

NO.	Name of Directors / Executives	Position	Number of shares held (Including related persons) As of 31 December 2021	Number of shares held (Including related persons) As of 31 December 2022	Number of shares changing, increasing / decreasing in 2022	Shareholding proportion (%)
	Spouse and underage children		-	-	-	-
6	Mr. Chavalit Chindavanig	Independent Director / Chairman of the Risk Management Committee / Audit and Corporate Governance Committee	-	-		0.0%
	Spouse and underage children		-	-	-	-
7	Mr. Boonyong Tansakul	Director / Chairman of the Executive Committee / Risk Management Committee / Chief Executive Officer / Director of Subsidiaries / Executive of Subsidiaries	-	-	-	0.0%
	Spouse and underage children		-	-	-	-



NO.	Name of Directors / Executives	Position	Number of shares held (Including related persons) As of 31 December 2021	Number of shares held (Including related persons) As of 31 December 2022	Number of shares changing, increasing / decreasing in 2022	Shareholding proportion (%)
8	Miss Jomkwan Chirathivat	Director / Executive Director / Marketing and Sustainable Development Committee / Director of Subsidiaries / Executive of Subsidiaries	100,375,200	100,375,200	-	33.46%
	Spouse and underage children		-	-	-	-
9	Mr. Chittapon Vivaddhanakasem	Director / Executive Director / Risk Management Committee / Chief People Officer / Director of Subsidiaries / Executive of Subsidiaries	10	89,500	89,500	0.03%
	Spouse and underage children		4,319,990	4,319,990	-	1.44%
10	Mr. Steven David Halliday	Director / Risk Management Committee/ Director of Subsidiaries	3,780,000	3,780,000	-	1.26%

NO.	Name of Directors / Executives	Position	Number of shares held (Including related persons) As of 31 December 2021	Number of shares held (Including related persons) As of 31 December 2022	Number of shares changing, increasing / decreasing in 2022	Shareholding proportion (%)
	Spouse and underage children		3,780,000	3,780,000	-	1.26%
11	Mr. Siruwat Chatchaval	Director / Marketing and Sustainable Development Committee / Executive Director / Chief Commercial Officer Thai Brand / Director of Subsidiaries / Executive of Subsidiaries	4,750,000	3,025,500	-1,724,500	1.01%
	Spouse and underage children		-	-	-	-
12	Mrs. Yupaphan Ekasittikul	Executive Director / Chief Financial Officer / Director of Joint Venture Company / Executive of Subsidiaries	-	135,000	135,000	0.05%
	Spouse and underage children		-	-	-	-

NO.	Name of Directors / Executives	Position	Number of shares held (Including related persons) As of 31 December 2021	Number of shares held (Including related persons) As of 31 December 2022	Number of shares changing, increasing / decreasing in 2022	Shareholding proportion (%)
13	Mr.Pree Suvimolthirabutr	Executive Director / Chief Operations Officer / Chief Restaurant Officer / Executive of Subsidiaries	-	-	-	0.0%
	Spouse and underage children		-	-	-	-
14	Mr. Veeradaorn Puengphochaoenphan	Director of Subsidiary Company	-	14,900	14,900	0.0%
15	Mr. Warintpas Sanglee	Director of Subsidiary Company	-	-	-	0.0%
16	Mr. Mayuree Painter	Chief Marketing Officer	-	-	-	0.0%
17	Mr. Theeratus Bamnetphan	Director of Subsidiary Company	-	-	-	0.0%
18	Mr. Nattasasi Bamnetphan	Director of Subsidiary Company	-	-	-	0.0%
	<b>Total</b>		<b>217,380,400</b>	<b>215,895,300</b>	<b>-1,485,100</b>	<b>71.97%</b>

## 8. Report on Key Performance of Corporate Governance

### 8.1 Summary of performance of the Board of Directors for the past year

In 2022, the Board of Directors held 8 meetings and 2 non-executive director meetings to formulate important policies and strategies to enhance the Company's capabilities and to monitor performance and status. It also closely monitored the Company's performance and financial status in order to ensure that the Company smoothly overcomes the crisis, the COVID pandemic. In addition, the Company maintained the efficiency of supervision and sufficiency of an internal control system and corporate risk management by organizing 8 Audit and Corporate Governance Committee meetings and 4 Risk Management Committee meetings in 2022.

The company were not prosecuted by the regulator for un-announced important information within the time limit; and has no history of violating the rules of the SEC and SET. In addition, the directors and the managements of the company were acting without fraud or unethical. There is no case where independent directors or non-executive directors resign due to issues of corporate governance of the company.

#### 8.1.1 Recruitment, Development and Assessment of the Board of Directors' Performance Recruitment

The Company has a process for nominating directors according to their qualifications in terms of skills, experience, gender and talents that are beneficial to the Company. The directors shall not have prohibited characteristics under the Public Limited Companies Act and shall not lack suitability to be entrusted to manage a publicly owned company in accordance with the law and Notifications of the Securities and Exchange Commission. Selection of new directors is based on the Director Pool.

The Company provides shareholders an opportunity to nominate candidates to be elected as directors in accordance with the Company's criteria. The details are published on the Company's website [http:// www.zengroup.co.th](http://www.zengroup.co.th). Nominations shall be submitted to the Company by December 31 of every year.

### Selection of Directors and Chief Executive Officer

#### 1. Nomination and Appointment of Director and Independent Director

The nomination and appointment of a Company's director shall be considered by the Nomination and Remuneration Committee before submission to the Board of Directors for consideration. The qualifications of the candidates shall be appropriate and in line with the business strategy as follows.

### 1.1 Criteria for Nomination of Company's Director

- 1) Have appropriate knowledge, ability and experience in business, professional skills, specialization, educational background and age;
- 2) Have leadership, broad vision, morality, ethics, good attitude towards the organization, able to devote enough time for the benefits of Company's operations;
- 3) Have no a disgraceful history or prohibited characteristics as prescribed by the Notification of the Securities and Exchange Commission;
- 4) Other qualifications that are appropriate and consistent with the situation, business operations, strategic plan and structure of the Board of Directors;
- 5) For independent director, the candidates must meet the specific qualification criteria of the independent director set by the Company.

#### 1.1.1 Nomination and Appointment of Directors and Independent Directors

The Company's director must be a person who has qualifications in accordance with the criteria for nomination of directors of the Company as mentioned above. In addition, the Company set the criteria for the selection of independent directors that he/she must be a person who has qualifications in accordance with the criteria for nomination of directors of the company and having qualifications of independent directors of the company, which will be intensive than the rules prescribed by the SEC and the SET as follows:

#### Qualifications of Independent Directors

1. They shall hold no more than 0.5% of the total number of shares with voting rights of the Company, parent company, subsidiaries, associate, major shareholder, the Company's control person. This shall include the shares held by related persons of that independent director, and the term of office of the independent director shall not be more than nine years.
2. They shall not be or have been a director who takes part in management, employee, consultant who receives a regular salary, or a controlling person of the Company, parent company, subsidiaries, associate, same-level subsidiary, or a major shareholder unless they have retired from the aforementioned position for at least two years prior to the date of appointment. The prohibited characteristics exclude cases where an independent director was a government official or a public sector consultant who is a major shareholder or control person of the Company.

3. They shall not be a person having consanguinity or a relationship by legal registration in the manner of a parent, spouse, sibling, and child, including spouse of a child of other directors, executives, major shareholders, control persons, or a person who will be nominated as a director, executive or control person of the Company or its subsidiaries.
4. They shall not have or have had a business relationship with the Company, parent company, subsidiaries, associate, major shareholder, the Company's control person in a manner that may impede one's independent exercise of judgment, and shall not be or have been a significant shareholder or control person of persons having a business relationship with the Company, parent company, subsidiaries, associate, major shareholder, or the Company's control person unless they have ended from the aforementioned position for at least two years before the date of appointment.

Business relationship under paragraph one includes normal trade transactions for business operation, leasing real estate, transactions relating to assets or services, or giving or receiving financial assistance by accepting or lending, guaranteeing, or giving assets as collateral for liabilities, including other similar circumstances which result in the Company or its partner having an obligation to pay to the other party equal to 3.0 percent of the Company's net tangible assets or from 20 million baht or more, whichever is lower. Such debt calculation shall be in accordance calculation of values of connected transactions under the Notifications of the Capital Market Supervisory Board on connected transactions mutatis mutandis. However, in determining such debts, it shall include the debts that occur one year prior to the date of engaging in a business relationship with the same person.

5. They shall not be or have been an auditor of the Company, parent company, subsidiaries, associate, major shareholder or control person of the Company and shall not be a significant shareholder, control person or a partner of the audit firm which has an auditor of the Company, parent company, subsidiaries, associate company, or the Company's control person unless they have retired from the aforementioned position for at least two years before the date of appointment.
6. They shall not be or have been a professional service provider of any kind, including a legal or financial consultant who receives service fee in excess of two million baht per year from the Company, parent company, subsidiaries, associate company, major shareholder, or the

Company's control person, and shall not be a significant shareholder, control person or partner of such professional service provider, they have retired from the aforementioned position for at least two years before the date of appointment.

7. They shall not be a director who has been appointed to represent the Company's Director, major shareholder, or a shareholder who is related to a major shareholder.
8. They shall not operate the same business and in significant competition with the business of the Company or its subsidiaries, or shall not be a significant partner in a partnership or a director who takes part in management, employee, consultant who receives a regular salary or holds more than one percent of the total voting shares of another company operating the same business and in significant competition with the Company or its subsidiaries.
9. They shall not have any other characteristics that cause incapability of expressing independent opinions regarding to the Company's operations.

#### 1.1.2 Nomination and Appointment of the Board of Directors

In appointing company directors, the Nomination and Remuneration Committee is responsible for considering, selecting and screening qualified persons in accordance with the Company's criteria for nomination of directors according to the Company's Articles of Association and in nominating the qualified candidates. This is to obtain directors with knowledge, abilities, and experience that are beneficial to the Company by taking into account the structure, size and composition of the board of directors for the appropriate number and diversity of the Board of Directors for the maximum benefit of the Company. The approval must be obtained from the Board of Directors prior to submitting the list of directors to the shareholders' meeting for approval. Except in the case where a director's position is vacant for reasons other than retirement by rotation, the Board of Directors can appoint a qualified person to be a replacement director. The person who is appointed as a replacement director shall be in the position of the director for the remaining term of the director he replaces. The remaining term of the director must not be less than 2 months.

In addition, the Company has given the opportunity to shareholders to participate in nomination of directors who have qualifications in accordance with the Company's criteria for nomination of directors and the Company's Articles of Association, including considering the Director Pool. In voting for the election of the Company's directors, all shareholders shall vote on the election of individual directors by casting their own votes to select the person nominated as the director one by one.

The Nomination and Remuneration Committee shall select and nominate qualified persons in terms of experience, knowledge and ability to benefit the Company and deserve to be nominated as directors.



Independent Director to propose to the Board of Directors' meeting and shareholders' meeting for appointment in accordance with the Company's Articles of Association.

In the nomination of new directors, the Company considers the composition of the Board of Directors in accordance with Board Skill Matrix approved by the Board of Directors to consider the qualifications, knowledge, skills and experience required of the directors to be nominated in order to ensure that the composition of the Board of Directors is consistent with the Group's business strategy. The Company uses Director Pool and has a nomination process to appoint the Board of Directors as detailed in the attached documents at the link below.

<https://investor.zengroup.co.th/storage/download/cg/20220822-zen-criteria-for-nomination-appointment-directors-and-top-executives-th.pdf>

## 2. Nomination and Appointment of Chief Executive Officer

The Board of Directors has considered and assigned the Nomination and Remuneration Committee to consider the criteria and methods of nominating qualified persons for the top management positions. In the nomination, the Nomination and Remuneration Committee is responsible for screening and recruiting persons who have qualifications, knowledge, abilities, skills and experiences that are beneficial to the Company's operations, have good understanding of the Company's business and be able to manage the work to achieve the objectives and goals set by the Board of Directors. After an appropriate person is selected, the Nomination and Remuneration Committee nominates such person to the Board of Directors' meeting for consideration and appointment.

### Qualifications of Chief Executive Officer

1. Have knowledge, competence, skills and experience in management consistent with the Company's business, have special expertise that is beneficial to the Company's business and in line with Company's business strategies without gender, age, race, religion discrimination;
2. Have leadership, broad vision, morality, ethics, good attitude towards the organization, able to devote enough time for the benefits of Company's business operations;
3. Have a transparent work history or no prohibited characteristics as prescribed by the Notification of the Securities and Exchange Commission, as well as do not have any prohibited characteristics by law.

### Succession plan for the top executive

The Board of Directors oversees the preparation of a succession plan and a development plan for top executives, especially the position of Chief Executive Officer, to ensure business continuity and to strengthen personnel for succession in key positions with the following guidelines:

1. The Nomination and Remuneration Committee and Chief Executive Officer shall jointly plan succession for top executives in key positions by defining the skills, knowledge, competence, and potential of a person to be a successor.
2. The Chief Executive Officer shall supervise the training and development of job successors through various methods such as training, special assignments, and job rotation in order to strengthen the necessary skills and prepare executives for succession.
3. The Chief Executive Officer shall report a succession plan for senior management and development results to the Nomination and Remuneration Committee for consideration at least once a year and when there are significant changes.

The Nomination and Remuneration Committee reports a summary of the performance of the succession plan of senior management to the Board of Directors at least once a year or when there is a significant change. In 2022, there were 4 reports to the Nomination and Compensation Committee.

### Details of the Board of Directors of the Company

#### 1. Board of Directors

Composition and qualifications of the Company's Directors are defined in the Charter of the Board of Directors, which can be summarized as follows.

##### Composition

The Board of Directors consists of directors who are elected by the shareholders' meeting. There shall be at least five directors and not less than half of the total number of directors who reside in the Kingdom of Thailand. In addition, not less than three directors or one-third of the total number of directors (whichever is higher) shall be independent directors and the Board of Directors shall elect a director to be the Chairman of the Board of Directors and may elect a Vice-Chairman of the Board of Directors and other positions as it deems appropriate.

### Term of Office and Election of Directors

One-third of the total number of directors of the Company shall retire at every annual general meeting of shareholders. The directors who have the longest time shall retire. In the event that the directors who will retire may not be divided by one-third, the number nearest to one-third shall retire from office. However, retiring directors shall be eligible for re-election.

In the event that the director position is vacant due to reasons other than retirement, the Board of Directors selects persons who are qualified and in accordance with relevant regulations and laws to replace the vacant director position and in the event that the vacancy of the director position is less than the number required to constitute a quorum, the remaining directors may act on behalf of the Board of Directors only for arranging a shareholders' meeting to elect directors to replace all vacant positions.

## **2 Audit and Corporate Governance Committee**

Composition and qualifications of the Audit and Corporate Governance Committee of the Company are defined in the Charter of the Audit and Corporate Governance Committee, which can be summarized as follows

### Composition

1. The Audit and Corporate Governance Committee consists of three but not more than five independent directors who are qualified and shall not have any prohibited characteristics in accordance with the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
2. At least one member of the Audit and Corporate Governance Committee shall have sufficient knowledge and experience in accounting or finance to be able to review reliability of financial statements and have ongoing knowledge on causes of changes in financial reporting.
3. The Board of Directors selects at least one of the Audit and Corporate Governance Committee members to be the Chairman of the Audit and Corporate Governance Committee.
4. The director of the Internal Audit Department shall be the Secretary of the Audit and Corporate Governance Committee

### Term of Position

1. Audit and Corporate Governance Committee members have the term and retirement according to the term and the retirement of the Company's Directors as specified in the Company's Articles of Association To be in the position for no more than 9 years.

2. Audit and Corporate Governance Committee members who retire by rotation may be reappointed as the Board of Directors, or the shareholders' meeting deems appropriate.
3. Audit and Corporate Governance Committee members who retires shall continue to perform their duties until a director is appointed to replace the position, except in the event of retire but not be re-elected as the Company's Director.
4. In the event that the Audit and Corporate Governance Committee position is vacant, the Board of Directors shall elect a qualified director who shall not have any prohibited characteristics in accordance with the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand to be a member of the Audit and Corporate Governance Committee. The replacement member may hold the position only for the remaining term of the Audit and Corporate Governance Committee member whom he or she replaces.

### 3. Marketing and Sustainable Development Committee

Composition and qualifications of the Company's Marketing and Sustainable Development Committee are defined in the Charter of the Marketing and Sustainable Development Committee, which can be summarized as follows:

#### Composition

1. Marketing and Sustainable Development Committee consists of not less than three directors and company executives, which shall be appointed by the Board of Directors.
2. The Board of Directors appoints one of the Marketing and Sustainable Development Committee members as the Chairman of the Marketing and Sustainability Committee.
3. The Marketing and Sustainable Development Committee shall appoint the Secretary of the Marketing and Sustainable Development Committee.

#### Term of Position

1. In the event that the Marketing and Sustainable Development Committee member is the Company's Director, the term shall be in accordance with the term of a director unless the Board of Directors passes a resolution otherwise.
2. In the event that the Marketing and Sustainable Development Committee member is the Company's executive, the term of office shall be in accordance with the term of office of the executive unless the Board of Directors passes a resolution otherwise.

3. In the event that the position of the Marketing and Sustainable Development Committee is vacant, the Board of Directors shall elect a qualified director who shall not have any prohibited characteristics to be a member of the Marketing and Sustainable Development Committee,
4. Marketing and Sustainable Development Committee members who retires from the term shall remain in the position for the purpose of performing their duties until a director is appointed to replace the position, except in the event of retirement but not be re-elected to serve as the Company's Director.

#### 4. Executive Committee

Composition and qualifications of the Executive Committee of the Company are defined in the charter of the Executive Committee, which can be summarized as follows:

##### Composition

1. The Executive Committee shall be appointed by the Board of Directors. The number is as deemed appropriate by the Board of Directors, consists of some of the members of the Board of Directors and may consist of one or more persons who hold a position as the Company's executive or other third parties. The Board of Directors shall appoint the executive director who is a member of the Board of Directors as the Chairman of the Executive Committee.
2. Chief Executive Officer is an executive director by position.
3. Executive directors shall have appropriate knowledge, abilities and experience, acknowledge their qualifications, duties and responsibilities, and shall have qualifications and not have prohibited characteristics under the Public Limited Companies Act. They shall not have any untrustworthy characteristics as prescribed in the Notifications of the Securities and Exchange Commission and shall not have any prohibited characteristics as prescribed by law.
4. The Executive Committee shall appoint the Secretary of the Executive Committee.

##### Term of Position

1. In the event that the executive director is a member of the Board of Directors, the term shall be in accordance with the term of a director unless the Board of Directors passes a resolution otherwise.
2. In the event that the executive director is the Company's executive, the term shall be in accordance with the term of the executive unless the Board of Directors passes a resolution otherwise.

3. In the event that the executive director is the third party who is not a director or executive of the Company, the term of office shall be in accordance with the resolution of the Board of Directors.

In the event that the members of the Executive Committee resigned before the term of the members of the said executive committee, must notify the Chairman of the Executive Committee. The Board of Directors must consider the appointment of a new executive committee to replace the members of the executive committee.

#### **5. Nomination and Remuneration Committee**

Composition and qualifications of the Nomination and Remuneration Committee of the Company are defined in the Charter of the Nomination and Remuneration Committee, which can be summarized as follows:

##### Composition

1. The Nomination and Remuneration Committee is appointed by the Board of Directors, which consists of at least three members, including the Chairman of the Nomination and Remuneration Committee as an independent director, and over half of the Nomination and Remuneration Committee members shall be independent directors and non-executive directors.
2. The Board of Directors appoints a member of the Nomination and Remuneration Committee as the Chairman of the Nomination and Remuneration Committee. The Chairman of the Board of Directors shall not be the Chair of the Nomination and Remuneration Committee or a member of the Nomination and Remuneration Committee.
3. The Nomination and Remuneration Committee shall appoint the Secretary of the Nomination and Remuneration Committee.

##### Term of Position

1. In the event that the Nomination and Remuneration Committee is the Company's Director, the term shall be in accordance with the term of a director unless the Board of Directors passes a resolution otherwise.
2. In the event that the Nomination and Remuneration Committee is the Company's executive, the term shall be in accordance with the term of the executive unless the Board of Directors passes a resolution otherwise.
3. In the event that the position of the Nomination and Remuneration Committee is vacant, the Board of Directors shall elect a qualified director who shall not have prohibited characteristics to be a member of the Nomination and Remuneration Committee.

## 6. Risk Management Committee

Composition and qualifications of the Company's Risk Management Committee are defined in the Charter of the Risk Management Committee, which can be summarized as follows:

### Composition

1. The Risk Management Committee consists of not less than three directors and executives which shall be appointed by the Board of Directors.
2. The Board of Directors appoints a member of the Risk Management Committee as the Chairman of the Risk Management Committee.

3. The Risk Management Committee shall appoint the Secretary of the Risk Management Committee.

### Term of Position

1. In the event that the Risk Management Committee is the Company's Director, the term shall be in accordance with the term of a director unless the Board of Directors passes a resolution otherwise.
2. In the event that the Risk Management Committee is the Company's executive, the term shall be in accordance with the term of the executive unless the Board of Directors passes a resolution otherwise.
3. In the event that the position of the Risk Management Committee is vacant, the Board of Directors shall elect a qualified director who shall not have prohibited characteristics to be a member of the Risk Management Committee.

## 7. Chief Executive Officer

The Board of Directors appoints the Chief Executive Officer as the Nomination and Remuneration Committee considers as specified in the Board of Directors Charter. The Chief Executive Officer has duties and responsibilities related to the management of the Company's affairs:

### **Authority, Duties and Responsibilities of the Chief Executive Officer**

The Board of Directors Meeting No. 8/2022 on November 11, 2022, approved the scope of authority, duties and responsibilities of the Chief Executive Officer as follows:

- 1) To establish policies, strategies, business plans and management structure of the Company, and also responsible for preparing strategic plans and annual budget plans to propose to the Executive Committee and the Board of Directors;
- 2) To supervise, manage, operate and perform regular business operations for the benefit of the Company in order to comply with the objectives and the Company's Articles of Association, as well as regulations, policies, work plans and budgets



stipulated by the Executive Committee's meeting and/or the Board of Directors and/or the Shareholders' meeting;

- 3) To issue orders, regulations, notifications, and records in order to perform operations in accordance with the Company's policies and interests and to maintain work disciplines within the organization;
- 4) To consider and approve payments of operating expenses for operating the Company's normal business. Each authority limit shall be in accordance with the table of authority approved by the Board of Directors.

The Chief Executive Officer has the power to approve the payment of investment not exceeding 5.0 million baht;

- 5) To appoint committees for the benefit and efficiency of good and transparent management, as well as to authorize one or more persons to perform any action under the control of the Chief Executive Officer or authorize such person to have powers as the Chief Executive Officer deems appropriate and within the time as deemed appropriate. The Chief Executive Officer may cancel, revoke, change or amend a person who has been authorized as deemed appropriate;
- 6) To approve appointments of consultants required for business operation and to comply with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand;
- 7) To follow up, audit and supervise performance of the Company and its subsidiaries for good performance as planned and quarterly report to the Board of Directors, as well as to find opportunities for improvement and development for better-operating results;
- 8) To coordinate with the Audit and Corporate Governance Committee and the Risk Management Committee in order to conduct business, including the risk management of the Company in accordance with the objectives and the Company's Articles of Association and resolutions of the Board of Directors and/or resolutions of the shareholders' meeting;
- 9) Other actions as assigned by the Board of Directors from time to time

In this regard, a delegation of authority, duties, and responsibilities of the Chief Executive Officer shall not constitute a delegation or sub-delegation of powers that enable the Chief Executive Officer's attorney to approve a transaction that may or may not have a conflict ( according to the definition of the Securities and Exchange

Commission and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant agencies), interest, or benefit in any way, or that may be a conflict of interest with the Company and its subsidiaries, and/or related companies. The Chief Executive Officer has no authority to approve the action on this matter. Such matters shall be proposed to the Board of Directors and/or the shareholders' meeting (as the case may be) for further approval, except for approval of transactions in accordance with ordinary course of business and normal trade conditions in accordance with Notification of the Securities and Exchange Commission and/or Notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant agencies.

## Development

### Human Resource Development Policy

The Company focuses on personnel development by continually providing skill training and learning for employees of all levels. Employee development and career advancement for employees of the organization is considered as developing personnel for sustainable business development and strong growth. The Company has developed personnel of all levels, from the directors, executives and employees .

### Personnel Development

The Company attaches great importance on the development of employees' knowledge and abilities by providing thorough and continuous opportunities to develop their abilities in performing duties in order to achieve sustainable business goals. All employees are equally entitled to attained training courses under the approval of their supervisors within the framework of the organization's annual training and development budget. Employees can request for training and development as needed by applying a request letter for agreement and approval from their supervisors. Supervisors are responsible for coaching and giving suggestions to improve the performance of their subordinates to create opportunities for career growth.

The Company focuses on enhancing the learning culture by providing online teaching materials in which the employees can participate in creating courses and sharing their own knowledge with other departments. This creates a responsibility to continually enhance the abilities and efficiency of employee and colleagues details appear in Section 1.3, clause 3.5, Sustainability Report, Subsection 8.1.2, The Process of Developing and Promoting an Innovative Culture of the Organization clause 9) ZEN Smart Learn Basic Learning for Development, page 48.

### Development of Directors and Executives

The Company encourages training for those involved in the good corporate governance of the Company, such as the Company's directors, sub-committees, executives and secretaries. There are both internal training and training course provided by external organizations for learning knowledge, rules and regulations that have changed to be used in continuous improvement of the Company's operations.

In the event of a change of directors, new directors and new executives, the management will provide documents and information that are useful for the performance of duties of directors and executives, including organizing an orientation to introduce the nature of business and business guidelines of the Company to new directors and executives.

### The course that the directors attended in 2022

No.	Name	Position	Training courses in 2022
1.	Mr. Paitoon Taveebhol	Chairman of the Board of Directors / Independent Director	<p>- Project to encourage stakeholders and the financial system to see the value of audit work" or Value of Audit project.</p> <p>on 2 December 2022</p> <p>Organized by the Federation of Accounting Professions in collaboration with the Securities and Exchange Commission</p> <p>- "Discussion on accounting knowledge for auditing directors of listed companies"</p> <p>Organized by Securities and Exchange Commission".</p> <p>on January 28, 2022</p>
2.	Mr. Chavalit Chindavanig	Chairman of the Risk Management Committee / Member of the Audit and Corporate Governance Committee / Independent Director	<p>- "Discussion on accounting knowledge for the meeting on the role and duties of the audit committee of listed companies"</p> <p>Organized by the Securities and Exchange Commission." on January 28, 2022</p>

No.	Name	Position	Training courses in 2022
3.	Mrs. Jotika Savanananda	Member of the Audit and Corporate Governance Committee/ Member of the Nomination and Remuneration Committee / Independent Director	- "Discussion on accounting knowledge for the meeting on the role and duties of the audit committee of listed companies" Organized by the Securities and Exchange Commission." on January 28, 2022
4.	Mr. Sakkanon Chirathivat	Vice Chairman of the Board of Directors / Member of the Nomination and Remuneration Committee / Risk Management Committee / Director	- Role of the Chairman Program (RCP) Thai Institute of Directors Association (IOD) Class 50/2022
5.	Mr. Boonyong Tansakul	Chairman of the Executive Committee / Member of the Risk Management Committee / Director / Chief Executive Officer	- Advanced Audit Committee Director Leadership Certification Program (DLCP) Thai Institute of Directors Association (IOD) Class 45/2565
6.	Mr. Chittapon Vivaddhanakasem	Executive Director / Member of the Risk Management Committee / Chief Human Resources Officer / Director	- Financial Statements for Directors (FSD) Thai Institute of Directors Association (IOD) Class 46/2565 - Director Certification Program (DCP) (DCP) Thai Institute of Directors Association (IOD) Class 321/2565

### Performance Assessment of the Boards of Directors

The Board of Directors requires an annual performance appraisal and review of the performance of the Board of Directors and all sub-committees. The objective is to consider and review the results and problems for further improvement. The performance appraisal is conducted according to guidelines recommended by the SET. The results will be used in further improvement of the Company's business operations.

#### 1. Performance Assessment of the Boards and Directors

##### Criterion

In accordance with the guidelines recommended by the Stock Exchange of Thailand, the Company has prepared a self-assessment form of the Board of Directors that is appropriate to the nature of the Company. The assessment is divided into 6 main domains: (1) structure and qualifications of the board of directors; (2) roles, duties and responsibilities of the board of directors; (3) board meetings; (4) duties of directors; (5)

relationships with management; and (6) self-development of directors and executive development. This self-assessment form is divided into 2 parts. Part 1 is an assessment and rating by the board of directors, and part 2 is the board of directors' opinions or suggestions.

#### **Assessment Process**

The directors conduct self-assessment as a committee at least once a year. The Company's secretary is responsible for delivering the assessment form to all directors for self-assessment at the end of each year and gathering and reporting the results to the Board of Directors' meeting annually for acknowledgment and discussion.

### **2. Performance Assessment of Individual Directors**

#### **Criterion**

The Company has prepared a self-assessment form for the board of directors on an individual basis. The assessment is divided into 5 main domains: (1) structure and qualifications of the board of directors; (2) Readiness to perform duties; (3) Participation in board meetings; (4) Roles, duties and responsibilities of the Board of Directors; (5) Relationship with the Board of Directors and Management

#### **Assessment Process**

Directors conduct the self-assessment on an individual basis at least once a year. The Company's secretary is responsible for delivering the assessment form to all directors for self-assessment at the end of each year and gathering and reporting the results to the Board of Directors' meeting annually for acknowledgment and discussion.

### **3. Performance Assessment of Sub-committees**

Sub-committees consist of (1) Audit and Governance Committee, (2) Nomination and Remuneration Committee, (3) Risk Management Committee, (4) Marketing and Sustainable Development Committee, and (5) Executive Committee.

#### **Assessment Process**

All sub-committees conduct self-assessment as a whole and on an individual basis at least once a year. The secretary of the sub-committee is responsible for delivering the assessment form to all sub-committees for self-assessment at the end of each year and the Company's secretary is responsible for collecting and reporting the results to the Board of Directors' meeting annually for acknowledgment and discussion.

The overall self-assessment of Board of Directors and all sub-committees, both in group and individual, was an average of 3.6 – 4.0 points Out of 4 points which is quite high as follows:

Board of Directors/Sub-Committees	Results of evaluating the performance of the Committee (percent)	Assessment results Individual performance results (percent)
1. Board of Directors	3.8	3.8
2. Audit and Corporate Governance Committee	4.0	3.9
3. Nomination and Remuneration Committee	3.7	3.7
4. Risk Management Committee	3.8	3.6
5. Marketing and Sustainable Development Committee	4.0	4.0
6. Executive Committee	3.7	3.8

#### 8.1.2 Meeting Attendance and Remuneration for Individual Director

##### (1) Board of Directors meeting 2022

Name	Position	Number of Attendance / Total Meetings		
		Annual General Meeting of Shareholders for the year	Board of Directors meeting	Meeting between non-executive directors <sup>(1)</sup>
1. Mr. Paitoon Taveebhol	Chairman of the Board of Directors / Independent Director	1/1	8/8	2/2
2. Mr. Sakkanon Chirathivat	Vice Chairman of the Board of Directors/ Nomination and Remuneration Committee / Risk Management Committee / Director	1/1	8/8	2/2
3. Prawit Kijpaisalrattana	Chairman of Audit and Corporate Governance Committee / Chairman of the Nomination and	1/1	8/8	2/2

Name	Position	Number of Attendance / Total Meetings		
		Annual General Meeting of Shareholders for the year	Board of Directors meeting	Meeting between non-executive directors <sup>(1)</sup>
	Remuneration Committee / Independent Director			
4. Assoc.Prof.Dr. Wilert Puriwat	Chairman of the Marketing and Sustainable Development Committee / Nomination and Remuneration Committee / Independent Director	1/1	8/8	2/2
5. Mrs. Jotika Savanananda	Member of Audit and Corporate Governance Committee/ Nomination and Remuneration Committee / Independent Director	1/1	8/8	2/2
6. Mr. Chavalit Chindavanig	Member of Audit and Corporate Governance Committee/ Chairman of the Risk Management Committee / Independent Director	1/1	8/8	2/2
7. Mr. Boonyong Tansakul	Chairman of the Executive Committee / Risk Management Committee / Director / / Chief Executive Officer	1/1	8/8	-
8. Miss Jomkwan Chirathivat	Executive Director / Marketing and Sustainable Development Committee / Director / Head of Sustainable Development Group	1/1	8/8	-
9. Mr. Chittapon Vivaddhanakasem	Executive Director / Risk Management / Director / Chief People Officer	1/1	8/8	-



Name	Position	Number of Attendance / Total Meetings		
		Annual General Meeting of Shareholders for the year	Board of Directors meeting	Meeting between non-executive directors <sup>(1)</sup>
10. Mr. Steven David Halliday	Risk Management Committee / Director	1/1	8/8	-
11. Mr. Siruwat Chatchaval	Executive Director / Marketing and Sustainable Development Committee / Director / Chief Commercial Officer Thai Brand	1/1	8/8	-

Note: <sup>(1)</sup> In 2022, the board holds 2 non-executive directors meetings

1. on 13 May 2022

2. on 4 October 2022

## (2) Directors' Remuneration

### (1) Financial Remuneration

Annual General Meeting of Shareholders 2022 dated 28 April 2022 approved remuneration for Board of Directors, Audit and Corporate Governance Committee, Marketing and Sustainable Development Committee, Nomination and Remuneration Committee, and Risk Management Yearly 2022 as details shown below:

#### Non-Executive Directors

Remuneration	Quarterly Fee (Baht / Quarter)	Attendance Fee (Baht / Time)
1. Board of directors		
- Chairman	60,000	40,000
- Director	40,000	25,000
2. Audit and Corporate Governance Committee		
- Chairman	-	35,000
- Director	-	25,000
3. Executive Committee		
- Chairman	-	35,000
- Director	-	25,000
4. Nomination and Remuneration Committee		

Remuneration	Quarterly Fee (Baht / Quarter)	Attendance Fee (Baht / Time)
- Chairman	-	35,000
- Director	-	25,000
5. Marketing and Sustainable Development Committee		
- Chairman	-	35,000
- Director	-	25,000
6. Risk Management Committee		
- Chairman	-	35,000
- Director	-	25,000
7. Remuneration for Executive Director	-	
8. Quarterly remuneration and Meeting allowance totalling not more than	5,000,000 baht	
9. Compensation and other benefits besides Quarterly remuneration and meeting allowances	Annual performance bonus at the rate of 3% of dividend payment to shareholders from 2022 performance in an amount not exceeding 2 million Baht and the Board of Directors has the authority to allocate the said bonus to the directors	
10. Non-financial remuneration	-None-	

#### Executive Directors

The company does not have a policy to pay Directors who take Executive position or being an employee of the company.

For Accounting Year December 31, 2022 the company had paid to Directors as shown in the following table:

Directors' Name	Position	Board of Directors	Audit and Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee	Marketing and Sustainable Development Committee	Executive Committee	Quarterly compensation	Total
1. Mr. Paitoon Taveebhol	Chairman of the Board of Directors / Independent Director	320,000	-	-	-	-	-	240,000	560,000
2. Mr. Sakkanon Chirathivat	Vice Chairman of the Board of Directors/ Nomination and Remuneration Committee/ Risk Management Committee / Director	200,000	-	75,000	100,000	-	-	160,000	535,000
3. Mr. Prawit Kijpaisalrattana	Chairman of Audit and Corporate Governance Committee / Chairman of the Nomination and Remuneration Committee / Independent Director	200,000	280,000	105,000	-	-	-	160,000	745,000
4. Assoc.Prof.Dr. Wilert Puriwat	Chairman of the Marketing and Sustainable Development Committee/ Nomination and Remuneration Committee / Independent Director	200,000	-	75,000	-	140,000	-	160,000	575,000
5. Mrs. Jotika Savanananda	Member of Audit and Corporate Governance Committee / Nomination	200,000	200,000	75,000	-	-	-	160,000	635,000

Directors' Name	Position	Board of Directors	Audit and Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee	Marketing and Sustainable Development Committee	Executive Committee	Quarterly compensation	Total
	and Remuneration Committee / Independent Director								
6. Mr. Chavalit Chindavanig	Member of Audit and Corporate Governance Committee / Chairman of the Risk Management Committee / Independent Director	200,000	200,000	-	140,000	-	-	160,000	700,000
7. Mr. Boonyong Tansakul	Chairman of the Executive Committee/ Risk Management Committee / Chief Executive Officer / Director	-	-	-	-	-	-	-	-
8. Miss Jomkwan Chirathivat	Executive Director / Marketing and Sustainable Development Committee / Director / Head of Sustainable Development Group	-	-	-	-	-	-	-	-
9. Mr. Chittapon Vivaddhanakasem	Executive Director / Risk Management Committee / Director / Chief People Officer	-	-	-	-	-	-	-	-

Directors' Name	Position	Board of Directors	Audit and Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee	Marketing and Sustainable Development Committee	Executive Committee	Quarterly compensation	Total
10. Mr. Steven David Halliday	Director / Risk Management Committee	200,000	-	-	100,000	-	-	160,000	460,000
11. Mr. Siruwat Chatchaval	Executive Director / Marketing and Sustainable Development Committee / Director / Chief Commercial Officer Thai Brand	-	-	-	-	-	-	-	-
Total		1,520,000	680,000	340,000	330,000	140,000	-	1,200,000	4,210,000

Note: Quarterly remuneration and meeting allowance for the year 2022 totaling 4,210,000baht.

## (2) Non-Financial Remuneration

-None-

### 8.1.3 Supervision of Subsidiaries and Associates

The Board of Directors has established the management policy of subsidiaries and associated companies by specifying the authority to appoint directors and executives of subsidiaries, as well as the duties of directors and executives of subsidiaries. The company has strictly supervised the internal control system of its subsidiaries and disclosed material information in accordance with the regulations of the Stock Exchange of Thailand. The management policy of subsidiaries and associated companies is disclosed on the Company's website below.

[20230111-zen-management-policy-subsidiaries-and-associated-companies-th.pdf \(zengroup.co.th\) \(zengroup.co.th\)](#)

#### Policy on Supervision of Subsidiaries and Associates

The Company established a supervisory policy and management of its subsidiaries and associates with the objective of establishing direct and indirect measures and mechanisms to enable the Company to supervise and manage affairs of its subsidiaries and associates, including monitoring and supervising its subsidiaries and associates to comply with the measures and mechanisms stipulated as if it was the Company's own unit and in accordance with the Company's policies, including the Civil and Commercial Code Public Company Law Securities laws and relevant notifications, rules and regulations of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand, in order to protect the interests of the investment of the Company in its subsidiaries and associates.

In the event that this policy requires that any transaction or action which has significance or effect to financial status and operating results of the Company's subsidiaries and associates, it shall be approved by the Board of Directors' meeting or the shareholders' meeting (as the case may be). The Chairman of the Board of Directors is responsible for organizing the Board of Directors' meetings and/or the Company's shareholders' meetings to consider and approve such matters before the subsidiaries and/or associates hold their Board of Directors' meetings and/or shareholders' meetings to consider and approve before making a transaction or proceeding on such matters. In this regard, the Company shall completely and accurately disclose information and comply with the rules, conditions, procedures and methods relevant to the matter to be approved as specified in the Civil and Commercial Code, Public Limited Company Act, Securities Act, as well as notifications, rules and regulations of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand, mutatis mutandis (as far as not contradicting or conflicting).

1. Any transactions or actions performed by the Company's subsidiaries and/or associates in the following cases shall be approved by the Board of Directors' or the shareholders' meeting of (as the case may be).

#### **(1) Matters that require approval from the Board of Directors' meeting**

- (a) For appointments and nominations of directors or executives in the Company's subsidiaries and/or associates at least in proportion to their shareholding in the subsidiaries and/or

associates, the directors and executives nominated or appointed by the Company shall consider voting at the Board of Directors' meeting of the subsidiaries and/or associates in matters related to general management and normal business operations of the subsidiaries and/or associates as the directors and executives of the subsidiaries and/or associates deems appropriate for the best interest of the Company, its subsidiaries and/or associates, except for matters that require approval from the Board of Directors' meeting or the shareholders' meeting of the Company.

In this regard, the nominated directors or executives under the above paragraph shall be in the White List of directors and executives of the issuing company, including qualifications, roles, duties and responsibilities, and shall not have untrustworthy characteristics according to the Notification of the Securities and Exchange Commission and the Stock Exchange on characteristics indicating untrustworthiness of the Company's directors and executives.

- (b) Consideration and approval of annual dividend payments and interim dividends (if any) of the subsidiaries, except in the case where the subsidiaries pay dividends for the whole year, it shall not lower than that stipulated in the total annual budgets of each company (if any).
- (c) Amendments to the Articles of Association of the subsidiaries, except the amendment to the Articles of Association in matters which are significant under (2) (a), which shall be approved by the Company's shareholders' meeting
- (d) Consideration and approval of annual budgets of the subsidiaries, except in the case where it is defined in the Delegation of Authority approved by the Company's Board of Directors that the subsidiaries are required to follow.
- (e) Capital increase through the issuance of capital increase shares of the Company's subsidiaries and share allocation, including reduction of registered and/or paid-up capital of the subsidiaries, which does not conform to the original shareholding proportion of the shareholders, or any other action resulting in the Company's shareholding and/or exercise of direct and/or indirect voting rights of the Company at the shareholders' meeting of the subsidiaries to decrease by more than ten (10) percent of the subsidiaries' paid-up capital or the total number of votes of the subsidiary (as the case may be).

The following items (f) to (n) are considered material and if entering a transaction will have a material impact on a financial position and operating results of the subsidiaries, it shall be approved by the Board of Directors' meeting of the Company first. In this regard, it shall be the case when considering the nature of the transaction, such as the size of the transaction and a person entering into the transaction as specified in the Notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand on the Acquisition or



Disposition of Assets and/or Connected Transactions (as the case may be) to apply mutatis mutandis and within the criteria to be approved by the Board of Directors' meeting:

- (f) In the event that the subsidiaries agree to enter into a transaction with a connected person of the Company or its subsidiaries or a transaction relating to acquisition or disposition of assets of the subsidiary;
- (g) Transfer or forfeiture of benefits, including waiving of claims against those who cause damage to the subsidiaries;
- (h) Sale or transfer of all or a significant portion of business of the subsidiaries to other persons;
- (i) Purchase or acceptance of transfer of business of other companies to the subsidiaries;
- (j) Execution, amendment or termination of lease agreements of all or significant parts of the subsidiaries' business, assignment of other persons to manage business of the subsidiaries or merger of business of the subsidiaries with other persons;
- (k) Lease of business or the subsidiaries' assets or material part;
- (l) Borrowing, lending, granting of credit, guarantee, juristic acts binding the subsidiaries to bear additional financial obligations or providing financial assistance in any other manner to other persons and which is not a normal business of the subsidiaries;
- (m) Dissolution of the subsidiaries;
- (n) Any other transactions which are not normal business transactions of the subsidiaries and transactions that may have a significant impact on the subsidiaries.

**(2) Matters that require approval from the shareholders' meeting of the Company**

- (a) Amendments to the Articles of Association of the subsidiaries on matters that may have a material impact on a financial position and operating results of the subsidiaries, including but not limited to amendments to the Articles of Association of the subsidiaries that affect the voting rights of the Company at the Board of Directors' meeting of the subsidiaries and/or the shareholder meeting of the subsidiaries or payments of dividends of the subsidiaries;

The following items (b) to (e) are considered material and if entering a transaction will have a material impact on a financial position and operating results of the subsidiaries, it shall be approved by the shareholders' meeting of the Company first. In this regard, it shall be the case when considering the nature of the transaction, such as the size of the transaction and a person entering into the transaction as specified in the Notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand on the Acquisition or Disposition of Assets and/or Connected Transactions (as the case may be) to apply mutatis mutandis and within the criteria to be approved by the shareholders' meeting:

- (b) In the event that the subsidiaries agree to enter into a transaction with a connected person of the Company or its subsidiaries or a transaction relating to acquisition or disposition of assets of the subsidiaries;
  - (c) Capital increase through the issuance of capital increase shares of the Company's subsidiaries and share allocation, including reduction of registered and/or paid-up capital of the subsidiaries, which does not conform to the original shareholding proportion of the shareholders, or any other action resulting in the Company's shareholding and/or exercise of direct and/or indirect voting rights of the Company at the shareholders' meeting of the subsidiaries to decrease to less than the proportion stipulated in the law applicable to the subsidiaries, resulting in the Company having no control over its subsidiaries;
  - (d) Dissolution of the subsidiaries;
  - (e) Any other transactions which are not normal business transactions of the subsidiaries and transactions that may have a significant impact on the subsidiaries.
2. The Board of Directors of the Company shall ensure that its subsidiaries have an internal control system, risk management system, and anti-fraud system, and shall establish appropriate measures to monitor performance of the subsidiaries, which are efficient and concise to ensure that all operations of the subsidiaries are carried out in accordance with the Company's policies and this policy, including laws and notifications on good corporate governance of listed companies, and relevant notifications, regulations and rules of the Capital Market Supervisory Board, Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand. It also shall monitor the subsidiaries to disclose information on connected transactions and/or acquisition or disposition of assets and/or any other significant transactions to the Company, and perform other actions to comply with the rules of supervision and management of the subsidiaries as specified in the Company's policies and Articles of Association

#### **Management Policy in the Subsidiaries and Associates**

As the Company is a holding company and does not engage in significant business operations of its own, to supervise operations of its subsidiaries and associates, the Company sends its representative to act as a director in the subsidiaries and associates according to their shareholding proportion. Such persons shall have qualifications and experience that are appropriate for the business and have no conflict of interest in the business and shall manage the business of the subsidiaries and/or associates in accordance with the policies

assigned by the Company and in accordance with the rules and regulations as stipulated in the Company's Articles of Association and the laws of the subsidiaries and/or associates.

In addition, the Company monitors the directors and executives who are appointed by the Company to serve as directors and executives in subsidiaries and associates to perform their duties and responsibilities in accordance with laws, the Company's policies and Articles of Association and closely monitors operating results of the subsidiaries and/or associates and present the results of analysis, as well as express opinions or suggestions to the Board The subsidiaries' Board of Directors or associates for establishment of policies or improvement of the business of the subsidiaries and/or associates to develop and grow continuously. Investment Policy in the Subsidiaries and Associates.

#### **Investment Policy in Subsidiaries and Associates.**

The Company focuses on investing in businesses with potential for growth and create good returns on investment. In this regard, obtaining approval for investment in the subsidiaries or associates shall be in accordance with the Notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand on Acquisition or Disposition of Assets and/or Connected Transactions (as the case may be).

Investing in the above businesses focuses on long-term investments, including investing in businesses with potential for growth and create good returns for the Company based on the fundamentals of the business to be invested, as well as trends of that business. In addition, the Company has the policy to invest in a sufficient proportion to be able to participate in the management and establishment of business practices in the subsidiaries, associates and those jointly controlled entities, including promoting businesses that have investments for sustainable growth.

The Company may have investments in other related businesses in the future that can support and promote the Company's core business. However, the investments must be in line with the business conditions and the Company's strategic plan. The Company may consider investing in other businesses that are not the main business of the Company in the future, in which the investments shall also be in line with the business conditions and the Company's strategic plan.

In making any investment decisions, the Company conducts a feasibility analysis of projects and takes into account various factors involved. This includes the risks of investing in the projects, business expansion trends, value creation, worthiness, and increase of competitiveness of the Company. The Company will provide its experts (or external experts, as the case may be) to consider investing in the projects before investing and will present an investment plan to the Board of Directors for consideration, including consulting to mitigate any potential investment risks.

### Duties of Directors and Management of the Subsidiaries

1. Directors and management of the subsidiaries shall disclose information on its financial status and operating results, connected transactions, as well as acquisition or disposition of assets and/or significant transactions to the Company completely, accurately and within a reasonable time as specified by the Company.
2. Directors and executives of the subsidiaries shall disclose and submit personal interest information and related parties to the Company's Board of Directors to acknowledge relationships and transactions with the Company and/or its subsidiaries that may create a conflict of interest. It shall avoid making transactions that may cause conflicts of interest and the subsidiaries' Board of Directors are obliged to report such matters to the Company's Board of Directors within the time specified by the Company for consideration, decision or approval, which will take into account the overall benefits of the parent Company and its subsidiaries.

However, directors and executives of the subsidiaries shall not take part in approving matters in which they have interests or conflict of interest, both directly and/or indirectly.

In addition, the following actions, which result in the directors, executives or related persons of the subsidiaries receiving financial benefits other than their normal circumstances or damage to the parent company or its subsidiaries shall be assumed significantly contrary to or inconsistent with the interests of the Company.

- (a) Transactions between the subsidiaries and directors, executives or related persons are not in accordance with the rules on connected transactions.
  - (b) Use of information of the Company or its subsidiaries, unless such information has been disclosed to the public.
  - (c) Use of assets or business opportunities of the Company or its subsidiaries in the same manner of the Company and such use violates general rules or practices as specified in the Notification of the Capital Market Supervisory Board.
3. Directors and executives of the subsidiaries shall report business plans, business expansion, large investment projects as approved by the Company, as well as investments with other entrepreneurs to the Company through monthly or quarterly performance reports and shall clarify or submit documents for consideration upon the Company's request.

4. Directors and executives of the subsidiaries shall clarify and/or submit information or documents related to their operations to the Company upon request as appropriate.
5. Directors and executives of the subsidiaries shall clarify and/or submit relevant information or documents to the Company in the event that the Company has found any significant issues.
6. Directors and executives of the subsidiaries shall operate to ensure that the subsidiaries have an Internal control system, risk management system, and anti-fraud system, and shall establish appropriate measures to monitor performance of the subsidiaries, which are efficient and concise to ensure that all operations of the subsidiaries are carried out in accordance with the Company's policies and Articles of Association, including laws and notifications on good corporate governance of listed companies, and relevant notifications, regulations and rules of the Capital Market Supervisory Board, Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand. In addition, it shall arrange for a working system in place to demonstrate that the subsidiaries have sufficient systems to disclose significant transactions in accordance with the specified criteria on an ongoing and reliable basis. There shall also be a channel for directors and executives of the Company to receive information of the subsidiaries in monitoring performance and financial status, transactions between the Company and the directors and executives of the subsidiaries, as well as a mechanism to audit such work system within the subsidiaries by allowing the internal audit team and the Company's directors to have direct access. The audit results of the said work system are reported to the directors and executives of the Company to ensure that the subsidiaries have consistently performed their work in line with the system.
7. No director, executive, employee or assignee of the subsidiaries, including the spouse and underage children of such person, shall use inside information of the Company or its subsidiaries, whether acquired from performance of their duties or in any other way that has or may have a material impact on the parent company and/or its subsidiaries, for the benefit of themselves or others, whether directly and/or indirectly, and whether with or without reward or compensation.
8. Directors, executives, or related persons of the subsidiaries may enter into transactions with the subsidiaries only if such transactions are approved by the subsidiaries' Board of Directors of and/or the subsidiaries' Board of Directors meeting and/or the subsidiaries' shareholders' meeting and/or the Company's shareholders' meeting (as the case may be) according to a calculated size of the transactions (under the criteria for the calculation of transactions as specified in the Notification of the Capital Market Supervisory Board, the Notification of the Capital Market Supervisory Board, and the Notification of the Stock Exchange of Thailand Board of Directors regarding connected transactions to apply *mutatis mutandis*), except for transactions which are trade agreements in the same manner

as an ordinary person would do with a general counterpart in the same situation with trade bargaining power without influence in their position as a director, executive or related person (as the case may be) and commercial agreements approved by the Company's Board of Directors' meeting or in accordance with the principles approved by the Company's Board of Directors' meeting.

In 2021, the Company appoints 2 executives, Mrs. Yupaphan Ekasittikul and Mr. Siruwat Chatchawan, to be directors in one subsidiary, Zen and Kosum Interfood Co., Ltd., which has been approved by the Board of Directors Meeting No. 3/2021, on March 12, 2021. In the past year, Zen and Kosum Interfood Co., Ltd. has no connected transaction size of which the Board of Directors and the Audit and Corporate Governance Committee shall participate in the consideration.

In 2022, the Company has considered sending 2 executives, Mrs. Yupapan. Eksitthikul and Mr. Siruwat Chatchawan to be directors in 1 subsidiary, King Marine Foods Co., Ltd., which has been approved by the Board of Directors' Meeting No. 2/2022 held on February 24, 2022. In the past year, King Marine Foods Co., Ltd. has no connected transaction size of which the Board of Directors and the Audit and Corporate Governance Committee shall participate in the consideration.

#### **8.14 Monitoring of Compliance with Corporate Governance Policies and Practices**

The Company has complied with the good corporate governance principles of CG Code to suit the Company's business in order to ensure that the Company and its subsidiaries have good performance sustainably. There are only some practice that have not yet been applied such as the Board of Directors consists of more than 50% of independent directors and the Board of Directors should consist of more than 66% of non-executive directors as it is deemed inappropriate during this period and will be in consideration in the future.

The Company places importance on good corporate governance and established related policies and practices in the Corporate Governance Policy and the Code of Conduct and encourages practice to build confidence among all stakeholders.

In the past year, the Company monitored to ensure compliance with good corporate governance covering 1) employee care and non-discrimination; 2) anti-unfair competition; 3) environment, health and safety in the organization; and 4) Information security. The results showed that the Company completely followed the guidelines of each issue.

In addition, in order to comply with the good corporate governance, the Company followed up on other five issues as follows:

##### **(1) Prevention of Conflicts of Interest**

The Company is committed to conducting business under the principles of good corporate

governance with honesty and places importance on prevention of conflicts of interest in order to operate business with transparency and adherence to the principles of good governance. The Company established guidelines for directors, executives and employees to practice in preventing such conflicts of interest. Conflict of interest policy and practice are as follows:

1. Connected transactions shall comply with the connected transactions policy and a guide for connected transactions. Such transactions shall be reviewed and supervised without any stakeholder involved in the interest to take part in decision-making on connected transactions. In the event that a transaction requires approval from the Board of Directors, the Audit Committee shall have the Audit and Corporate Governance Committee to consider and give opinions, as well as undertake to ensure complete and accurate disclosure to the public.

2. To avoid any action that may cause contradict or conflict of interest with the Company, including using one's position or allowing others to use it in pursuit of personal interests or related parties, whether directly or indirectly.

3. To avoid holding shares or to carry out transactions or participation or external activities or holding another position, including a director, consultant, representative in other businesses or organizations which have conflicts, or have transactions or conduct business that contradicts or conflicts with the interests of the Company, whether directly or indirectly. In addition, the procedures shall not affect or damage the Company and performance of that person's company.

4. In the case of any transaction or activity that may have direct or indirect interests which may contradict or conflicts with the interests the Company, directors, executives, employees and related persons are obliged to notify a designated unit, person or supervisor or authority, and shall not participate in decision-making in the interest.

5. No executives or employees shall work as permanent or temporary employees in other businesses in which the business operation is the same as the Company or is a competitor to the Company or businesses that may contradict or conflict with the interests of the Company.

In the past year, the Company did not have a case that may cause a conflict of interest.

The Board of Directors has established a conflict of interest policy for directors, executives, and employees to use as a guideline to prevent conflicts between personal interests and interests of the Company or its subsidiaries, whether directly or indirectly. In addition, the Company has prepared videos for executives and employees to study in order to understand in detail of the conflict of interest policy and procedure correctly.



## (2) Use of Inside Information for Profit

The Company and its subsidiaries have the policy to prevent and supervise directors, executives, and employees of the Company and its subsidiaries, including persons who are presumed to know or possess inside information under the Securities and Exchange Act, B.E. 2535 (“Securities Act”) from using inside information which has not yet been disclosed to the public for personal gain as follows:

1. The Company provides knowledge to directors, executives of the Company, including those holding executive positions in accounting or finance, who are department managers or higher or equivalent (as defined by the Capital Market Supervisory Board and the Stock Exchange of Thailand) regarding the duty to report the securities holding of the Company under Section 59 and the penalties under Section 275 of the Securities Act, as well as to report on acquisition or disposition of the Company's securities under Section 246 and the penalties under Section 298 of the Securities Act.
2. It determines that (a) directors and executives, including those holding executive positions in accounting or finance, who are department managers or higher or equivalent shall be responsible for preparing and disclosing their securities holding reports issued by the Company, including their spouses or those who live with them as husband and wife and (b) juristic persons in which persons under (a) hold shares in aggregate more than 30 percent of the total voting rights of such juristic person and the aggregate holding shares is the largest proportion of that legal entity under the Notification of the Securities and Exchange Commission and Section 59 of the Securities Act for the first time, within 7 business days of the statutory reporting duties, and within 3 business days for every change by buying, selling, transferring or accepting transfer of securities, through the Company's Secretary in order to submit to the Office of the Securities and Exchange Commission at all times. The Company's Secretary is assigned to summarize a report on the securities holding and changes in securities holding to the Board of Directors' meeting for acknowledgment every six months.
3. No directors and executives, including persons holding executive positions in accounting or finance who are department managers or higher or equivalent and related practitioners who have received inside information about financial statements, financial position or operating results of the Company and other material inside information, shall buy, sell, offer for purchase, or offer for sale, or solicit others to buy, sell, offer, offer for purchase, or offer for sale of shares or other securities (if any) of the Company, whether directly or indirectly, in the period before financial statements or financial status and operating results of the Company are published until the Company discloses the information to the public itself. The Company will notify directors and executives to refrain from doing the above transactions in writing at least 30 days prior to the public disclosure and it may take at least twenty-four

hours after disclosure to the public to able to perform the above actions.

4. No directors, executives, and employees of the Company and its subsidiaries, including persons who are presumed to know or possess inside information under the Securities Act, shall use the Company's and its subsidiaries' inside information that has or may have an impact on changes in a price of the Company's securities, which has not been disclosed to the public and which they have obtained in such position for buying, selling, offering for purchase, offering for sale, or soliciting others to buy, sell, offer for purchase, or offer for sale of shares or other securities (if any) of the Company, whether directly or indirectly and whether such actions are performed for the benefit of themselves or others, or disclose such facts to others to do so, whether for the benefit or not.
5. No directors, executives, employees of the Company and its subsidiaries, including persons who are presumed to know or possess inside information under the Securities Act, shall disclose the Company's and its subsidiaries' inside information or confidentiality, as well as confidential information of the Company's and its subsidiaries' business partners, that they have gained from their performance to third parties, regardless of damage to the Company, its subsidiaries or business partners.
6. Directors, executives, and employees of the Company and its subsidiaries, including persons who are presumed to know or possess inside information under the Securities Act, shall keep the Company's and its subsidiaries' confidentiality and/or inside information No directors, executives, and employees of the Company and its subsidiaries, including persons who are presumed to know or possess inside information under the Securities Act, shall use the Company's and its subsidiaries' confidentiality and/or inside information for other companies.
7. Directors, executives, and employees of the Company and its subsidiaries, including persons who are presumed to know or possess inside information under the Securities Act, shall comply with the insider information usage guidelines under the Securities Act and the Public Limited Companies Act including other relevant rules.

The Board of Directors has prescribed the prevention of the use of inside information to protect and supervise directors, executives, employees and employees of the Company and its subsidiaries Including persons who are presumed to know or possess inside information according to the Securities and Exchange Act B.E. 2535, including relevant notifications and laws in using inside information that has not yet been disclosed to the public to seek personal benefits or others. The Company also produces

videos for executives, employees and employees to study in order to understand the details of the implementation of the policy to prevent the use of inside information correctly.

**(3) Anti-Corruption**

The Company established a written anti-corruption policy and process as a clear guideline to be a good example and raise awareness and communicate with performance of duties in good faith with sustainability.

The Company expressed its intention to join the Thailand's Private Sector Collective Action Coalition against Corruption (CAC) and was certified as a member of the project on August 21, 2018. and was renewed to be certified as a member of the Thai Private Sector Collective Action Coalition (CAC) on June 30, 2021, as well as encouraged all 7 Companies, ZRH AKA GGG OTT SYN ZPC ZSM, apply for membership in the CAC and were certified from CAC on April 4, 2022. In addition, The Company operates in accordance with the anti-corruption policy as follows:

- (1) The Company communicates to its directors, executives and employees by requiring that every process operation is strictly within the scope of the law, or an error or mistake during the operating process occurs due to negligence or unawareness, it shall be punished by the government or receive disciplinary punishment according to that offense.
- (2) The Company provides whistleblowing or complaints, or a reporting channel if any violations of the policies or corruption acts are found and set measures to protect Whistleblower or complainant, or reporter.

The Company discloses details of the policies and actions to prevent involvement with corruption on the Company's website under the topic of Corporate Governance as below.

<https://investor.zengroup.co.th/storage/corporate-governance/20221128-zen-cg-policy-th.pdf>

- (3) The Company has provided training to executives and employees to provide them with knowledge about policies and practices. in anti-corruption of the company There is regular internal training in the organization in line with the recommendations of the Thai Private Sector Anti-Corruption Coalition. In the orientation training of new employees, the topic of anti-corruption policy will be included as part of the training topic, and all employees must confirm compliance with the policy annually.
- (4) The Company conducted a risk assessment on the topic of risk factors "Corruption Risk" using the assessment criteria of the Thai Private Sector Anti-Corruption Coalition and submitted it to the Risk Management Committee in every Risk Management Committee meeting

- (5) The Company held its annual meeting of partners on March 25, 2022 online, with the topic "Anti-Corruption Corruption" as one of the topics of the meeting. In addition, the company sent a letter to partners on December 22, 2022 to inform about the anti-corruption policy of the group and persuade partners to become members of the Thai Private Sector Collective Action Coalition Against Corruption.

**(4) Policies and guidelines on non-infringement of intellectual property or copyright**

The Group values intellectual property and copyright, whether owned by the Group or third parties by preventing infringement of intellectual property, copyright, trademarks and service marks.

The Group has a policy of registration/registration to preserve the copyrights, trademarks and service marks of restaurant brands and products of the Group to monitor the renewal in its entirety.

In addition, the Group has been monitoring copyright infringement from outside. There are also guidelines that require employees not to infringe intellectual property and copyright of the Group either for their own benefit or those of others.

The Group has an information security policy. The objective is to take non-illegal actions, including non-infringement of intellectual property and copyright. The Group has a system to prevent abuse by employees who use the Company's information technology equipment other than that the program installed by the Company.

In the event that employees use their personal computers, they must notify the technology group to review first and must register in writing. Including having to be approved by the head of the technology group and such equipment must use copyrighted software, including installing Antivirus correctly, updating security and soft patches that are up to date. For the server system, the company will monitor and monitor usage rights and copyrights. Fully extended service life on all systems

In addition to intellectual rights, copyrights related to such technologies. The Company has established guidelines that all departments must not infringe on the intellectual rights and copyrights of other persons whether it is music copyright or any other copyright. There is a system and an agency that oversees the renewal too prevent problems in violation of intellectual and copyright.

**(5) Whistleblowing**

The Company places importance on good corporate governance by providing opportunities for its employees and stakeholders to report if found a violation or abnormal operation, such as corruption, non-compliance with rules or regulations stipulated by law, the Company's policies and

Articles of Association, the Code of Conduct, and ethics and anti-corruption policy, through the established channels to carry out an inspection in accordance with the processes specified in the "Complaints and Whistleblowing Policy" and report to the Audit Committee and the Board of Directors. In addition, the information to contact a whistleblower is clearly provided by disclosing processes and channels on the Company's website.

For whistleblowers to ensure that reporting or providing information or whistleblowing will not cause damage to them, the Company sets up a mechanism for protection and mitigation of damages to those who report or provide information of violations.

In 2022, there are one complaint through the whistleblowing system that allows third parties and employees to report about offenders or violators arising from non-compliance with the laws, policies, regulations and ethics, as follows:

1. One case of whistleblowing complaint that has been completely investigated are divided into:
  - 1 cases of violation: It is a violation of company regulations.
  - non-violation case -
2. Damage and penalties
  - Damage Amount - none -
  - Penalty

Written warning 2 people Verbal warning 1 person

All related parties shall take the whistleblowing complaints that have arisen to set a control point in order to improve operation efficiency. The Internal Audit Department shall assess efficiency and effectiveness of risk assessment and internal control and report to the Audit and Corporate Governance Committee regularly. In addition, senior executives also build a corporate culture, raise awareness of employees, and act as a good example.

#### Whistleblower Policy

Of

Zen Corporation Group Public Company Limited and Its Subsidiaries

#### Complainant

1. A person who has seen or known about directors, executives, employees and employees of Zen Corporation Group Public Company Limited ("the Company") and its subsidiaries acting of dishonesty or misrepresenting benefits, violating the law, human rights violation, Non-compliance

rules, Articles of Association and regulations of the Company and its subsidiaries or the Code of Business Conduct of the Company and its subsidiaries.

2. A person who has been treated unfairly, bullied, threatened, or discriminated against by wrongful acts.

#### Complaint recipient

1. Director of Internal Audit (email: internalaudit@Zengroup.co.th)
2. Company Secretary (email: corporatesecretary@Zengroup.co.th)
3. Audit and Corporate Governance Committee (email: auditcom@Zengroup.co.th)

#### Complaint channels

Complaints can be made to one of the complaint recipient of the complaint with the following channels:

1. Through the Email Address of a complaint recipient
2. Made in a letter to a complaint recipient
3. In the event that the complainant chooses not to disclose their name, the complainant shall specify sufficient details, facts or evidence to show that there are reasonable grounds to believe that the act is a fraud or has disrupted benefit, an act in violation of the law, rules, and regulations of the Company and its subsidiaries or unethical business conduct of the Company and its subsidiaries.

In this regard, the complaint shall be regarded as the highest confidentiality, and the complainant can make more than one complaint and do not need to reveal his/her identity. However, if the complainant discloses himself/herself, the Company will be able to report the operation or additional details regarding the complaint.

#### Investigation Process

1. The person receiving the complaint submits the matter that has been received to the Investigation Committee, which consists of the Human Resource Manager, the Internal Audit Department Manager, and the Legal Manager.
2. The Investigation Committee shall investigate and gather facts or may assign an appropriate person or department to carry out the investigation.
3. The Investigation Committee or an assigned person may invite any staff and employee to provide information or may request any relevant documents for investigation.
4. If it is found to be true, the Investigation Committee will propose the matter with comments and specify guidelines for proper, appropriate, and fair practices to the authorized persons as follows:

- In the event that a complaint is a matter of fraud or disruption of interest, it shall be proposed with comments and guidelines to the Internal Audit Department Director for consideration.
- In the event that a complaint is a matter of violation of laws, it shall be proposed with comments and guidelines to the Legal Director for consideration.
- In the event that a complaint is a matter of violation of the rules, regulations, or business ethics of the Company and its subsidiaries, it shall be proposed with comments and guidelines to the Compensation and Welfare Management for consideration. For offenses relating to business ethics, the Chief Executive Officer shall prescribe procedures/methods/any other measures to prevent repeat offences.
- In the event that a complaint is an important issue such as affecting the reputation, image or financial status of the Company and its subsidiaries, or conflicting with the Company's and its subsidiaries' business policies or relating to high-level executives, for example, it shall be proposed to the Audit and Corporate Governance Committee or the Board of Directors for consideration.
- In the event that a complaint causes damage to any person, appropriate and fair mitigation to the suffered person shall be provided.

#### Protection for complainants

1. A complainant may choose not to reveal himself or herself if he or she deems that disclosure may cause damage to himself or herself, but he or she shall provide sufficiently clear details of the facts or evidence to show that there are reasonable grounds to believe that the act is a fraud or has disrupted benefit, an act in violation of the law, rules, and regulations of the Company and its subsidiaries or unethical business conduct of the Company and its subsidiaries.
2. For related information, the Company shall treat it as confidential and disclose as necessary with regard to the safety and damage of the complainant. The person responsible for the process shall keep the information in the highest level of confidentiality and not disclose it to others, and the violation is considered a disciplinary offense.
3. In the event that a complainant considers that he or she may not be safe or may suffer, the complainant may request the Company to set appropriate protection measures, or the Company may specify protective measures without the request of the complainant if the matter is likely to cause damage or insecurity.
4. Those who have suffered shall be mitigated by an appropriate and fair mean or process.

(6) Policy and guidelines for non-infringement of intellectual property or copyright

The Group is aware of the importance of intellectual property and copyrights, whether they belong to the Group or third parties, and conducts prevention of any infringement of intellectual property, copyrights, trademarks, and service marks.

The Group has a registration policy in order to preserve the copyrights, trademarks, and service marks of the Group's restaurant brands and products in fully monitoring renewal.

In addition, the Group monitors infringement of copyrights, trademarks, and service marks from third parties, as well as preparing a guideline for employees to prevent infringement of the Group's intellectual property and copyrights, either for their own benefit or for others.

The Group has a policy of information security with the objective of conducting operations that are not contrary to the law, including non-infringement of intellectual property and copyrights. The Group also provides a system to prevent infringement: employees using the Company's information device or equipment cannot install additional programs other than those installed by the Company. In the event that an employee brings personal information devices, they shall first notify the IT team for inspection and shall register in writing. It must also be approved by the senior management of the IT team, and the devices shall be used with copyrighted software with correct antivirus software installed updated security, and current soft patches for the system. The Group's host will monitor the usage rights and copyrights, as well as a renewal in all systems.

In addition to intellectual rights and copyrights related to such technology, the Group established a guideline for all departments to prevent themselves from violating intellectual property rights and copyrights of others, whether music copyright or any other copyright, with team and system monitoring a full renewal in order to prevent any infringement of intellectual and copyright issues.



## 8.2 Summary of the performance of duties of the sub-committee

## 8.2.1 Sub-committee meeting 2022

Directors' Name	Position	Number of Attendance / Total Meetings				
		Audit and Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee	Marketing and Sustainability Development Committee	Executive Committee
1. Mr. Sakkanon Chirathivat	Vice Chairman of the Board of Directors/ Nomination and Remuneration Committee/ Risk Management Committee/ Director	-	3/3	4/4	-	-
2. Mr. Prawit Kijpaisalrattana	Chairman of Audit and Corporate Governance Committee / Chairman of the Nomination and Remuneration Committee / Independent Director	8/8	3/3	-	-	-
3. Assoc.Prof.Dr. Wilert Puriwat	Chairman of the Marketing and Sustainable Development Committee/ Nomination and	-	3/3	-	4/4	-

Directors' Name	Position	Number of Attendance / Total Meetings				
		Audit and Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee	Marketing and Sustainability Development Committee	Executive Committee
	Remuneration Committee / Independent Director					
4. Mrs. Jotika Savanananda	Member of Audit and Corporate Governance Committee / Nomination and Remuneration Committee / Independent Director	8/8	3/3	-		-
5. Mr. Chavalit Chindavanig	Member of Audit and Corporate Governance Committee / Chairman of the Risk Management Committee / Independent Director	8/8	-	4/4	-	-
6. Mr. Boonyong Tansakul	Chairman of the Executive Committee/ Risk Management Committee / Director / Chief Executive Officer	-	-	4/4		21/21

Directors' Name	Position	Number of Attendance / Total Meetings				
		Audit and Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee	Marketing and Sustainability Development Committee	Executive Committee
7. Miss Jomkwan Chirathivat	Executive Director / Marketing and Sustainable Development Committee / Director / Head of Sustainable Development Group	-	-	-	4/4	19/21
8. Mr. Chittapon Vivaddhanakasem	Executive Director / Risk Management / Director / Chief People Officer	-	-	4/4	-	21/21
9. Mr. Steven David Halliday	Director / Risk Management	-	-	4/4	-	-
10. Mr. Siruwat Chatchaval	Director / Executive Director / Marketing and Sustainable Development Committee / Chief Commercial Officer Thai Brand	-	-	-	4/4	20/21

Directors' Name	Position	Number of Attendance / Total Meetings				
		Audit and Corporate Governance Committee	Nomination and Remuneration Committee	Risk Management Committee	Marketing and Sustainability Development Committee	Executive Committee
11. Mrs. Yupaphan Ekasittikul	Executive Director / Chief Financial Officer	-	--	-	-	21/21
12. Mr. Pree Suvimolthirabutr	Executive Director / Chief Operations Officer / Chief Restaurant Officer	-	-	-	-	21/21
13. Mrs. Mayuree Chitrakorn <sup>(1)</sup>	Executive Director / Chief Marketing Officer	-	-	-	-	16/21

Note: <sup>(1)</sup>

Appointed as Executive Director By the Board of Directors' Meeting No. 2/2022 on February 24, 2022

## 8.2.2 Report on the performance of duties of the Board of Directors

### The Board of Directors' 2022 Report

The Board of Directors of Zen Corporation Group Public Company Limited ("Board of Directors") realizes the importance of corporate governance and social responsibility to enhance and build the confidence of the shareholders, stakeholders, as well as the public. It also believes that compliance with corporate governance and social responsibility will benefit shareholders. To achieve the Company's vision, the Board of Directors shall comply with the law for the shareholders' and stakeholders' best interest.

The Board of Directors consists of eleven directors as follows:

- |                                   |   |
|-----------------------------------|---|
| 1. Mr. Paitoon Taveebhol          | Chairman of the Board of Directors / Independent Director   |
| 2. Mr. Sakkanon Chirathivat       | Vice Chairman of the Board of Directors/ Nomination and Remuneration Committee/ Risk Management Committee                             |
| 3. Mr. Prawit Kijpaisalrattana    | Independent Director/ Chairman of the Audit and Corporate Governance Committee/ Chairman of the Nomination and Remuneration Committee |
| 4. Assoc.Prof. Dr. Wilert Puriwat | Independent Director/ Chairman of the Marketing and Sustainable Development Committee / Nomination and Remuneration Committee         |
| 5. Mrs. Jotika Savanananda        | Independent Director/ Audit and Corporate Governance Committee/ Marketing and Sustainable Development Committee                       |
| 6. Mr. Chavalit Chindavanig       | Independent Director/ Audit and Corporate Governance Committee/ Chairman of the Risk Management Committee                             |
| 7. Mr. Steven David Halliday      | Director / Risk Management Committee  |
| 8. Mr. Boonyong Tansakul          | Director / Chairman of the Executive Committee / Risk Management Committee / Chief Executive Officer                                  |
| 9. Miss Jomkwan Chirathivat       | Director / Executive Director / Marketing and Sustainable Development Committee   |
| 10. Mr. Chittapon Vivaddhanakasem | Director/ Executive Director / Risk Management  |
| 11. Mr. Siruwat Chatchaval        | Director / Executive Director / Marketing and Sustainable Development Committee   |

For the year 2022, the Board of Directors held a total of 8 meetings, all meetings via electronic media (E-Meeting) in which 11 directors attended every meeting, and 2 non-executive directors meetings in order to approve policies and operating directions proposed by the management, as well as to supervise the management to comply with the aforementioned visions, missions, policies, strategies and financial goals to increase economic value to the shareholders by taking into account all stakeholders

and complied with the objectives and regulations stipulated by the law, as well as the resolutions of the shareholders' meeting. The key performances can be summarized as follows:

**1. Determination of Strategies, Policies and Supervision of the Company's Operations**

- Approve strategic plans, annual business plans and annual budgets, and jointly formulate important short- and long-term policies and strategies, and closely monitor the Company's performance and financial status. This is in order to comply with the Company's business plans and budget, as well as to monitor the adequacy of the Company's financial liquidity and debt serviceability for long-term business continuity;
- Approve the changes in the organizational structure and approve the appointment of persons to hold the executive positions of the subsidiaries with the employee development plan and the succession plan of the executives;

**2. Review and Approval of Quarterly and Annual Financial Statements**

- Approve the quarterly and annual financial statements before submission to shareholders for consideration, including ensuring the preparation of accounts and keeping accounts and related documents. The Group also uses appropriate and efficient accounting system, as well as the disclosure of information in accordance with Thai Financial Reporting Standards (TFRS) set by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King and standards set by the Securities and Exchange Commission and the Stock Exchange of Thailand.

**3. Corporate Risk Management and Internal Control**

- Provide adequate and effective risk management processes, internal control systems and internal audit systems, as well as providing an assessment of the appropriateness of the Company's and its subsidiaries' internal control systems.

**4. Sustainable Development and Environment**

- Promote sustainable development by defining sustainability issues to be addressed, setting goals, formulating action plans, measuring and reporting;
- Promote environmental action by establishing an environmental policy both within the offices and at the branches, including switching to environmentally friendly packaging;
- To be selected as "Sustainability Stock" or Thailand Sustainability Investment (THSI) from the Stock Exchange of Thailand. This is a result of our commitment in developing business operations towards sustainable growth, balancing business practices, responsibility to stakeholders as well as environment, society and governance.

- Received the “Sustainable Model Organization in the Thai Capital Market for Supporting Disabled Persons” in the category of outstanding awards from the Securities and Exchange Commission (“SEC”) together with the Ministry of Labour, Department of Skill Development, Department of Employment, Department of Empowerment of Persons with Disabilities, Thai Listed Companies Association, and Disabilities Thailand, in November 2022

#### 5. Good Corporate Governance and Anti-Corruption

- Prepare good corporate governance practices for directors, executives and employees of the Company, including signing, acknowledging and confirming compliance with the Company's good corporate governance policy;
- Review the good corporate governance policy, code of conduct and social responsibility policy; approve the amendment of the good corporate governance policy to be in line with the good corporate governance principles for listed companies, including screening and ensuring that the Company and its subsidiaries comply with the good corporate governance policy, code of conduct and anti-corruption policy;
- Received the corporate governance (CG) rating of “Excellent” or 5 stars in 2022 which is the 2<sup>nd</sup> year, from the Thai Institute of Directors (IOD);
- Received the score of 99 in quality assessment in the 2022 Annual General Meeting of Shareholders from the Thai Investors Association;
- All 7 subsidiaries of the Company were certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) on April 4, 2022.

#### 6. Compliance with Securities Laws, SET Regulations or Related Laws

- Supervise the management and operations of the Company and its subsidiaries in accordance with the Company's policies, securities laws, as well as notifications, regulations and other relevant rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. This includes disclosing appropriate information to shareholders and the general public.

#### 7. Review of the Board of Directors' Charter and Sub-Committees' Charter, Performance Assessment of the Board of Directors as a committee and an individual basis, and Performance Appraisal of Chief Executive Officer

- Consider and review the Board of Directors' Charter and the Sub-Committees' Charter by considering and approving the amendments to the Audit and Corporate Governance

Committee Charter and Risk Management Committee's Charter to be in line with the powers and duties of the said Sub-Committees of the Company;

- Performance appraisal and determination of remuneration of the Chief Executive Officer.
- Performance assessment of the Board of Directors using self-assessment as a committee and an individual basis for consideration and review of results, problems and obstacles. The results are used to develop and improve various operating aspects. In 2022, assessment score as a committee was 3.8 and the assessment score on an individual basis was 3.8 out of a full score of 4.

The Board of Directors focus on good corporate governance and social and environmental responsibilities and committed to develop the organization for sustainable growth in order to build the confidence to shareholders and all stakeholders.

(Mr. Paitoon Taveebhol)

Chairman of the Board of Directors

Zen Corporation Group Public Company Limited

Zen Corporation Group Public Company Limited



### 8.2.2 Report on the performance of sub-committees Assigned by the Board of Directors

#### 1. Audit and Corporate Governance Committee

Report of the Audit and Corporate Governance Committee 2022 (Details as per Attachment 6)

#### 2. Risk Management Committee

Report of the Risk Management Committee Year 2022

The Board of Directors of Zen Corporation Group Public Company Limited emphasis on risk management in both the formulation process, strategy, and driving performance. The Risk Management Committee overseeing the risk management of Zen Corporation Group Public Company Limited and its subsidiaries to be in accordance with the strategic plan, set operational goals, supervise and control the risk management to be efficient and effective

Risk Management Committee as of December 31, 2022 consists of

- |                                  |   |
|----------------------------------|---|
| 1. Mr. Chavalit Chindavanig      | Chairman of the Risk Management Committee |
| 2. Mr. Sakkanon Chirathivat      | Risk Management Committee                 |
| 3. Mr. Boonyong Tansakul         | Risk Management Committee                 |
| 4. Mr. Chittapon Vivaddhanakasem | Risk Management Committee                 |
| 5. Mr. Steven David Halliday     | Risk Management Committee                 |

In performing its duties for the year 2022, the Risk Management Committee has fully performed its duties and responsibilities as assigned. Four meetings of the Risk Management Committee were held. A summary of the key activities in 2022 is as follows:

#### 1. Formulation of Strategic Plans and Policies related to Risk Management

- Determine risk management strategies and policies, including issues and scope of organizational risks, likelihood, impacts for the entire organization which consists of economic risk Environmental risks and social risks
- Determine appropriate risk management guidelines for business operations that are consistent with the implementation of strategies, business operations and business plans.

#### 2. Organizational Risk Management, Monitoring and Feedback

- Consider risk management plans and corporate risks, risk management with appropriate action in every period
- Monitor and review the implementation of risk management plans at the corporate level, risk assessment; provide recommendations and improve risk management plans suitable for the business operations of the Company and its subsidiaries.

### 3. Consideration and Review of the Policy and the Risk Management Committee's Charter

- Consider and review the adequacy of the Risk Management Committee's charter and risk management policy to be submitted to the Board of Directors for consideration and opinions. In 2022, there was no amendment to both the Risk Management Committee's charter and the risk management policy because the current version of charter is complete and appropriate.

### 4. Reporting to the Board of Directors

- The Risk Management Committee held the meetings with the Audit and Corporate Governance Committee at least twice a year to report a summary of risk management results, as well as to discuss issues and manage risks on important topics;
- Report on risk management to the Board of Directors of all corporate risks, including key issues deemed necessary to report to the Board of Directors on an ongoing and regular basis.

The Risk Management Committee is confident that the company's risk management, both in normal conditions and in the case of the Covid-19 epidemic, is continuous and effective in consistent with the principles and guidelines for good corporate governance including sufficient internal control systems and suitable for business and compliance with legal and regulations related to business operations correctly and completely.

(Mr. Chavalit Chindavanig)

Chairman of the Risk Management Committee

ZEN Corporation Group Public Company Limited

### 3. Nomination and Remuneration Committee

#### Report of the Nomination and Remuneration Committee 2022

The Board of Directors of Zen Corporation Group Public Company Limited has appointed the Nomination and Remuneration Committee in accordance with good corporate governance guidelines of listed companies. The members of the Committee have sufficient experience and ability, including knowledge of corporate governance, fully understand their duties and responsibilities and are able to devote sufficient time to perform their duties in order to achieve the Nomination and Remuneration Committee's objectives.

In the year 2022, the Nomination and Remuneration Committee of Zen Corporation Group Public Company Limited consists of 4 members as follows:

- |    |                               |   |
|----|-------------------------------|---|
| 1. | Mr. Prawit Kijpaisalrattana   | Chairman of the Nomination and Remuneration Committee<br>(Independent Director) |
| 2. | Assoc.Prof.Dr. Wilert Puriwat | Nomination and Remuneration Committee (Independent<br>Director)                 |
| 3. | Mrs. Jotika Savanananda       | Nomination and Remuneration Committee (Independent<br>Director)                 |
| 4. | Mr. Sakkanon Chirathivat      | Nomination and Remuneration Committee   |

The Nomination and Remuneration Committee perform duties according to their responsibility in considering the criteria and guidelines of the recruitment process as well as determining suitable remuneration for the Company's directors and sub-committee members for presentation to the Board of Directors meeting to consider and approve before proposing to the shareholders for approval on an annual basis including considering the remuneration of the top management of the company for presentation to the Board of Directors meeting for approval.

In the year 2022, the Nomination and Remuneration Committee completed the duties and responsibilities according to the specified framework by organizing a total of 3 meetings via electronic media (E-Meeting) all 3 times and all 4 directors attended every meeting. The summary of key points of the meeting are as follows:

#### 1. Consideration of the Goals and Annual Performance Appraisal of the Company and the Chief Executive Officer

- Consider and approve the Corporate KPIs, as well as appraise the corporate's annual performance and submit to the Board of Directors for approval.
- Appraise the Chief Executive Officer's annual performance and submit to the Board of Directors for approval;

**2. Consideration of Remuneration Budget of Directors, Chief Executive Officer and Employees of the Company**

- Consider and submit the remuneration structure for the Board of Directors and the Company's sub-committees, both monetary and non-monetary, including meeting allowances, salaries, bonuses, shares and other related benefits in accordance with strategies, goals and performance of the Company, comparable remuneration to other companies in the same industry, for submission to the Board of Directors for consideration before proposing to the shareholders' meeting for further approval;
- Consider the appropriate annual salary increase and bonus budgets of the Company and its subsidiaries based on the turnover of the Company and its subsidiaries and industry standards of the same type for submission to the Board of Directors for approval;
- Consider the annual adjustment of the Chief Executive Officer's remuneration and reward for submission to the Board of Directors for approval;
- Consider the employee compensation policy based on the Company's performance both in the short-term and long-term.

**3. Determination of Qualifications and Nomination of Directors and top Executives**

- Nominate and consider a qualified person to be a director of the Company to replace the one who retires by rotation to submit to the Board of Directors before submission to the 2022 Annual General Meeting of Shareholders for further consideration and appointment of a director;
- Consider and nominate a qualified person or director to hold a position in a sub-committee to submit to the Board of Directors for consideration and appointment of a sub-committee.
- Consider individuals to take positions as directors and executives of subsidiaries to propose to the Board of Directors.

**4. Consider the Improvement of Organizational Structure, Job Level and Salary Cylinder:** Consider and approve the improvement of the organizational chart and job level of the Company and its subsidiaries for more flexible and efficient management including improving the structure of the salary cylinder in order to have the ability to compete with the labor market.

**5. Consider the succession plan of the Chief Executive Officer and senior management** Including follow up the progress of the work to be carried out as planned.

**6. Review Charter, Performance Appraisal and Reporting of the Nomination and Remuneration Committee**

- Review the Charter of the Nomination and Remuneration Committee for the year 2022, there was no amendment since the current Charter is complete and appropriate.
- Evaluate the performance of the Nomination and Remuneration Committee. by using self-assessment methods (Self-Assessment) with both group and individual assessments to consider and review the work problems and obstacles In order to bring the assessment results to develop and improve performance in various areas. In 2022, the group assessment score was 3.7 and the individual assessment score was 3.7 out of a full score of 4.
- Regularly report the performance to the Board of Directors as appropriate.

The Nomination and Remuneration Committee has performed their duties as assigned with care, prudence and transparency and has adhered to the principles of good corporate governance for the best interests of shareholders, investors and all stakeholders.

(Mr. Prawit Kijpaisalrattana)

Chairman of the Nomination and Remuneration Committee

ZEN Corporation Group Public Company Limited

#### 4. Marketing and Sustainable Development Committee

##### Report of the Marketing and Sustainable Development Committee 2022

The Board of Directors of Zen Corporation Group Public Company Limited determines that the company conducts business under the code of conduct and corporate governance policy and adheres to the principles of continuous sustainable development. The Marketing and Sustainable Development Committee is responsible for proposing and considering the policy, supervising and following-up the work plan to be implemented throughout the organization.

The Marketing and Sustainable Development Committee consists of 3 directors as follows:

1. Assoc.Prof.Dr. Wilert Puriwat Chairman of the Marketing and Sustainable Development Committee
2. Miss Jomkwan Chirathivat Member of Marketing and Sustainable Development Committee
3. Mr. Siruwat Chatchaval Member of Marketing and Sustainable Development Committee

In performing the duties for the year 2022, the Marketing and Sustainable Development Committee held a total of 4 meetings to follow up the operations and perform the duties as specified and report the meeting results to the Board of Directors. All 4 meetings were via electronic media (E-Meeting) and all 3 directors attended every meeting. The key points were summarized as follows:

##### 1. Marketing

- Determine the marketing policy of the Company and its subsidiaries and consider and screen the strategic marketing plan to present to the Board of Directors;
- Determine the brand development policy and set the direction for developing strategies for all brands of the Company and its subsidiaries to present to the Board of Directors;
- Give advice to the Board of Directors on marketing, social responsibility, environment, and sustainable development.
- ZEN Corporation Group is one of the top 10 most popular companies. In the restaurant category from Thailand's Most Admires Company 2022-2023, the best of business organizations in the Next Normal era by Brandage magazine.
- Brand on the Table received 10 marketing awards from the Adman Award 2022 as follow:
  - 1) 4 Silver Awards
    - Media (product & service)
    - Media (Use of social)
    - Public Relations plan (launch & relaunch)
    - Social influencer & engagement (community management)

2) 6 Bronze 6 Awards

- Communication design craft (copy writing)
  - Direct (use of social platform)
  - Entertainment (talent)
  - Public Relations plan (product & use)
  - Public Relation plan (use of digital & social in PR)
  - Social & influencer (retail)
- Brand AKA received an award for marketing which is Brand that collaborate with Best Influencers Campaign 2nd place in Best Restaurant Influencer Campaign category from Thailand Influencer Awards 2022 by Tellscore

2. Sustainable Development, Social and Environmental Responsibility

- Consider the environmental, social and sustainable development (ESG);
- Consider the sustainability report to be disclosed in the Company's annual report;
- Report on sustainability performance to the Board of Directors;
- Review sustainable development policies, social responsibility policy and environmental policy for approval from the Board of Directors. In 2022, there was no amendment because the current version is completed and appropriate and in accordance with the guidelines of the Securities and Exchange Commission and the Stock Exchange of Thailand.

3. Review the Charter and Performance Assessment of the Marketing and Sustainable Development Committee

- Review the Marketing and Sustainable Development Committee's Charter for approval from the Board of Directors . In 2022, there was no amendment due to the current charter is completed and appropriate;
- Performance assessment of the Marketing and Sustainable Development Committee using self-assessment method as a committee and on an individual basis to consider and review the results, problems and obstacles. The results are used to develop and improve various operating aspects. In 2022, assessment score for both a committee and an individual basis were 4.0 (a full score of 4.0).

The Marketing and Sustainable Development Committee adheres to develop the operations of Marketing strategy and brand development of the organization and building growth and organizational development in accordance with the good corporate governance policy and strictly with business code of

conduct including emphasis on marketing development to sustain the business in order to build confidence to shareholders and all stakeholders which will contribute to the sustainable growth of the organization.

(Assoc. Prof. Dr. Wilert Puriwat)

Chairman of the Marketing and Sustainable Development Committee

ZEN Corporation Group Public Company Limited



#### 4. Executive Committee

##### Report of the Executive Committee 2022

The Board of Directors of Zen Corporation Group Public Company Limited has appointed the Executive Committee to ensure manage and oversee business operations of Zen Corporation Group Public Company Limited and its subsidiaries to be in accordance with strategies, policies, and procedures and core values of the Company and its subsidiaries.

The Executive Committee as of 31 December 2022 consists of

- |                                 |   |
|---------------------------------|---|
| 1. Mr. Boonyong Tansakul        | Chairman of the Executive Committee / Chief Executive Officer   |
| 2. Mrs. Yupaphan Ekasittikul    | Executive Committee / Chief Financial Officer   |
| 3. Mr.Chittapon Vivaddhanakasem | Executive Committee / Chief People Officer  |
| 4. Mr. Siruwat Chatchaval       | Executive Committee / Chief Commercial Officer Thai Brand   |
| 5. Mr.Pree Suvimolthirabutr     | Executive Committee / Chief of Restaurant Business / Chief Operations Officer/ Head of Investor Relations |
| 6. Mrs. Mayuree Chitrakorn      | Executive Committee / Chief Marketing Officer   |
| 7. Miss Jomkwan Chirathivat     | Executive Committee / Head of Sustainable Development   |

In the year 2022, the Executive Committee performed the duties and responsibilities according to the specified framework by organizing a total of 21 meetings, all 21 meetings via electronic media (E-Meeting) where all executive committee attended every meeting, except Mr. Siruwat Chatchawan attended the meeting 20 times and Miss. Jomkwan Chirathivat attended the meeting 19 and with the summary of key points of the meetings as follows:

##### 1. Strategy Formulation

- Consider and formulate the business strategy plan and financial goals (both short-term, medium-term and long-term), including the budget for the year 2022 for submission to the Board of Directors.

##### 2. Management and Supervision of the Company's Operations

- Approve matters related to the business of the Company and its subsidiaries. to supervise the administration
- Screen all types of work submitted to the Board of Directors for consideration, except those that are under the responsibility and/or the authority of other sub-committees of the Company responsible for screening before direct submission to the Board of Directors.

- Monitor the performance and progress of investment projects of each business and report results including problems or obstacles observed and guidelines for improvement to the Board of Directors.
- Consider the profits and losses of the Company and its subsidiaries and consider the payment or non-payment of dividends of the Company and subsidiaries for submission to the Board of Directors.

### 3. Policy Formulation

- Determine management policies of the Company and its subsidiaries and appoint and transfer executives of each business base on the current business operations, including considering manpower plans.

### 4. Review of the Executive Committee's Charter and Performance Assessment of the Executive Committee as a committee and on an individual basis

- Review the Executive Committee's Charter. In 2022, there was no amendment as the current charter is complete and appropriate;
- Performance assessment of the Executive Committee using self-assessment method as a committee and on an individual basis to consider and review the results, problems and obstacles. The results are used to develop and improve various operating aspects. In 2022, assessment score as a committee was 3.7 and the assessment score on an individual basis was 3.8 out of a full score of 4.

### 5. Reporting

- Regularly report to the Board of Directors the activities carried out by the Executive Committee within the scope of the Executive Committee's powers and duties, including any other necessary and appropriate matters to be submitted to the Board of Directors for acknowledgment.

The Executive Committee has performed duties as assigned by the Board of Directors by using their knowledge and competence in performing their duties prudently, carefully and reasonably to the best of their abilities by considering the best interests of the company, shareholders and all stakeholders. In addition, the Company adheres to the principles of good corporate governance for the organization to be effective and sustainable.

(Mr. Boonyong Tansakul)

Chairman of the Executive Committee

ZEN Corporation Group Public Company Limited

## 9. Internal Control and Connected Transactions

### 9.1 Internal control

#### 9.1.1 Opinions of the Board of Directors on the internal control system

The Board of Directors realizes the importance of a good internal control system, and it is important to ensure that the Group has a suitable and adequate internal control system to oversee operations in accordance with the goals, objectives, laws, and relevant requirements effectively, as well as to prevent and manage risks or damages that may happen to the Group and its stakeholders, protect assets from corruption, and prepare accurate and reliable accounting and financial reports with complete, adequate, and timely disclosure of information.

At the Board of Directors meeting No.1/2023 on January 20, 2023, where members of Audit and Corporate Governance Committee attended, the Board of Directors considered and assessed the adequacy of the internal control system by inquiring information from the Company's management. The Board of Directors considered the Company's internal control system in five areas in accordance with the guidelines of the Committee of Sponsoring Organizations of Treadway Commission (COSO), which consisted of:

- (1) Control Environment
- (2) Risk Assessment
- (3) Control Activities
- (4) Information and Communication System
- (5) Monitoring Activities

The Board of Directors is of the opinion that the Company's internal control system is adequate, appropriate, and consistent with the adequacy assessment form of the SEC's internal control system. The Company provides sufficient personnel to operate the system efficiently. In addition, there is an internal control system for monitoring, controlling, and supervising operations of the Company's subsidiaries so that the Company's assets can be prevented from improper or unauthorized use. This includes transactions with persons who may have conflicts and connected persons. For internal control in other areas, the Board of Directors is of the opinion that the Company also has adequate internal control, and the adequacy assessment form of the Company's internal control system has been approved. The Company summarized the details of the adequacy assessment of the internal control system in the adequacy assessment form as follows:

## (1) Control Environment

The Company has an appropriate control environment as follows:

- The Board of Directors is independent of the management and is knowledgeable and expert in the business, with charters of the Board of Directors and Sub-Committees, such as the Audit and Corporate Governance Committee Charter, the Nomination and Remuneration Committee Charter, the Risk Management Committee Charter, and the Executive Committee Charter, in order to perform the duties of the Board of Directors with efficiency, effectiveness, fairness and in accordance with the Company's good corporate governance guidelines, as well as having a process for recruiting and considering qualifications of directors and the Chief Executive Officer under supervision of the Nomination and Remuneration Committee before proposing to the Board of Directors for approval and appointment;
- The Code of Conduct, the principles of corporate governance, and anti-corruption measures are stipulated in writing, as well as communication to directors, executives, employees through various training courses and online media, and third parties
- Follow-up and evaluation of the performance in accordance with the Company's Code of Conduct are provided, which allows executives and employees to complete an annual assessment online;
- Clear, measurable business goals are set, which include training courses. The annual training plan is also determined to develop personnel in accordance with the Company's business strategies, which includes incentives and activities organized to relieve the pressure on employees. In addition, the organizational chart has been modified to comply with the corporate policy, business competition, and current situations. A succession plan is set for key positions for senior executives, which includes career plans and potential development plans in order to continue business operations;
- The Company has been assessed by external agencies and certified for participation in the Private Sector Collective Action against Corruption (CAC) since 2018, and in 2021, the membership of the Thai Private Sector Collective Action Coalition Against Corruption has been renewed for the first time. and it is required to apply for certification every three years as the Company conducts a fraud risk assessment, as well as improving the Company's operating processes to be efficient and have adequate internal control.

## (2) Risk Assessment

The Company conducts risk assessments in accordance with the COSO ERM 2017 International Risk Management Framework and identifies corporate risk factors as detailed in Risk Factors". The overall performance of risk assessment is as follows:

- The Company complies with generally accepted accounting principles and has been certified in accordance with a written report of the Certified Public Accountant and it ensures that the transactions in the financial reports are true and complete in all material parts, showing the rights or obligations of the Company accurately, with an appropriate value, and complete and accurate information.
- Risk management is supervised by the Risk Management Committee, which is responsible for reviewing and assessing risks in both internal and external factors, including fraud risks, and follow up action plans to manage risks at both corporate and departmental levels;
- Employees are communicated with knowledge and understanding of risks through training courses and placing importance on a new law that affects operations, such as the Personal Data Protection Act B.E. 2562 (2019). Outside consultants are invited to educate directors, management and relevant employees in order to raise awareness of the importance and lead to improvement of relevant operational processes to ensure legal compliance.
- Corporate Strategy Department assesses changes in business models that may affect business operations, in order to adapt organizational strategies and goals to changing environment by assessing relevant factors, researching and following up on information such as movements of other entrepreneurs in the same type of business and the economy at both the macro and micro levels in order to assess the risks that may affect the Company.
- As the Company realizes the importance of changing corporate leaders, the Nomination and Remuneration Committee is responsible for recruiting qualified persons and stipulating a succession plan for senior executives, especially the Chief Executive Officer, to ensure business continuity.

### (3) Control Activities

The Company controls its operations to be effective in order to reduce the risks to an acceptable level with the following important control standards:

- Policy and procedures to support appropriate internal controls are established, which cover important processes such as procedures for dealing with major shareholders, directors, executives or those related to such persons, as well as process of approving transactions such as finance, purchasing and general administration, including appropriate separation of duties;
- Policy and measures against corruption, conflict of interest management, and connected transactions are established as guidelines for operations of the Company's personnel, as well as for communication with partners and stakeholders through the Company's intranet system and website.

### (4) Information and Communication System

The Company has an efficient information and communication system as follows:

- The Board of Directors establishes a policy and practice of confidentiality to maintain trust, integrity, and availability of information, including management of market-sensitive information, as well as to supervise directors, senior executives and employees, and relevant third parties to adhere to an information security system:
- The Company effectively manages important information, including financial information and other information, with a system to communicate the information sufficiently and promptly in order for the Board of Directors to make effective decision-making. The Board of Directors is communicated prior to the meeting date in advance for the period specified by the law. In the previous year, there has been a significant event, the COVID-19 pandemic, where the Management Division acted in a crisis and reported to the Board of Directors in a timely manner and communicated to employees and third parties to acknowledge correct information through appropriate channels and timely:
- The Company provides internal and external communication channels through the Company's intranet system and website in order that interested parties to receive the Company's news and information, including channels for reporting information or

complaints such as fraud, ethical violations, and non-compliance with the Company's regulations:

- In terms of data security, the Company stores important documents systematically and categorically and establishes a plan to develop more electronic document storage in order to search for documents as quickly as possible, prevent loss of documents, and reduce storage of papers.

#### (5) Monitoring Activities

The Company has an efficient, adequate and appropriate monitoring system as follows:

- Performance has been monitored to meet business goals through the Board of Directors meeting 8 times in the past year. In the event that the performance differs from the goal set, the Company determines to fix it within a reasonable period of time, with supervisors to monitor the progress and report to the management on a regular basis through the Management's meeting;
- The internal control system is regularly audited by the Internal Audit Department, which has a direct reporting line to the Audit and Corporate Governance Committee and the internal auditors are encouraged to continually improve their operations according to international standards;
- Policy and communication channels are provided for the management to report to the Audit and Corporate Governance Committee and the Board of Directors in a timely manner according to "Anti-Corruption Measures" in case of fraud or suspicion of fraud events or illegal practices and other unusual acts.

The Opinion of the Board of Directors on the Company's internal control system are summarized that it is adequate and suitable no significant issues or deficiencies were found and in line with the opinion of KPMG Co., Ltd., the Company's auditor, for the fiscal year ended December 31, 2022, that it is correct in accordance with financial reporting standards.

#### 9.1.2 Internal control auditor's report to the internal control system

The Internal Audit Department is an independent unit within the Company and reports to the Audit and Corporate Governance Committee. It is responsible for auditing and assessing the adequacy of the Company's

internal control system, both financially and non-financially. It also reviews compliance with rules and provides suggestions for development and improvement of the Company's operations to ensure that the Company complies with all relevant laws and regulations with good governance and internal control in order to achieve the organization's operational objectives.

The Internal Audit Department establishes an annual audit plan and a three-year long-term audit plan. The audit plan is in line with the risk assessment principles that affect operations of the Company and covers operational processes of the organization, which has been approved by the Audit and Corporate Governance Committee. The scope of the Internal Audit Department's work includes auditing, monitoring, controlling, testing, reviewing and adequacy assessment, as well as efficiency of the Company's internal control system and quality of its operations in the following areas:

- Reliability of the internal control system as well as compliance with accounting and financial standards and policies, organizational structure plan, measures to protect assets from misuse and to ensure they are completely safe from fraud and errors;
- Reliability of the internal control system for management and performance in accordance with policies and plans, laws, rules and regulations of public agencies and regulatory bodies, as well as the Company's Articles of Association covering activities including management, operation, procurement, marketing, financial management, and accounting and human resources;
- Reliability of the anti-corruption internal control system in order to comply with and respond to the Company's anti-corruption measures, which promotes business operations with more morality and sustainable development. This includes a guideline for grievance procedures by coordinating with relevant units to resolve problems and find preventive measures so that employees and other stakeholders have a channel to report complaints or whistleblowing and the Internal Audit Department is one of the units responsible for grievance procedures.

The Internal Audit Department report audit results and progress to resolve deficiencies as suggested to the Audit and Corporate Governance Committee. The auditors are independent and able to access the Company's information and assets in connection with operations, as well as to request information and clarification from those involved in matters assigned to audit. In addition, the Internal Audit Department also provides advice on operations and supports departments in the Company to conduct their own risk assessment in order to ensure efficiency and effectiveness of the Company's internal control system and operations, reliable



financial reports, compliance with legal requirements, rules and regulations of public agencies and regulatory bodies, and the Company regulations, orders and notifications, and to protect the Company's assets and prevent any damage that may occur to the Company, as well as to create appropriate balances and audits in order to create reasonable confidence in the Company's performance to achieve the goals set.

In addition, the Internal Audit Department encourages its personnel to develop their knowledge on an internal and external basis in order to gain professional knowledge and expertise of internal auditing and other skills necessary to perform their work.

#### **9.1.3 Internal audit supervisor of the company**

The Company has established the Internal Audit Department since October 16, 2014. At present, Miss. Rungaroon Phongwilai is the Company's Internal Audit Director (Acting). As Miss. Rungaroon Phongwilai has more than 15 years of audit experience with knowledge and understanding of the Company's activities and operations, the Audit and Corporate Governance Committee is of the view that Miss. Rungaroon Phongwilai is qualified to perform such duties adequately (see more details concerning the Company's Head of the Internal Audit in Attachment 3, the Head of the Internal Audit)

The Audit and Corporate Governance Committee and the Chief Executive Officer jointly approves in considering the appointment, transfer, and termination of the Company's Head of Internal Audit.

## 9.2 Related parties

### 1. Related parties

Relevant parties	Business types	Relationship
1. Food Gimmick Co., Ltd.	Rental for space and service	<ul style="list-style-type: none"><li>- Mr.Sudthidej Chirathivat father of Mr.Sakkanon Chirathivat and Ms.Jomkwan Chirathivat shareholders held 100 percent of the Company and director</li><li>- Mrs.Neangnong Chirathivat mother of Mr.Sakkanon Chirathivat and Ms.Jomkwan Chirathivat and director</li></ul>
2. Mr. Teeratas Bumnetpun	-	<ul style="list-style-type: none"><li>- Mr. Teeratas Bumnetpun held 49 percent of the King Marine Food. Co. Ltd., and director</li></ul>
3. Mr. Steven David Halliday	-	<ul style="list-style-type: none"><li>- Mr. Steven David Halliday held 1.26 percent of the Company and director</li></ul>

## 2. Related Party Transactions

Related party transactions for the year ended 31 December 2021 and 2022

Relevant parties	Description	Amount December 31, 2021 (Baht)	Amount December 31, 2022 (Baht)	Necessity and Rationale	Comments from the Audit Committee
1. Food Gimmick Co., Ltd.	1.1 <u>Rent space</u> - Cost - Account payable - Prepaid property tax	1,550,134.1 281,087.9 -	1,974,200.1 154,779.0 -	<ul style="list-style-type: none"> <li>- Formerly Foods Gimmicks Co., Ltd. operates a restaurant business. But currently does not conduct such business, but still holding the long-term leasehold rights of the Central Bangna Department Store, and allowed the Group sublease area by leasehold rights between Foods Gimmicks Co., Ltd. and Central Bangna Department Store will end on December 31<sup>st</sup>, 2023</li> <li>- The Group had entered into a sublease agreement from Foods Gimmicks Co., Ltd. to operate the AKA restaurant at Central Bangna Department Store. The lease period is 3 years and can be renewed for 1 years each time, area of 317.48 square meters</li> <li>- The rental rate is a variable rate according to sales at the rate of 10 percent of sales in the event that sales are less than or equal to 2.5 million baht per month and 15 percent of sales in the event that sales are more than 2.5 million baht per month which is the rental rate comparable to third parties which has rental rates calculated from sales</li> <li>- However, if in the future the Group will renew the lease in such area, The Group will consider renewing the comparison criteria that is best for the company and if the leasehold of the Foods Gimmicks Co., Ltd. has expired. The Group will continue to lease directly through the department store.</li> </ul>	<ul style="list-style-type: none"> <li>- The rental operation was a normal business transaction. Based on the variable rate of sale. Such transaction is reasonable. It is beneficial for the business of the Company.</li> </ul>

Relevant parties	Description	Amount December 31, 2021 (Baht)	Amount December 31, 2022 (Baht)	Necessity and Rationale	Comments from the Audit Committee
	1.2 <u>Lease Deposit</u> - Deposit	2,666,832.0	2,666,832.0	<ul style="list-style-type: none"> <li>- In under the sublease agreement Require the Group to paid deposit for Foods Gimmics Co., Ltd., which the Group will receive a deposit for the lease back when the contract is terminated if there is no breach of the conditions specified in the lease agreement.</li> <li>- The rental deposit is as specified in the contract based on the former rental rate according to the original contract which is a fixed rate for a period of 6 months which is comparable to the general conditions for renting space.</li> <li>- According to the guidelines of the Group will proceed directly with the department store in the future will cause the rental contract to be terminated at that time.</li> </ul>	- The rental operation was a normal business transaction. settlement terms were subject to normal commercial terms as well as outsiders. Such transaction is reasonable.
2. Mr. Teeratas Bumnetpun	2.1 <u>Short Term Loan</u> - Short term loan - Interest expense	- -	4,900,000.0 79,490.3	<ul style="list-style-type: none"> <li>- Because King Marine Foods Co., Ltd. has imported products from abroad to sell to customers which requires a large amount of money to pay for the goods in advance. Currently, waiting for the bank to consider granting additional credit.</li> <li>- Short-term loans in proportion to their shareholding, with SYN lending 51%, Mr. Teeratat Bamnetphan lending 49%.</li> <li>- Short-term loans are in the form of promissory notes with maturity of 60 days, interest rates based on the company's actual cost of finance.</li> </ul>	- The normal business supporting of company and transaction. The price is charged according to the actual expenses which did not deprive the company. Such transaction is reasonable.

Relevant parties	Description	Amount December 31, 2021 (Baht)	Amount December 31, 2022 (Baht)	Necessity and Rationale	Comments from the Audit Committee
3. Mr. Steven David Halliday	<u>3.1 Consulting fee</u> - Expense - Account payable	- -	70,000.0 -	- Mr. Steven David Halliday received compensation for providing advice and consulting on strategic plan preparation for 3 years according to the consulting contract. The contract period is approximately 3 months and ends on October 4, 2022. - Consulting fee which is in accordance with the agreement between the parties	- The normal business supporting of company and transaction in the past agree with partners of contract which did not deprive the company. Such transaction is reasonable.

### **3. Necessity and rationality the transactions**

At the Audit and Corporate Governance Committee Meeting of the Company has considered the related party transactions of the Group were necessary and beneficial to be executed to support normal business course of the Company and conditions in these related party transactions were made on the basis of normal business conditions would execute with contractual parties under the same circumstance and as long as there is no influence persons having potential conflict of interest (Arm's Length Basis).

### **4. Measures or procedures for approving related party transactions**

At the Board of Directors' meeting of the Company the measures and procedures for the approval of related party transactions between the Company, subsidiaries, and any party with potential conflict of interest with the Company, the Company and subsidiaries must comply with the Securities and Exchange Act, regulations, notifications and orders of the Capital Market Supervisory Board. The stakeholders will not be able to participate in the approval process. Regarding to the law that requires related party transactions to be approved by the Board of Directors, the Company will arrange for the Audit and Corporate Governance Committee to attend the meeting to consider and comment on the necessity and reasons of entering into the transaction.

The transaction which entails to trade agreement with the general commercial terms and conditions as well as trade agreement that is not subject to general commercial terms, both of the transactions shall be proceeded by the following principles:

#### **4.1 Transaction of commercial agreement with the general commercial terms and conditions**

Board of Directors' of the Company has approval in principle to allow the management to approve such transaction as long as it contains the same business agreement normal people would execute with contractual parties under the same circumstance and as long as there is no influence from the fact that one is a director, executive or a related person over a business negotiation.

The Company will submit a summary of transactions being executed and report to the meeting of the Audit and Corporate Governance Committee and the Board of Directors on a quarterly basis.

#### **4.2 Transaction of commercial agreement other than the general commercial terms and conditions**

Transaction of commercial agreement other than the general commercial terms and conditions shall be considered and commented upon by the Audit and Corporate Governance Committee before being presented to the Board of Directors or shareholders meeting for further consideration and approval to comply with the Securities and Exchange Act Including the regulations, announcements and orders of the Capital Market

Supervisory Board and the Stock Exchange of Thailand, including compliance with the disclosure requirements of connected transactions.

In the event that the Audit and Corporate Governance Committee is unqualified to consider the related transactions, the Company may appoint independent experts or the Company's auditors to comment on such connected transactions for the Audit and Corporate Governance Committee so that Board of Directors or shareholders (as the case may be) shall use information for the decision-making to ensure that the transaction is necessary and reasonable. The Company will disclose the related transactions in the Annual Report and notes to financial statements audited by the Company's auditor

#### **5. Policy and tendency of future related party transactions**

The company will proceed in accordance with the securities and Exchange Act Including the regulations, announcements and orders of the Capital Market Supervisory Board and the Stock Exchange of Thailand, including compliance with the disclosure requirements of the connected transaction of the Company or subsidiaries in accordance with accounting standards prescribed by the Federation of Accounting Professions under the Royal Patronage.

Zen Corporation Group Public Company Limited

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Section 3

Financial statements



### 3. Financial statements

#### 3.1 Report of the Board of Directors' Responsibilities for the Financial Statements

##### Report of the Board of Directors' Responsibilities for the Financial Statements

The Board of Directors of ZEN Corporation Public Company Limited is responsible for the financial statements of the Company and its subsidiaries which have been prepared in accordance with generally accepted accounting standards in Thailand under Accounting Act B.E.2543 and the Securities and Exchange Act B.E.2535. The policies pursued are deemed appropriate and applied consistently with adequate disclosure of important information in the notes to the financial statement which the auditor has reviewed and expressed opinions in the auditor's report

The Board of Directors has appointed the Audit and Corporate Governance Committee comprising of the independent directors to supervise the financial report, internal control system for the purpose of efficiency and effectiveness and align with the financial reporting standard in Thailand and international Best Practice to ensure that the accounting records are accurate, complete and timely to prevent fraud and materially irregular operations. The opinion of the Audit and Corporate Governance Committee regarding to these matters appears in the Report of Audit and Corporate Governance Committee in this Annual Report.

The Board of Directors has opinion that the internal control and the internal audit systems of the Company and its subsidiaries are able to make confidence that the Company's the financial statements present financial position, operating results and cash flow accurately.

(Mr.Paitoon Taveebhol)  
Chairman of The Board of Directors

(Mr.Boonyong Tansakul)  
Chief Executive Officer

**Zen Corporation Group Public Company Limited  
and its Subsidiaries**

Financial statements for the year ended  
31 December 2022  
and  
Independent Auditor's Report



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## Independent Auditor's Report

### To the Shareholders of Zen Corporation Group Public Company Limited

#### *Opinion*

I have audited the consolidated and separate financial statements of Zen Corporation Group Public Company Limited and its subsidiaries (the "Group") and of Zen Corporation Group Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

#### *Basis for Opinion*

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



### Key Audit Matters

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

<b>Valuation of trademarks and goodwill</b>	
Refer to Notes 3, 14 and 15 to the consolidated and separate financial statements.	
<b>The Key Audit Matter</b>	<b>How the matter was addressed in the audit</b>
<p>As at 31 December 2022, the Group had trademarks and goodwill of Baht 80.3 million and Baht 255.4 million, respectively.</p> <p>Management considered the impairment test on an annual basis by determining the recoverable amounts of each cash-generating units (“CGU”) to which the trademarks and goodwill belongs from the value-in-use method (discounted cash flow (“DCF”). Any shortfall of the recoverable amounts against the carrying amounts would be recognised as impairment losses.</p> <p>Due to the significance of the balances and the estimation of the future cash flows attributable to the individual CGU to which trademarks and goodwill belongs, and the determining of discount rate relevant the significant management’s judgement, I considered as a key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• I made inquiries of management and obtaining related documents to understand the process by which management has derived its recoverable amounts;</li> <li>• I evaluated the DCF provided by the Group and determined by independent valuer and the Group’s assumptions applied in the value-in-use method against relevant documents as well as externally derived data;</li> <li>• I analysed historical information to support the precision in the Group’s forecasting process;</li> <li>• I tested calculation the recoverable amounts of each CGU and performed sensitivity analysis by the key assumptions;</li> <li>• I evaluated the appropriateness of methodologies and assumptions used by independent valuer;</li> <li>• I considered the adequacy of the Group’s disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>

### Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.





### *Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements*

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

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

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

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

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate 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 and the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. 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.

(Thanit Osathalert)  
Certified Public Accountant  
Registration No. 5155

KPMG Phoomchai Audit Ltd.  
Bangkok  
27 February 2023

## Zen Corporation Group Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2022	2021	2022	2021
(in thousand Baht)					
Current assets					
Cash and cash equivalents	6	327,417	267,527	219,603	114,201
Trade and other current receivables	5, 7	87,892	61,273	36,562	35,870
Short-term loans to related parties	5	-	-	272,819	300,018
Inventories	8	256,488	123,842	-	-
Current tax asset		14,553	10,861	10,177	7,854
Other current assets	5	42,201	31,193	5,347	8,351
Total current assets		728,551	494,696	544,508	466,294
Non-current assets					
Investment in an associate	9	-	3,892	-	-
Investments in subsidiaries	10	-	-	498,816	498,816
Investment properties	11	326,313	-	326,313	-
Property, plant and equipment	12	409,848	654,688	25,642	357,997
Right-of-use assets	13	707,872	817,490	90,234	139,235
Goodwill	14	255,366	194,809	-	-
Intangible assets other than goodwill	15	97,763	95,256	12,395	17,813
Deferred tax assets	22	61,968	86,153	14,577	15,394
Other non-current assets	5	236,645	210,219	24,920	21,845
Total non-current assets		2,095,775	2,062,507	992,897	1,051,100
Total assets		2,824,326	2,557,203	1,537,405	1,517,394

The accompanying notes form an integral part of these financial statements.



# Zen Corporation Group Public Company Limited and its Subsidiaries

## Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Liabilities and equity	Note	2022	2021	2022	2021
<i>(in thousand Baht)</i>					
<b>Current liabilities</b>					
Short-term borrowings from financial institutions	16	104,434	-	-	-
Trade and other current payables	4, 5, 24	337,177	318,535	10,378	11,851
Short-term borrowings from related parties	5, 16	4,900	-	-	4,077
Current portion of lease liabilities	16, 24	214,249	202,450	18,496	19,173
Current income tax payable		10,767	1,915	-	-
Accrued expenses	5	74,388	44,439	31,799	3,846
Current portion of deferred income		17,942	12,407	-	-
Current provisions for loyalty programmes		14,828	7,490	14,828	7,490
Retention payables		6,520	2,448	4	4
Other current liabilities		22,500	24,522	2,309	3,360
<b>Total current liabilities</b>		<b>807,705</b>	<b>614,206</b>	<b>77,814</b>	<b>49,801</b>
<b>Non-current liabilities</b>					
Lease liabilities	16, 24	535,491	650,474	98,644	144,430
Non-current provisions for employee benefits	17	26,020	24,681	15,505	13,135
Non-current provisions for decommissioning costs	12	66,927	59,682	5,091	5,091
Deferred income		21,551	26,479	-	-
Other non-current liabilities		20,370	22,311	-	-
<b>Total non-current liabilities</b>		<b>670,359</b>	<b>783,627</b>	<b>119,240</b>	<b>162,656</b>
<b>Total liabilities</b>		<b>1,478,064</b>	<b>1,397,833</b>	<b>197,054</b>	<b>212,457</b>

The accompanying notes form an integral part of these financial statements.



# Zen Corporation Group Public Company Limited and its Subsidiaries

## Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Liabilities and equity	Note	2022	2021	2022	2021
		(in thousand Baht)			
Equity					
Share capital:					
Authorised share capital					
(300,000,000 ordinary shares, par value at Baht 1 per share)		300,000	300,000	300,000	300,000
Issued and paid-up share capital					
(300,000,000 ordinary shares, par value at Baht 1 per share)		300,000	300,000	300,000	300,000
Share premium on ordinary shares	18	959,977	959,977	959,977	959,977
Surplus on business combination under common control		152,460	149,122	-	-
Retained earnings (Deficit)					
Appropriated to legal reserve	19	30,000	30,000	30,000	30,000
Unappropriated (Deficit)		(161,679)	(316,651)	50,374	14,960
Equity Attributable to owners of the parent		1,280,758	1,122,448	1,340,351	1,304,937
Non-controlling interests		65,504	36,922	-	-
Total equity		1,346,262	1,159,370	1,340,351	1,304,937
Total liabilities and equity		2,824,326	2,557,203	1,537,405	1,517,394

The accompanying notes form an integral part of these financial statements.

## Zen Corporation Group Public Company Limited and its Subsidiaries

## Statement of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in thousand Baht)			
<b>Income</b>					
Revenue from sales of goods and services	5, 20	3,383,294	2,208,758	-	-
Management fee income and others	5, 20	-	-	334,102	268,001
Dividend income	5, 10	-	-	29,550	11,800
Other income		29,828	46,562	11,072	15,945
<b>Total income</b>		<b>3,413,122</b>	<b>2,255,320</b>	<b>374,724</b>	<b>295,746</b>
<b>Expenses</b>					
Costs of sales of goods and services	5, 8, 21	1,837,568	1,242,954	-	-
Selling expenses	21	852,688	686,591	-	-
Administrative expenses	5, 21	476,953	398,452	332,951	283,580
<b>Total expenses</b>		<b>3,167,209</b>	<b>2,327,997</b>	<b>332,951</b>	<b>283,580</b>
<b>Profit (loss) from operating activities</b>		<b>245,913</b>	<b>(72,677)</b>	<b>41,773</b>	<b>12,166</b>
Finance costs	5	(32,698)	(37,553)	(6,807)	(7,604)
Share of loss of associate accounted for using equity method		(2,033)	(1,668)	-	-
<b>Profit (loss) before income tax expense</b>		<b>211,182</b>	<b>(111,898)</b>	<b>34,966</b>	<b>4,562</b>
Tax expense (income)	22	38,779	(23,316)	564	(1,498)
<b>Profit (loss) for the year</b>		<b>172,403</b>	<b>(88,582)</b>	<b>34,402</b>	<b>6,060</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Gain (loss) on remeasurements of defined benefit plans	17	566	2,622	1,265	(1,433)
Income tax relating to items that will not be reclassified	22	(113)	(524)	(253)	287
<b>Other comprehensive income (expense) for the year, net of tax</b>		<b>453</b>	<b>2,098</b>	<b>1,012</b>	<b>(1,146)</b>
<b>Total comprehensive income (expense) for the year</b>		<b>172,856</b>	<b>(86,484)</b>	<b>35,414</b>	<b>4,914</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		153,907	(91,573)	34,402	6,060
Non-controlling interests		18,496	2,991	-	-
		<b>172,403</b>	<b>(88,582)</b>	<b>34,402</b>	<b>6,060</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		154,972	(89,475)	35,414	4,914
Non-controlling interests		17,884	2,991	-	-
		<b>172,856</b>	<b>(86,484)</b>	<b>35,414</b>	<b>4,914</b>
<b>Basic earnings (loss) per share (in Baht)</b>	23	<b>0.57</b>	<b>(0.30)</b>	<b>0.11</b>	<b>0.02</b>

The accompanying notes form an integral part of these financial statements.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

	Consolidated financial statements					
	Retained earnings (deficit)			Equity		Total equity
	Issued and paid-up share capital	Share premium on ordinary shares	Surplus on business combination under common control	Appropriated to legal reserve	Unappropriated (deficit)	
				<i>(in thousand Baht)</i>		
<b>Year ended 31 December 2021</b>						
Balance at 1 January 2021	300,000	959,977	148,324	30,000	(227,176)	1,211,125
Transactions with owners, recorded directly in equity						1
<i>Contributions by and distributions to owners of the parent</i>						
Disposal of discount on purchases of fixed assets from companies under common control	-	-	798	-	-	798
<i>Total contributions by and distributions to owners of the parent</i>	-	-	798	-	-	798
<i>Changes in ownership interests in subsidiaries</i>						
Acquisition of a subsidiary with Non-controlling interests	-	-	-	-	-	33,930
<i>Total changes in ownership interests in subsidiaries</i>	-	-	-	-	-	33,930
<i>Total transactions with owners, recorded directly in equity</i>	-	-	798	-	-	798
						34,728
<b>Comprehensive income for the year</b>						
Profit (loss)	-	-	-	-	(91,573)	(91,573)
Other comprehensive income	-	-	-	-	2,098	2,098
<b>Total comprehensive income (expense) for the year</b>	-	-	-	-	(89,475)	(89,475)
						2,991
						(86,484)
<b>Balance at 31 December 2021</b>	300,000	959,977	149,122	30,000	(316,651)	1,122,448
						36,922
						1,159,370

The accompanying notes form an integral part of these financial statements.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

	Consolidated financial statements						
	Retained earnings (deficit)						Total equity
	Issued and paid-up share capital	Share premium on ordinary shares	Surplus on business combination under common control	Appropriated to legal reserve	Unappropriated (deficit)	Equity attributable to owners of the parent	
	Note			(in thousand Baht)			
<b>Year ended 31 December 2022</b>							
<b>Balance at 1 January 2022</b>		<b>300,000</b>	<b>959,977</b>	<b>149,122</b>	<b>30,000</b>	<b>1,122,448</b>	<b>1,159,370</b>
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners of the parent							
Disposal of discount on purchases of fixed assets from companies under common control		-	-	3,338	-	3,338	3,338
<b>Total contributions by and distributions to owners of the parent</b>		<b>-</b>	<b>-</b>	<b>3,338</b>	<b>-</b>	<b>3,338</b>	<b>3,338</b>
<b>Changes in ownership interests in subsidiaries</b>							
Acquisition of a subsidiary with Non-controlling interests	4	-	-	-	-	-	10,698
<b>Total changes in ownership interests in subsidiaries</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,698</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>3,338</b>	<b>-</b>	<b>3,338</b>	<b>14,036</b>
<b>Comprehensive income for the year</b>							
Profit		-	-	-	-	153,907	172,403
Other comprehensive income		-	-	-	-	1,065	453
<b>Total comprehensive income (expense) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>154,972</b>	<b>172,856</b>
<b>Balance at 31 December 2022</b>		<b>300,000</b>	<b>959,977</b>	<b>152,460</b>	<b>30,000</b>	<b>1,280,758</b>	<b>1,346,262</b>

The accompanying notes form an integral part of these financial statements.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

	Separate financial statements				
	Issued and paid-up share capital	Share premium on ordinary shares	Appropriated to legal reserve	Unappropriated	Total equity
	<i>(in thousand Baht)</i>				
<b>Year ended 31 December 2021</b>					
Balance at 1 January 2021	300,000	959,977	30,000	10,046	1,300,023
<b>Comprehensive income for the year</b>					
Profit	-	-	-	6,060	6,060
Other comprehensive income	-	-	-	(1,146)	(1,146)
<b>Total comprehensive income for the year</b>	-	-	-	4,914	4,914
<b>Balance at 31 December 2021</b>	<b>300,000</b>	<b>959,977</b>	<b>30,000</b>	<b>14,960</b>	<b>1,304,937</b>

The accompanying notes form an integral part of these financial statements.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Statement of changes in equity

	Separate financial statements				
	Retained earnings				Total equity
	Issued and paid-up share capital	Share premium on ordinary shares	Appropriated to legal reserve	Unappropriated	
	<i>(in thousand Baht)</i>				
Year ended 31 December 2022					
Balance at 1 January 2022	300,000	959,977	30,000	14,960	1,304,937
Comprehensive income for the year					
Profit	-	-	-	34,402	34,402
Other comprehensive income	-	-	-	1,012	1,012
Total comprehensive income (expense) for the year	-	-	-	35,414	35,414
Balance at 31 December 2022	300,000	959,977	30,000	50,374	1,340,351

The accompanying notes form an integral part of these financial statements.

**Zen Corporation Group Public Company Limited and its Subsidiaries**
**Statement of cash flows**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>				
Profit (loss) for the year	172,403	(88,582)	34,402	6,060
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax expense (income)	38,779	(23,316)	564	(1,498)
Finance costs	32,698	37,553	6,807	7,604
Depreciation and amortisation	348,120	363,457	34,241	36,811
Reversal of provision for decommissioning costs	(1,935)	(1,804)	-	-
Provisions for employee benefits	2,339	7,449	3,635	3,200
Provisions for loyalty programmes	7,338	2,900	7,338	4,668
Share of loss of associate accounted for using equity method, net of tax	2,033	1,950	-	-
(Reversal of) impairment loss on assets	(6,190)	13,340	-	-
Expected credit loss	1,049	4,373	-	-
Impairment loss on investment in an associate	1,859	-	-	-
(Reversal of) loss on inventories devaluation and deteriorate	284	(1,827)	-	-
Loss (gain) on disposal of property, plant and equipment and intangible assets	15,693	12,699	362	(112)
Loss (gain) on disposal of right-of-use assets	86	(9,104)	-	-
Differences on a granted concession	(14,723)	(87,025)	-	(2,381)
Recognition of deferred income	(29,523)	(73,644)	(2,093)	(734)
Dividend income	-	-	(29,550)	(11,800)
Interest income	(798)	(627)	(6,676)	(12,336)
	<u>569,512</u>	<u>157,792</u>	<u>49,030</u>	<u>29,482</u>
<b><i>Changes in operating assets and liabilities</i></b>				
Trade and other current receivables	3,159	6,208	(692)	(12,960)
Inventories	(59,550)	(34,869)	-	-
Other current assets	(10,991)	(5,076)	2,330	(2,912)
Other non-current assets	(26,425)	5,872	(3,075)	(4,778)
Trade and other current payables	(7,585)	66,617	(1,473)	(1,530)
Retention payables	4,072	(12,018)	-	(1,059)
Accrued expenses	29,949	2,471	27,953	(4,549)
Other current liabilities	(2,022)	(8,310)	(1,051)	(8,454)
Deferred income	30,130	66,311	2,093	734
Other non-current liabilities	8,812	(1,118)	-	-
<b>Net cash generated from (used in) operations</b>	<u>539,061</u>	<u>243,880</u>	<u>75,115</u>	<u>(6,026)</u>
Provisions for employee benefit paid	(434)	(388)	-	(75)
Taxes paid	<u>(16,108)</u>	<u>(3,702)</u>	<u>(2,323)</u>	<u>(3,076)</u>
<b>Net cash from (used in) operating activities</b>	<u>522,519</u>	<u>239,790</u>	<u>72,792</u>	<u>(9,177)</u>

The accompanying notes form an integral part of these financial statements.

## Zen Corporation Group Public Company Limited and its Subsidiaries

## Statement of cash flows

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in thousand Baht)			
<i>Cash flows from investing activities</i>					
Acquisition of a subsidiary, net of cash acquired	4	(57,534)	(40,100)	-	-
Acquisition of interest in associate		-	(3,375)	-	-
Proceeds from sale of property, plant and equipment and intangible assets		557	6,558	7	124
Acquisition of property, plant and equipment and intangible assets		(229,830)	(55,321)	(4,240)	(11,697)
Short-term loans to related parties		-	-	(2,673,396)	(1,984,184)
Proceeds from repayment of short-term loans to related parties		-	-	2,700,595	1,957,498
Decommissioning costs paid		(1,573)	(1,787)	-	-
Dividends received		-	-	29,550	11,800
Interest received		781	564	7,350	12,168
<b>Net cash from (used in) investing activities</b>		<b>(287,599)</b>	<b>(93,461)</b>	<b>59,866</b>	<b>(14,291)</b>
<i>Cash flows from financing activities</i>					
Proceeds from short-term borrowings from financial institutions		261,125	50,000	-	50,000
Proceeds from short-term borrowings from related parties		19,600	-	284,372	174,718
Repayment of short-term borrowings from financial institutions		(229,716)	(50,000)	-	(50,000)
Repayment of short-term borrowings from related parties		(14,700)	-	(288,449)	(174,213)
Payment of lease liabilities		(178,641)	(109,789)	(16,368)	(13,706)
Interest paid		(32,698)	(37,553)	(6,811)	(7,604)
<b>Net cash used in financing activities</b>		<b>(175,030)</b>	<b>(147,342)</b>	<b>(27,256)</b>	<b>(20,805)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>59,890</b>	<b>(1,013)</b>	<b>105,402</b>	<b>(44,273)</b>
Cash and cash equivalents at 1 January		267,527	268,540	114,201	158,474
<b>Cash and cash equivalents at 31 December</b>		<b>327,417</b>	<b>267,527</b>	<b>219,603</b>	<b>114,201</b>
<i>Non-cash transactions</i>					
Increase in right-of-use assets		138,950	220,695	-	-
Decrease in right-of-use assets		(46,274)	(144,766)	(30,094)	(634)
Decrease in lease liabilities from rent concessions		(14,723)	(87,025)	-	(2,381)

The accompanying notes form an integral part of these financial statements.



**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

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# **Zen Corporation Group Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

### **For the year ended 31 December 2022**

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 27 February 2023.

## **1 General information**

Zen Corporation Group Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in February 2019. The Company’s registered office at 662 Soi On Nut 17, Kwang Suanluang, Khet Suanluang, Bangkok 10250.

The Company’s major shareholders during the financial year were AGB Siblings Holding Company Limited (25% shareholding) which is incorporated in Thailand and Morgan Stanley & Co. International Public Company Limited (19% shareholding) which is incorporated in England.

The principal activities of the Company and the Group are providing management service to its subsidiaries and restaurant. Details of the Company’s associate and subsidiaries as at 31 December 2022 and 2021 are given in notes 9 and 10.

## **2 Basis of preparation of the financial statements**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in note 3, have been applied consistently to all periods presented in these financial statements.

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in an associate. The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

## **3 Significant accounting policies**

### **(a) Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in an associate.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2022

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, when there is a change in the Group's interest in a subsidiary that does not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition of the non-controlling interests with no change in control is accounted for as other surplus or deficit in shareholders' equity.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

The Group recognised investments in an associate using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with an associate are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### *Business combinations*

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### (b) *Investment in subsidiaries and an associate*

Investments in subsidiaries and an associate in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

### (c) *Foreign currencies*

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

### (d) *Financial instruments*

#### (d.1) *Classification and measurement*

Financial assets and financial liabilities (except trade receivables (see note 3(f)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI"); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

#### (d.2) *Derecognition and offset*

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

*(d.3) Write offs*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

*(d.4) Interest*

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

*(d.5) Impairment of financial assets other than trade accounts receivables*

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI, and loan commitments issued which are not measured at FVTPL.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**(e) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition.

**(f) Trade accounts receivable**

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (“ECLs”), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

**(g) Inventories**

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to make the sale.

**(h) Investment properties**

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

No depreciation is charged on freehold land and land improvement.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

**(i) Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### *Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

### *Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and land improvement and assets under construction and installation.

The estimated useful lives are as follows:

Building	20 years
Machinery and factory equipment	5 and 10 years
Leasehold improvements	5 years
Tools and operating equipment	5 years
Furniture, fixtures and office equipment	3 and 5 years
Vehicles	5 years

### **(j) Goodwill**

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

### **(k) Other intangible assets**

Other intangible assets that have indefinite useful lives are measured at cost less impairment losses. Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licenses	3 years
Franchise agreements	3 - 10 years
Patents	3 - 10 years

The amortisation of franchise agreements is recognised in selling expenses. The amortisation of other intangible assets is recognised in administrative expenses.

### **(l) Leases**

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

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's implied interest rate in the lease or, if that rate cannot be readily determined to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. However, for leases of spaces that received COVID-19 related rent concessions and the Group elected not to assess that the rent concessions are lease modification, the Group remeasured lease liabilities using the original discount rate and recognised the impact of the change in lease liability in profit or loss.

**(m) *Impairment of non-financial assets***

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**(n) Employee benefits**

*Defined contribution plan*

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(o) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

**(p) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2022

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

#### **(q) Revenue from contracts with customers**

##### *(1) Revenue recognition*

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue and cost of sale for the estimated products to be returned.

Revenue for rendering of services is recognised over time or at a point in time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group recognises revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices.

##### *Licences of intellectual properties*

Revenue from the licences which provides a customer with a right to access a franchise is recognised over the licence term.

##### *Customer loyalty programme*

For customer loyalty programmes that the Group offers to customers, the consideration received is allocated based on the relative stand-alone selling price of the products and the loyalty points. The amount allocated to the loyalty points is recognised as contract liabilities and revenue is recognised when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote. The stand-alone selling prices of the points is estimated based on the discount provided to customers and the likelihood that the customers will redeem the points. The estimate is reviewed at the end of the reporting period.

##### *Long-term advances received from customers*

Long-term advances received from customers is recognised as revenue when the Group transferred control over the goods to the customers.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### (2) *Contract balances*

Contract assets are recognised when the Group has recognised revenue before it has an unconditional right to receive consideration. The contract assets are measured at the amount of consideration that the Group is entitled to, less allowance for expected credit loss. The contract assets are classified as trade receivables when the Group has an unconditional right to receive consideration.

Contract liabilities including advances received from customers are the obligation to transfer goods or services to the customer. The contract liabilities including advances received from customers are recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

A refund liability is the obligation to refund some or all of the consideration received from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The refund liability is reassessed at each reporting date and the Group makes a corresponding change to the amount of revenue recognised.

### (r) *Income tax*

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### (s) *Earnings per share*

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### 4 Acquisition of a subsidiary

At the Board of Director Meeting held on 24 February 2022, the Board of Directors approved Spice Synergy Company Limited (“SYN”), a Subsidiary of the Company, to invest in King Marine Foods Company Limited (“KMF”) which operates the business as the retailer and wholesaler of frozen seafood for Japanese restaurant and general restaurants in amount of 25,500 shares, totaling Baht 71.7 million, resulting in its ownership interest of 51%. The payment schedule is divided into 2 installments, the 1<sup>st</sup> installment of Baht 60.1 million will be paid on the completion of business transferred date and the 2<sup>nd</sup> installment of Baht 12.0 million (including interest expense of Baht 0.41 million) upon KMF can meet the condition as specified in the agreement. On 1 March 2022, SYN paid the 1<sup>st</sup> installment and receive of 51% of authorised share capital. Then the Group obtained the control over KMF.

Taking control of KMF will enable to support the Group’s business which cause to the Group has a stable source of raw material along with cost advantages and generate more sales volume in the future.

#### *Contingent consideration as stipulated in the agreement*

Regarding to the criteria specified in such agreement, the Group has recorded the purchased consideration transferred based on the best estimate method amounting to Baht 11.6 million. The recorded amount is represented at fair value at the acquisition date using discount rate of 5.3% per annum.

	<b>Fair value</b> (in thousand Baht)
1 <sup>st</sup> installment : Cash	60,100
2 <sup>nd</sup> installment : Contingent consideration as stipulated in the agreement	11,592
<b>Total</b>	<b>71,692</b>

During the period from acquisition date to 31 December 2022, KMF contributed revenue of Baht 341.7 million and profit of Baht 24.8 million to the Group’s results.

At the Board of Director Meeting held on 27 February 2023, the Board of Directors approved the payment for the 2<sup>nd</sup> installment of Baht 12.0 million because KMF met the condition as specified in the agreement which will be paid within March 2023.

<b><i>Identifiable assets acquired and liabilities assumed</i></b>	<b><i>Note</i></b>	<b>Fair value</b> (in thousand Baht)
Cash and cash equivalents		2,566
Trade and other current receivables		30,827
Inventories		73,380
Property, plant and equipment	12	2,745
Intangible assets	15	6,535
Other non-current assets		1
Bank overdrafts and short-term borrowings from financial institutions	16	(60,683)
Trade and other current payables		(14,635)
Current income tax payable		(5,118)
Long-term borrowings from financial institutions	16	(12,342)
Deferred tax liabilities	22	(1,443)
<b>Total identifiable net assets</b>		<b>21,833</b>
<i>Less Non-controlling interests (49 %)</i>		<i>10,698</i>
<b>Total identifiable net assets received</b>		<b>11,135</b>
Goodwill arising from the acquisition		60,557
<b>Purchase consideration transferred</b>		<b>71,692</b>

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

	<i>(in thousand Baht)</i>
Cash paid - 1 <sup>st</sup> installment	60,100
Cash paid - 2 <sup>nd</sup> installment	11,592
(Excluding interest expenses of Baht 0.41 million)	
Less Net cash acquired with the subsidiary	<u>(2,566)</u>
<b>Net cash outflows</b>	<b><u>69,126</u></b>

Management has appointed an independent valuation to assess the fair value of the above business. The fair value of assets acquired and liabilities assumed have been provisionally determined at the acquisition date. Determination of fair value of assets acquired and liabilities assumed and the allocation of the purchase price have not been completed as of the date of approval of these interim financial statements.

The Group is continuing its review of these matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above provisional fair values.

## 5 Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or has significant influence over the financial and managerial decision-making.

Relationships with subsidiaries and an associate are described in notes 9 and 10. Other related parties which the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
Food Gimmick Co., Ltd.	Thailand	Related party, some common directors and shareholders are close members of family of the Group's directors and shareholders
Mr. Teeratas - Ms. Nuttsasi Bumnetpun	Thailand	Related party, common directors and shareholders of a subsidiary

<i>Significant transactions with related parties</i>	<b>Consolidated</b>		<b>Separate</b>	
<i>Year ended 31 December</i>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Purchases of goods	-	-	364	492
Sales of goods	-	-	-	169
Purchases of fixed assets	-	-	6	8
Sales of fixed assets	-	-	3	5
Interest income	-	-	5,931	11,767
Interest expense	-	-	54	71
Dividend income	-	-	29,550	11,800
Management fee income and others	-	-	334,102	268,001
Other income	-	-	568	-
Other expenses	-	-	181	383

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Associate</b>				
Sales of goods	2,591	2,355	-	-
Franchise fee income	695	597	-	-
Sales of property and other assets	79	203	-	-
Other income	8	258	-	-
Other expenses	-	20	-	20
<b>Other related parties</b>				
Rental expense related lease agreement	1,974	1,550	-	-
Other expenses	70	-	-	-
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefit	36,138	32,093	33,365	30,246
Post-employment benefits	2,657	2,607	2,657	2,607
<b>Total</b>	<b>38,795</b>	<b>34,700</b>	<b>36,022</b>	<b>32,853</b>
<i>Balances with related parties</i> <i>At 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Trade accounts receivable</b>				
Subsidiaries	-	-	34,593	34,521
Associate	101	151	-	-
<b>Total</b>	<b>101</b>	<b>151</b>	<b>34,593</b>	<b>34,521</b>
<b>Other current receivables</b>				
Subsidiaries	-	-	1,164	851
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,164</b>	<b>851</b>
<b>Loans to</b>				
Subsidiaries	-	-	272,819	300,018
<b>Total</b>	<b>-</b>	<b>-</b>	<b>272,819</b>	<b>300,018</b>
<b>Refundable deposits</b>				
Other related party	2,667	2,667	-	-
<b>Total</b>	<b>2,667</b>	<b>2,667</b>	<b>-</b>	<b>-</b>
<b>Accrued interest income</b>				
Subsidiaries	-	-	249	931
<b>Total</b>	<b>-</b>	<b>-</b>	<b>249</b>	<b>931</b>
<b>Trade accounts payable</b>				
Subsidiaries	-	-	4,775	2,337
Other related party	155	281	-	-
<b>Total</b>	<b>155</b>	<b>281</b>	<b>4,775</b>	<b>2,337</b>

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

<i>Balances with related parties At 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b><i>Other current payables</i></b>				
Subsidiaries	-	-	-	2
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>
<b><i>Deposits for materials</i></b>				
Associate	270	270	-	-
<b>Total</b>	<b>270</b>	<b>270</b>	<b>-</b>	<b>-</b>
<b><i>Accrued interest expenses</i></b>				
Subsidiaries	-	-	-	4
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>
<b><i>Borrowings from</i></b>				
Subsidiaries	-	-	-	4,077
Other related party	4,900	-	-	-
<b>Total</b>	<b>4,900</b>	<b>-</b>	<b>-</b>	<b>4,077</b>

All short-term loans to and short-term borrowings with all related parties are unsecured and have repayment terms at call.

### *Short-term loan of KMF*

As at 31 December 2022, KMF has short-term loans from related parties which it was recording to the shareholding proportion in form of promissory notes at amounting to Baht 10.0 million, bears interest at the rate of 1.05% per annum and is repayable within 30 days to expand the business in accordance with the Company's plan.

### *Business management service agreements*

The Company made business management service agreements with subsidiaries that operates the restaurant and other related businesses. The company provides management services include allow the subsidiaries operate and distribute their restaurants under trademarks. In consideration thereof, the subsidiaries committed to pay the management fee and trademarks fee at the rate of total sales amount as specified in the agreement.

## 6 Cash and cash equivalents

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Cash on hand	7,112	6,904	290	305
Cash at banks	320,305	260,623	219,313	113,896
<b>Cash and cash equivalents in the statement of financial position</b>	<b>327,417</b>	<b>267,527</b>	<b>219,603</b>	<b>114,201</b>

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### 7 Trade and other current receivables

<i>At 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
		<i>(in thousand Baht)</i>		
Within credit terms	55,007	35,613	36,291	35,827
Overdue:				
1-30 days	18,174	11,172	271	-
31-60 days	4,724	2,859	-	-
61-90 days	1,253	1,922	-	-
More than 90 days	19,563	19,487	-	43
<b>Total</b>	<b>98,721</b>	<b>71,053</b>	<b>36,562</b>	<b>35,870</b>
Less allowance for expected credit loss	(10,829)	(9,780)	-	-
<b>Net</b>	<b>87,892</b>	<b>61,273</b>	<b>36,562</b>	<b>35,870</b>

<i>Allowance for expected credit loss</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
		<i>(in thousand Baht)</i>		
At 1 January	9,780	5,616	-	-
Addition	1,049	4,373	-	-
Write-off	-	(209)	-	-
<b>At 31 December</b>	<b>10,829</b>	<b>9,780</b>	<b>-</b>	<b>-</b>

Information of credit risk is disclosed in note 24 (b.1).

### 8 Inventories

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
		<i>(in thousand Baht)</i>		
Finished goods	3,438	2,588	-	-
Raw materials	220,143	88,255	-	-
Consumable supplies	33,696	33,504	-	-
<b>Total</b>	<b>257,277</b>	<b>124,347</b>	<b>-</b>	<b>-</b>
Less Allowance for deteriorated inventories	(789)	(505)	-	-
<b>Net</b>	<b>256,488</b>	<b>123,842</b>	<b>-</b>	<b>-</b>
Inventories recognised in 'cost of sales of goods and services':				
- Costs of goods and services	1,837,284	1,244,781	-	-
- (Reversal of) write-down to net realisable value and deteriorate	284	(1,827)	-	-
<b>Net</b>	<b>1,837,568</b>	<b>1,242,954</b>	<b>-</b>	<b>-</b>



**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**9 Investment in an associate**

	Type of business	Ownership interest		Paid-up capital		Cost		Consolidated financial statements			
		2022	2021	2022	2021	2022	2021	At equity method		Impairment	
		(%)						2022	2021	2022	2021
<i>Indirect associate</i>								<i>(in thousand Baht)</i>			
Kin Dee Yu Dee											
2020 Co., Ltd.	Restaurant	25.00	25.00	30,000	30,000	7,500	7,500	1,859	3,892	-	3,892
<b>Total</b>						<b>7,500</b>	<b>7,500</b>	<b>1,859</b>	<b>3,892</b>	<b>-</b>	<b>3,892</b>

An associate was incorporated and operates in Thailand.

None of the Group's associate is publicly listed and consequently do not have published price quotations.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**10 Investment in subsidiaries**

	Type of business	Separate financial statements											
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		(in thousand Baht)											
<b>Direct subsidiaries</b>													
Zen Restaurant Holding Co., Ltd.	Restaurant/ owner of franchise	99.99	99.99	75,000	75,000	75,000	75,000	-	-	75,000	75,000	-	-
Tokyo Concept Co., Ltd.	Restaurant/ owner of franchise	99.99	99.99	25,000	25,000	25,000	25,000	-	-	25,000	25,000	7,500	-
Aka Interfood Co., Ltd.	Restaurant	99.99	99.99	80,000	80,000	80,000	80,000	-	-	80,000	80,000	20,800	10,000
Gyu Grill Group Co., Ltd.	Restaurant	99.99	99.99	30,000	30,000	29,999	29,999	-	-	29,999	29,999	-	-
Zen Supply Chain Management Co., Ltd.	Sales and services of food	99.99	99.99	17,500	17,500	17,500	17,500	-	-	17,500	17,500	-	1,050
Zen & Spicy Co., Ltd.	Restaurant/ owner of franchise	99.99	99.99	20,000	20,000	20,000	20,000	-	-	20,000	20,000	-	-
Spice Synergy Co., Ltd.	Owner of trademark and services	99.99	99.99	5,000	5,000	251,317	251,317	-	-	251,317	251,317	1,250	750
<b>Total</b>				<b>498,816</b>	<b>498,816</b>	<b>498,816</b>	<b>498,816</b>	<b>-</b>	<b>-</b>	<b>498,816</b>	<b>498,816</b>	<b>29,550</b>	<b>11,800</b>

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

Type of business	Ownership interest	Separate financial statements										Dividend income for the year	
		2021 (%)		Paid-up capital		Cost		Impairment		At cost - net			
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<i>(in thousand Baht)</i>													
<b>Indirect subsidiaries</b>													
Zen and Kosum Interfood Co., Ltd.	Produce and sales of food products	51.00	51.00	10,000	10,000	50,100	50,100	-	-	50,100	50,100	-	-
King Marine Foods Co., Ltd.	Retailer and wholesaler of frozen seafood	51.00	-	5,000	-	72,100	-	-	-	72,100	-	-	-
<b>Total</b>						<b>122,200</b>	<b>50,100</b>	<b>-</b>	<b>-</b>	<b>122,200</b>	<b>50,100</b>	<b>-</b>	<b>-</b>

All subsidiaries were incorporated and operate in Thailand.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

<i>Material movements</i>		<b>Consolidated financial statements</b>	
<i>Year ended 31 December</i>	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
Purchase investment in KMF	4	72,100	-
Purchase investment in ZKC		-	50,100

### *Secure the borrowing facilities from financial institutions of a subsidiary*

At the Board of Director Meeting held on 11 August 2022, the Board of Directors approved the Company to secure the borrowing facilities of a subsidiary. Therefore, the Company has a commitment to secure the Subsidiary at amounting to Baht 79.1 million and US dollar 1.0 million as a proportion of shareholding in the Subsidiary.

At the Board of Director Meeting held on 11 November 2022, the Board of Directors approved the Company to secure the borrowing facilities of a subsidiary. Therefore, the Company has a commitment to secure the Subsidiary at amounting to Baht 63.8 million as a proportion of shareholding in the Subsidiary.

## **11 Investment properties**

The Company held land and land improvement for a new central kitchen project which was located in Samut Prakan Province at amounting to Baht 318.2 million and Baht 8.1 million, respectively. In May 2022, the Board of Directors approved to cancel the new central kitchen project and plan to sell or lease. Therefore, since 30 June 2022, the Company has transferred such land and land improvement to investment properties (note 12).

The fair value of investment properties as at 31 December 2022 of Baht 372.0 million was determined by independent professional valuers, at market comparison approach. The fair value of investment property has been categorised as a Level 3 fair value.

### *Guarantee*

All of the Company's land and land improvement include related assets, with a net book value as of Baht 326.3 million (2021: Baht 326.3 million), have been mortgaged with a bank to secure for credit facilities and short-term borrowings from a local financial institution as mentioned in note 16.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**12 Property, plant and equipment**

	Consolidated financial statements							Assets under construction and installation	Total
	Land and land improvement	Building	Machinery and factory equipment	Leasehold improvements	Tools and operating equipment	Furniture, fixtures and office equipment	Vehicles		
Cost	(in thousand Baht)								
At 1 January 2021	326,313	-	-	946,549	144,551	142,956	2,890	17,786	1,581,045
Additions	-	-	118	27,327	9,385	7,328	137	190	44,485
Acquisitions through business combinations	21,300	29,800	5,154	-	423	160	2,129	-	58,966
Transfer from right-of-use assets	-	-	-	-	-	-	1,660	-	1,660
Transfers	-	-	-	1,343	-	-	-	(1,343)	-
Disposals	-	-	-	(37,534)	(4,809)	(16,662)	(137)	-	(59,142)
At 31 December 2021 and 1 January 2022	347,613	29,800	5,272	937,685	149,550	133,782	6,679	16,633	1,627,014
Additions	-	-	395	144,317	36,767	27,463	-	13,073	222,015
Acquisitions through business combinations	-	520	399	223	-	266	1,337	-	2,745
Transfers	-	-	-	20	-	20	-	(40)	-
Transfers to investment properties	(326,313)	-	-	-	-	-	-	-	(326,313)
Disposals	-	-	-	(68,242)	(17,113)	(23,171)	(630)	(13)	(109,169)
At 31 December 2022	21,300	30,320	6,066	1,014,003	169,204	138,360	7,386	29,653	1,416,292

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

	Consolidated financial statements (in thousand Baht)							Assets under construction and installation	Total
	Land and land improvement	Building	Machinery and factory equipment	Leasehold improvements	Tools and operating equipment	Furniture, fixtures and office equipment	Vehicles		
<i>Depreciation and impairment losses</i>									
At 1 January 2021	-	-	-	661,340	92,627	104,286	2,560	-	860,813
Depreciation charge for the year	-	1,011	390	99,050	17,590	19,650	868	-	138,559
Transfer from right-of-use assets (Reversal of) impairment losses	-	-	-	-	-	-	1,026	-	1,026
Disposals	-	-	-	(4,270) (21,811)	- (2,923)	(5) (15,251)	- (137)	16,325 -	12,050 (40,122)
At 31 December 2021 and 1 January 2022	-	1,011	390	734,309	107,294	108,680	4,317	16,325	972,326
Depreciation charge for the year	-	1,524	585	94,341	19,197	16,426	989	-	133,062
(Reversal of) impairment losses	-	-	-	(5,367)	371	96	-	-	(4,900)
Disposals	-	-	-	(54,765)	(16,047)	(22,602)	(630)	-	(94,044)
At 31 December 2022	-	2,535	975	768,518	110,815	102,600	4,676	16,325	1,006,444
<i>Net Book value</i>									
At 31 December 2021	347,613	28,789	4,882	203,376	42,256	25,102	2,362	308	654,688
At 31 December 2022	21,300	27,785	5,091	245,485	58,389	35,760	2,710	13,328	409,848

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

	Note	Separate financial statements (in thousand Baht)						Total
		Land and land improvement	Leasehold improvements	Tools and operating equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
<i>Cost</i>								
At 1 January 2021		326,313	38,470	4,532	22,520	1,941	-	393,776
Additions		-	196	103	707	-	111	1,117
Transfers from right-of-use assets	13	-	-	-	-	1,660	-	1,660
Disposals		-	-	(585)	(1,850)	(137)	-	(2,572)
At 31 December 2021 and 1 January 2022		326,313	38,666	4,050	21,377	3,464	111	393,981
Additions		-	42	20	1,200	-	-	1,262
Transfers to investment properties	11	(326,313)	-	-	-	-	-	(326,313)
Disposals		-	(149)	(2,787)	(5,096)	-	-	(8,032)
At 31 December 2022		-	38,559	1,283	17,481	3,464	111	60,898
<i>Depreciation and impairment losses</i>								
At 1 January 2021		-	6,348	4,219	16,658	1,941	-	29,166
Depreciation charge for the year		-	4,614	105	3,474	167	-	8,360
Transfers from right-of-use assets	13	-	-	-	-	1,026	-	1,026
Disposals		-	-	(581)	(1,850)	(137)	-	(2,568)
At 31 December 2021 and 1 January 2022		-	10,962	3,743	18,282	2,997	-	35,984
Depreciation charge for the year		-	4,639	99	2,101	332	-	7,171
Disposals		-	(118)	(2,741)	(5,040)	-	-	(7,899)
At 31 December 2022		-	15,483	1,101	15,343	3,329	-	35,256
<i>Net Book value</i>								
At 31 December 2021		326,313	27,704	307	3,095	467	111	357,997
At 31 December 2022		-	23,076	182	2,138	135	111	25,642

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### Non-current provision for decommissioning costs

<i>Movement of non-current provision for decommissioning costs</i> <i>Year ended 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
At 1 January	59,682	62,261	5,091	5,091
Provision made	10,753	1,012	-	-
Provision reversed	(1,935)	(1,804)	-	-
Provision used	(1,573)	(1,787)	-	-
<b>At 31 December</b>	<b>66,927</b>	<b>59,682</b>	<b>5,091</b>	<b>5,091</b>

Such provisions were included in costs of leasehold improvement, for their restaurants situated on leased areas under leases.

## 13 Leases

<i>Right-of-use assets</i> <i>At 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Buildings, constructions and improvements	707,872	817,490	90,234	139,235
<b>Total</b>	<b>707,872</b>	<b>817,490</b>	<b>90,234</b>	<b>139,235</b>

<i>Right-of-use assets</i>	<i>Note</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
At 1 January		817,490	956,943	139,235	161,867
Additions		138,950	220,695	-	-
Disposals		(14,953)	(142,842)	-	-
Transfer to property, plant and equipment	12	-	(634)	-	(634)
Contract amendment		(33,900)	-	(30,094)	-
Depreciation charge for the year		(201,005)	(215,382)	(18,907)	(21,998)
Impairment losses		-	(1,290)	-	-
Reverse of impairment losses		1,290	-	-	-
<b>At 31 December</b>		<b>707,872</b>	<b>817,490</b>	<b>90,234</b>	<b>139,235</b>

The Group leases the spaces for 3 years, with extension options at the end of lease term and the rental is variable payments depending on the lease term. The rental is payable monthly as specified in the contract.

### *Extension options*

The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.



**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b><i>Amounts recognised in profit or loss</i></b>				
COVID-19 related rent concessions	14,723	87,025	-	2,381
Depreciation of right-of-use assets:				
- Buildings, constructions and improvements	201,005	215,217	18,907	21,833
- Vehicles	-	165	-	165
Interest on lease liabilities	30,537	37,346	6,752	7,344
Expenses relating to short-term leases	125	300	-	-
Expenses relating to leases of low-value assets	16,472	8,951	1,338	865
Variable lease payments based on sales	22,685	15,623	-	-

In 2022, total cash outflow for leases of the Group and the Company were Baht 273.6 million and Baht 24.5 million, respectively (2021: Baht 262.5 million and Baht 24.3 million, respectively).

In 2022, the Group received COVID-19 related rent concessions resulting in a decrease in lease payment, amounting to Baht 14.7 million (2021: the Group - Baht 87.0 million and the Company - Baht 2.4 million, respectively).

## **14 Goodwill**

	<i>Note</i>	<b>Consolidated financial statements</b>	
		2022	2021
		<i>(in thousand Baht)</i>	
<b><i>Cost</i></b>			
At 1 January		196,741	181,956
Acquisitions through business combinations	4	60,557	14,785
<b>At 31 December</b>		<b>257,298</b>	<b>196,741</b>
<b><i>Impairment losses</i></b>			
At 1 January		1,932	1,932
<b>At 31 December</b>		<b>1,932</b>	<b>1,932</b>
<b><i>Net book value</i></b>			
<b>At 31 December</b>		<b>255,366</b>	<b>194,809</b>

### *Impairment testing for CGUs containing goodwill*

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs (operating divisions) as follows.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

	<b>Consolidated financial statements</b>	
	2022	2021
	<i>(in thousand Baht)</i>	
Goodwill from business combination - Group 1	133,581	133,581
Goodwill from business combination - Group 2	46,443	46,443
Goodwill from business combination - Group 3	14,785	14,785
Goodwill from business combination - Group 4	60,557	-
	<b>255,366</b>	<b>194,809</b>
Multiple units without significant goodwill	-	-
<b>Total</b>	<b>255,366</b>	<b>194,809</b>

The recoverable amount of this CGU was based on its value in use, measured by discounting the future cash flows to be generated from the continuing operations of each type of Thai food business which determined by engaging an independent valuer. As of 31 December 2022 and 2021. The cash flow projections included specific estimates for 5 years based on the past performance of the Thai food business and the expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth.

For the year ended 31 December 2022 and 2021, the Group has no impairment loss of goodwill since the estimated recoverable amounts of CGUs was higher than carrying amount.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	<b>Consolidated financial statements</b>	
	2022	2021
	<i>(%)</i>	
Discount rate	10.04 - 11.61	10.04
Terminal value growth rate	2.00 - 3.00	3.00

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### 15 Other intangible assets

		Consolidated financial statements				
	Note	Software licenses	Patent and trademarks	Franchise agreements	Assets under installation	Total
		(in thousand Baht)				
<b>Cost</b>						
At 1 January 2021		38,979	73,019	11,419	2,560	125,977
Acquisitions through business combinations		-	8,423	-	-	8,423
Additions		7,975	142	-	2,675	10,792
Transfers		3,751	-	-	(3,751)	-
Disposals		(209)	-	(9,752)	-	(9,961)
<b>At 31 December 2021 and 1 January 2022</b>		<b>50,496</b>	<b>81,584</b>	<b>1,667</b>	<b>1,484</b>	<b>135,231</b>
Acquisitions through business combinations	4	590	5,945	-	-	6,535
Additions		7,664	150	-	-	7,814
Transfers		1,484	-	-	(1,484)	-
Disposals		(1,493)	-	-	-	(1,493)
<b>At 31 December 2022</b>		<b>58,741</b>	<b>87,679</b>	<b>1,667</b>	<b>-</b>	<b>148,087</b>
<b>Amortisation and impairment losses</b>						
At 1 January 2021		28,031	3,552	8,645	-	40,228
Amortisation for the year		7,944	256	1,316	-	9,516
Disposals		(145)	-	(9,624)	-	(9,769)
<b>At 31 December 2021 and 1 January 2022</b>		<b>35,830</b>	<b>3,808</b>	<b>337</b>	<b>-</b>	<b>39,975</b>
Amortisation for the year		10,308	242	167	-	10,717
Disposals		(368)	-	-	-	(368)
<b>At 31 December 2022</b>		<b>45,770</b>	<b>4,050</b>	<b>504</b>	<b>-</b>	<b>50,324</b>
<b>Net book value</b>						
<b>At 31 December 2021</b>		<b>14,666</b>	<b>77,776</b>	<b>1,330</b>	<b>1,484</b>	<b>95,256</b>
<b>At 31 December 2022</b>		<b>12,971</b>	<b>83,629</b>	<b>1,163</b>	<b>-</b>	<b>97,763</b>

During 2019, a subsidiary of the Company entered into the Master Franchise, License and Technical Assistant Agreement, with an effective date of 22 July 2019 with a foreign company (licensor), whereby the latter will be granted a license to develop and operate Chinese dumplings restaurants under the name “Din’s” in Thailand. In consideration thereof, such subsidiary is committed to pay initial license fee and royalty payment to the licensor at the rates that specified in the agreement. The agreement will become effective for the period of 10 years until 22 July 2029 with renewal option for an additional period of 10 years by a notice in writing given in advance not less than 12 months.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

*Impairment testing for trademarks*

For the purposes of impairment testing, trademarks have been allocated to the Group's CGUs (operating divisions) as follows.

	<b>Consolidated financial statements</b>	
	2022	2021
	<i>(in thousand Baht)</i>	
Trademark - Group 1	35,932	35,932
Trademark - Group 2	28,480	28,480
Trademark - Group 3	8,423	8,423
Trademark - Group 4	5,945	-
	<b>78,780</b>	<b>72,835</b>
Multiple units without significant trademark	1,481	1,481
<b>Total</b>	<b>80,261</b>	<b>74,316</b>

The recoverable amount of this CGU was based on its value in use measured by income approach which which determined by engaging an independent valuer as of 31 December 2022 and 2021. The capability of production of revenue for 5 years based on historical data and the expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth.

For the year ended 31 December 2022 and 2021, the group has impairment loss of trademarks since the estimated recoverable amounts of CGUs was higher than carrying amount.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	<b>Consolidated financial statements</b>	
	2022	2021
	<i>(%)</i>	
Discount rate	10.04 - 11.61	10.04
Terminal value growth rate	2.00 - 3.00	3.00
Royalty rate	0.50 - 5.10	0.50

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

	Separate financial statements			
	Software licenses	Patent	Assets under installation	Total
		(in thousand Baht)		
<b>Cost</b>				
At 1 January 2021	24,006	4,211	2,560	30,777
Additions	7,774	132	2,675	10,581
Transfers	3,751	-	(3,751)	-
Disposals	(7)	-	-	(7)
<b>At 31 December 2021 and 1 January 2022</b>	<b>35,524</b>	<b>4,343</b>	<b>1,484</b>	<b>41,351</b>
Additions	2,830	150	-	2,980
Transfers	1,484	-	(1,484)	-
Disposals	(326)	-	-	(326)
<b>At 31 December 2022</b>	<b>39,512</b>	<b>4,493</b>	<b>-</b>	<b>44,005</b>
<b>Amortisation and impairment losses</b>				
At 1 January 2021	16,532	553	-	17,085
Amortisation for the year	6,199	254	-	6,453
<b>At 31 December 2021 and 1 January 2022</b>	<b>22,731</b>	<b>807</b>	<b>-</b>	<b>23,538</b>
Amortisation for the year	7,925	238	-	8,163
Disposals	(91)	-	-	(91)
<b>At 31 December 2022</b>	<b>30,565</b>	<b>1,045</b>	<b>-</b>	<b>31,610</b>
<b>Net book value</b>				
<b>At 31 December 2021</b>	<b>12,793</b>	<b>3,536</b>	<b>1,484</b>	<b>17,813</b>
<b>At 31 December 2022</b>	<b>8,947</b>	<b>3,448</b>	<b>-</b>	<b>12,395</b>

**16 Interest-bearing liabilities**

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
		(in thousand Baht)			
Short-term loans					
- financial institutions		104,434	-	-	-
- related parties	5	4,900	-	-	4,077
Lease liabilities		749,740	852,924	117,140	163,603
<b>Total interest-bearing liabilities</b>		<b>859,074</b>	<b>852,924</b>	<b>117,140</b>	<b>167,680</b>

*Short-term borrowings*

Interest-bearing liabilities are borrowings from local financial institutions of a subsidiary invested by the Group as mentioned in note 4 in amounting to Baht 104.4 million with interest rate as follows:

	(% per annum)
Bank overdrafts	MRR-0.25 and MOR
Letters of credit and trust receipts	MRR+2.5 and MRR-2.5

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

As at 31 December 2022, the Group has overdraft facility totalling Baht 55.0 million (2021: Baht 30.0 million) and has short-term borrowing facilities from financial institutions, in form of promissory notes, letter of credit, trust receipts and letter of guarantee totalling Baht 630.0 million (2021: Baht 170.0 million). The facilities are secured by all of the Company's land and land improve include related assets as disclosed in note 11 and additionally guaranteed by another subsidiary. The Group has unused bank overdrafts facilities amounting to Baht 55.0 million (2021: Baht 30.0 million) and unused short-term borrowing facilities amounting to Baht 262.3 million (2021: Baht 170.0 million).

As at 31 December 2022, the Company had short-term borrowing facilities from another bank totalling Baht 100.0 million (2021: Baht 100.0 million). The facilities are unsecured. The Company has unused short-term borrowing facilities amounting to Baht 100.0 million (2021: Baht 100.0 million).

## 17 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
<i>At 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Defined benefit plan	26,020	24,681	15,505	13,135
<b>Total</b>	<b>26,020</b>	<b>24,681</b>	<b>15,505</b>	<b>13,135</b>

### *Defined benefit plan*

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as interest rate risk, longevity risk, salary growth rate risk and employee turnover rate risk.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
At 1 January	24,681	17,742	13,135	8,577
<b>Recognised in profit or loss:</b>				
Current service cost	2,092	7,288	3,479	3,121
Interest on obligation	247	161	156	79
<b>Recognised in other comprehensive income</b>				
Actuarial loss (gain)	(566)	(2,622)	(1,265)	1,433
Acquisitions through business combination	-	2,500	-	-
Benefit paid	(434)	(388)	-	(75)
<b>At 31 December</b>	<b>26,020</b>	<b>24,681</b>	<b>15,505</b>	<b>13,135</b>

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

<i>Principal actuarial assumptions</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
				(%)
Discount rate	2.49	1.19	2.49	1.19
Future salary growth	5.00	5.00	5.00	5.00
Employee turnover	0.00 - 59.00	0.00 - 62.00	0.00 - 59.00	0.00 - 62.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

### *Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation At 31 December</i>	<b>Consolidated financial statements</b>			
	1% increase in assumption 2022	2021	1% decrease in assumption 2022	2021
				(in thousand Baht)
Discount rate	(1,003)	(906)	1,094	990
Future salary growth	1,129	997	(1,054)	(931)
Employee turnover	(1,124)	(1,004)	516	456

<i>Effect to the defined benefit obligation At 31 December</i>	<b>Separate financial statements</b>			
	1% increase in assumption 2022	2021	1% decrease in assumption 2022	2021
				(in thousand Baht)
Discount rate	(540)	(496)	586	540
Future salary growth	630	564	(591)	(527)
Employee turnover	(594)	(541)	238	218

## 18 Share premium on ordinary shares

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

## 19 Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

## 20 Segment information and disaggregation of revenue

Segment results that are reported to the Group's the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### Business segment

Management considers that the Group operates in a single line of business, namely restaurant, and has, therefore, only one reportable segment.

### Geography

The Group is mostly managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

In the following table, revenue is disaggregated by primary major products and timing of revenue recognition.

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
<b>Major products and services lines</b>				
Revenue from sales of goods	3,305,530	2,145,601	-	-
Franchise fee income	77,764	63,157	-	-
Management fee income and others	-	-	334,102	268,001
<b>Total</b>	<b>3,383,294</b>	<b>2,208,758</b>	<b>334,102</b>	<b>268,001</b>
<b>Timing of revenue recognition</b>				
At a point in time	3,373,744	2,200,953	-	-
Over time	9,550	7,805	334,102	268,001
<b>Total</b>	<b>3,383,294</b>	<b>2,208,758</b>	<b>334,102</b>	<b>268,001</b>

## 21 Expenses by nature

Note	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
Costs of raw materials	1,356,721	895,652	-	-
Employee benefit expenses	780,367	614,459	260,552	217,737
Depreciation and amortisation	344,784	363,457	34,239	36,811
Service and utility expenses	366,103	175,164	4,987	3,824
Advertising costs	55,530	63,209	2,698	4,070
Commission expenses	50,222	58,602	-	-
Lease-related expenses	13 16,597	9,251	1,338	865
Impairment of goodwill, property, plant and equipment, right-of-use assets and intangible assets	2,220	13,340	-	-
Others	194,665	134,863	26,607	20,273
<b>Total cost of sales of goods and services, selling expenses and administrative expenses</b>	<b>3,167,209</b>	<b>2,327,997</b>	<b>330,421</b>	<b>283,580</b>



# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### 22 Income tax

<i>Income tax recognised in profit or loss</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Current tax expense</b>				
Current year	16,150	1,969	-	-
	<u>16,150</u>	<u>1,969</u>	<u>-</u>	<u>-</u>
<b>Deferred tax expense</b>				
Movements in temporary differences	22,629	(25,285)	564	(1,498)
<b>Total</b>	<u>38,779</u>	<u>(23,316)</u>	<u>564</u>	<u>(1,498)</u>

<b>Consolidated financial statements</b>						
	Before tax	2022 Tax expense	Net of tax	Before tax	2021 Tax expense	Net of tax
	<i>(in thousand Baht)</i>					
<b>Income tax</b>						
<b>Recognised in other comprehensive income</b>						
Defined benefit plan actuarial gains	566	(113)	453	2,622	(524)	2,098
<b>Total</b>	<u>566</u>	<u>(113)</u>	<u>453</u>	<u>2,622</u>	<u>(524)</u>	<u>2,098</u>

<b>Separate financial statements</b>						
	Before tax	2022 Tax expense	Net of tax	Before tax	2021 Tax benefit	Net of tax
	<i>(in thousand Baht)</i>					
<b>Income tax</b>						
<b>Recognised in other comprehensive income</b>						
Defined benefit plan actuarial gains (losses)	1,265	(253)	1,012	(1,433)	287	(1,146)
<b>Total</b>	<u>1,265</u>	<u>(253)</u>	<u>1,012</u>	<u>(1,433)</u>	<u>287</u>	<u>(1,146)</u>

<b>Reconciliation of effective tax rate</b>				
	<b>Consolidated financial statements</b>			
	2022		2021	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense		211,182		(111,898)
Income tax using the Thai corporation tax rate	20	42,065	20	(22,565)
Expenses not deductible for tax purposes		885		487
Additional tax deductible expenses and others		(5,107)		(1,820)
Depreciation - discount on business combination under common control		936		582
<b>Total</b>	<u>18.4</u>	<u>38,779</u>	<u>20.8</u>	<u>(23,316)</u>

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### Reconciliation of effective tax rate

	Separate financial statements			
	2022		2021	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense		34,966		4,562
Income tax using the Thai corporation tax rate	20	6,993	20	912
Expenses not deductible for tax purposes		38		98
Additional tax deductible expenses		(557)		(148)
Exemption of dividend income		(5,910)		(2,360)
<b>Total</b>	<b>1.6</b>	<b>564</b>	<b>(32.8)</b>	<b>(1,498)</b>

### Consolidated financial statements (Charged) / Credited to

<i>Deferred tax</i>	At 1 January	Profit or loss	Other comprehensive income (in thousand Baht)	Equity	Acquisition through business combination	At 31 December
<b>2022</b>						
<b>Deferred tax assets</b>						
Trade receivables	1,855	311	-	-	-	2,166
Inventories	101	57	-	-	-	158
Investment in an associate	-	372	-	-	-	372
Property, plant and equipment	(496)	4,345	-	-	(254)	3,595
Right-of-use assets	14,061	(7,671)	-	-	-	6,390
Intangible assets other than goodwill	(1,685)	-	-	-	(1,189)	(2,874)
Contract liabilities	8,974	1,890	-	-	-	10,864
Provisions	14,668	4,034	(113)	-	-	18,589
Rental expenses	169	(172)	-	-	-	(3)
Expenses relating to offer share capital	4,589	(1,916)	-	-	-	2,673
Loss carry forward	43,917	(23,879)	-	-	-	20,038
<b>Total</b>	<b>86,153</b>	<b>(22,629)</b>	<b>(113)</b>	<b>-</b>	<b>(1,443)</b>	<b>61,968</b>

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

	Consolidated financial statements (Charged) / Credited to					At 31 December
	At 1 January	Profit or loss	Other comprehensive income (in thousand Baht)	Equity	Acquisition through business combination	
<b>Deferred tax</b>						
<b>2021</b>						
<b>Deferred tax assets</b>						
Trade receivables	1,123	732	-	-	-	1,855
Inventories	466	(365)	-	-	-	101
Property, plant and equipment	3,152	(855)	-	-	(2,793)	(496)
Right-of-use assets	9,345	4,716	-	-	-	14,061
Intangible assets other than goodwill	-	-	-	-	(1,685)	(1,685)
Contract liabilities	10,658	(1,684)	-	-	-	8,974
Provisions	13,865	1,327	(524)	-	-	14,668
Rental expenses	482	(313)	-	-	-	169
Expenses relating to offer share capital	4,589	-	-	-	-	4,589
Loss carry forward	22,190	21,727	-	-	-	43,917
<b>Total</b>	<b>65,870</b>	<b>25,285</b>	<b>(524)</b>	<b>-</b>	<b>(4,478)</b>	<b>86,153</b>

	Separate financial statements (Charged) / Credited to				At 31 December
	At 1 January	Profit or loss	Other comprehensive income (in thousand Baht)	Equity	
<b>Deferred tax</b>					
<b>2022</b>					
<b>Deferred tax assets</b>					
Right-of-use assets	4,874	503	-	-	5,377
Provisions	3,829	845	(253)	-	4,421
Expenses relating to offer share capital	4,589	(1,916)	-	-	2,673
Loss carry forward	2,102	4	-	-	2,106
<b>Total</b>	<b>15,394</b>	<b>(564)</b>	<b>(253)</b>	<b>-</b>	<b>14,577</b>
<b>2021</b>					
<b>Deferred tax assets</b>					
Right-of-use assets	3,661	1,213	-	-	4,874
Provisions	2,710	832	287	-	3,829
Expenses relating to offer share capital	4,589	-	-	-	4,589
Loss carry forward	2,649	(547)	-	-	2,102
<b>Total</b>	<b>13,609</b>	<b>1,498</b>	<b>287</b>	<b>-</b>	<b>15,394</b>

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

### 23 Earnings per share

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(thousand shares/ thousand Baht)</i>			
<b>Profit (loss) attributable to ordinary shareholders</b>	<b>172,403</b>	<b>(88,582)</b>	<b>36,311</b>	<b>6,060</b>
<i>Ordinary shares outstanding</i>				
Number of ordinary shares outstanding at 1 January	300,000	300,000	300,000	300,000
<b>Number of ordinary shares outstanding (basic) at 31 December</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>
<b>Earnings (loss) per share (basic) (in Baht)</b>	<b>0.57</b>	<b>(0.30)</b>	<b>0.12</b>	<b>0.02</b>

### 24 Financial instruments

#### (a) Carrying amounts and fair values

The carrying amounts and fair values of financial current assets and financial current liabilities are taken to approximate the carrying values due to the relatively short-term maturity of these financial assets and liabilities.

#### (b) Financial risk management policies

##### *Risk management framework*

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

##### *(b.1) Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

(b.1.1) Trade and other current receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review financial statements. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the risk management committee.

The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 1 months. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade and other current receivables are disclosed in note 7.

(b.1.2) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(b.1.2) Guarantees

The Group's policy is to provide financial guarantees only for subsidiaries' liabilities and an associate's liabilities.

*(b.2) Liquidity risk*

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

# Zen Corporation Group Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2022

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Consolidated financial statements					
Contractual cash flows					
More than 1					
year but					
less than 5					
years					
(in thousand Baht)					
At 31 December	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
2022					
Financial liabilities					
Trade payables	257,603	254,321	3,253	29	257,603
Lease liabilities	749,740	239,563	526,837	32,218	798,618
	<u>1,007,343</u>	<u>493,884</u>	<u>530,090</u>	<u>32,247</u>	<u>1,056,221</u>
2021					
Financial liabilities					
Trade payables	278,059	272,550	5,509	-	278,059
Lease liabilities	852,924	232,148	630,831	65,307	928,286
	<u>1,130,983</u>	<u>504,698</u>	<u>636,340</u>	<u>65,307</u>	<u>1,206,345</u>
Separate financial statements					
Contractual cash flows					
More than 1					
year but					
less than 5					
years					
(in thousand Baht)					
At 31 December	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
2022					
Financial liabilities					
Trade payables	82	82	-	-	82
Lease liabilities	117,140	24,088	100,146	10,432	134,666
	<u>117,222</u>	<u>24,170</u>	<u>100,146</u>	<u>10,432</u>	<u>134,748</u>
2021					
Financial liabilities					
Trade payables	54	54	-	-	54
Lease liabilities	163,603	25,776	117,447	45,141	188,364
Borrowings from subsidiaries	4,077	4,077	-	-	4,077
	<u>167,734</u>	<u>29,907</u>	<u>117,447</u>	<u>45,141</u>	<u>192,495</u>

## 25 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**26 Commitments with non-related parties**

	<b>Consolidated financial statement</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b><i>Capital commitments</i></b>				
Leasehold improvements	15,763	2,952	-	-
Office equipments	1,449	908	5	45
Intangible assets	2,392	61	1,091	61
<b>Total</b>	<b>19,604</b>	<b>3,921</b>	<b>1,096</b>	<b>106</b>
<b><i>Other commitments</i></b>				
Short-term lease commitments	19,023	12,411	715	1,168
Purchase orders for goods and supplies	45,824	75,208	111	835
Bank guarantees	1,100	1,100	-	-
Service agreements	300,903	292,049	-	-
Other agreements	2,184	3,896	1,047	2,025
<b>Total</b>	<b>369,034</b>	<b>384,664</b>	<b>1,873</b>	<b>4,028</b>

The Group has the Marketing Support Agreement with 2 local companies for promotion and distribution of certain products of such companies in the group's and franchisees' restaurants for the period from 1 July 2019 to 31 December 2024. In consideration thereof, the Group is committed to perform promotion activities and comply with certain conditions as indicated in the agreement.

*Distributorship Agreement*

On 18 January 2022, a Subsidiary entered into the Distributorship Agreement with a local company to be a distributor of the Company, in order to increase sales channels under such company's control for the period from 1 February 2022 to 31 January 2025.

**27 Events after the reporting period**

*Approval the payment of annual dividend for the year 2022 of the Company*

At the board of Directors Meeting held on 27 February 2023, the Board of Directors approved to pay dividend to shareholders as follows:

	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
2022			
Annual dividend	May 2023	0.16	48,000

**Zen Corporation Group Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

*Approval the payment of annual dividend for the year 2022 of the subsidiaries*

At the board of Directors Meeting held on 27 February 2023, the Board of Directors approved the subsidiaries to pay the annual dividend for the year 2022 to the Company. The dividends is subject to the approval of the Board of Directors and shareholders of subsidiaries which have the details follows:

	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
Aka Interfood Company Limited	April 2023	12.00	9,600
Tokyo Concept Company Limited	April 2023	30.00	7,500
Spice Synergy Company Limited	April 2023	0.70	350
<b>Total</b>			<u>17,450</u>

The such subsidiaries have already paid interim dividends for the year 2022 in December 2022 as the details in note 10.

*Dissolution of an associate*

At the Board of Director Meeting held on 27 February 2023, the Board of Directors approved the dissolution of Kin Dee Yu Dee 2020 Co., Ltd., which is an associate of the Group, held by Zen and Spicy Co., Ltd. (25% shareholding). The dissolution of the associate has no effect on the operation or financial position of the Group. However, the associate is in the process of dissolution.



ZEN Corporation Group Public Company Limited

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Section 4

Certification of Information Accuracy

## Section 4

## Certification of Information Accuracy

## 4. Securities Offering by Issuing Company

The Company has reviewed the information in this annual registration statement and hereby certifies that the aforementioned information is true, accurate, and complete and contains no false or misleading statements or no omission of any material facts that should have been stated therein. In addition, the Company hereby certifies that:

(1) The financial statements and financial information accompanying the annual registration statement contains true, accurate, and complete information concerning the financial status, business operations, and cash flow of the Company and its subsidiaries.

(2) The Company sets up a proper disclosure system to ensure that the Company discloses all material parts of both the Company and its subsidiaries correctly and completely, as well as monitor compliance with such system.

(3) The Company establishes a proper internal control system and monitor compliance with the system. The Company has informed the internal control system assessment to the Audit and Corporate Governance Committee of the Company, which covers deficiencies and significant changes to the internal control system, including any wrongdoing that may affect the financial reporting of the Company and its subsidiaries.

In this regard, as proof that all documents are the same as the documents certified by the Company, I have assigned Mrs. Yupaphan Ekasitikul or Mr.Pree Suvimolthirabutr to sign every page of the documents. If any document does not contain Mrs. Yupaphan Ekasittikul's or Mr.Pree Suvimolthirabutr's signature, I will deem that such document is not the information that I have certified as above.

Name	Position	Signature
Mr. Boonyong Tansakul	Chairman of the Executive Committee / Risk Management Committee/ Director / Chief Executive Officer	<i>Mr. Boonyong Tansakul</i>
Miss Jomkwan Chirathivat	Executive Committee / Marketing and Sustainable Development Committee / Director	<i>Miss Jomkwan Chirathivat</i>

Name	Position	Signature
<hr/>		
Grantee		
Mrs. Yupaphan Ekasittikul	Executive Committee / Chief Financial Officer	<i>Mrs. Yupaphan Ekasittikul</i>
<hr/>		
Mr.Pree Suvimolthirabutr	Executive Committee / Chief of Restaurant Business / Chief Operations Officer / Head of Strategy and Investor Relations	<i>Mr.Pree Suvimolthirabutr</i>
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Zen Corporation Group Public Company Limited

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APPENDIX

Zen Corporation Group Public Company Limited

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#### APPENDIX1

Details of Directors, Executives , Controlling Person, The highest responsibility in accounting and finance, The person who directly responsible for accounting supervision and Company Secretary.

**APPENDIX1 : Details of Directors, Executives , Controlling Person, The highest responsibility in accounting and finance, The person who directly responsible for accounting supervision and Company Secretary**

APPENDIX1.1: Details of Directors, Executives , Controlling Person, The highest responsibility in accounting and finance, The person who directly responsible for accounting supervision and Company Secretary.

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
Mr. Paitoon Taveebhol  Chairman of the Board of Directors (February 20, 2019)  Independent Director (February 20, 2019)	72	- Bachelor of Business Administration (Accounting), Ramkhamhaeng University, Thailand	-None-	-None-	4	-None-	2014 – Present	Chairman of the Board of Directors / Independent Director	Zen Corporation Group Public Company Limited	Holding Company of Food Business
		- Master of Business Administration (Finance), Kasetsart University, Thailand  - Graduate Diploma Program in Auditing, Thammasat					2012 - Present	Independent Director / Chairman of Audit Committee / Chairman of Risk Policy Committee/No mination and Remuneration Committee <sup>(1)</sup>	KCE Electronics Public Company Limited	Electronic component manufacturing and distribution business

Note <sup>(1)</sup> Appointed position of the Nomination and Remuneration Committee in 2018

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		University, Thailand - Director Accreditation Program (DAP) Thai Institute of Directors (IOD) Class of 4/2003 - Director Certification Program (DCP) Thai Institute of Directors (IOD) Class of 38/2003 - Audit Committee Program (ACP) Thai Institute of Directors (IOD) Class of 6/2005 - Role of Chairman Program (RCP) Thai Institute of Directors (IOD) Class of 11/2005					2012 - Present	Independent Director / Audit Committee	Easy Buy Public Company Limited	Credit service business
							2008 - Present	Chairman of the Nomination and Remuneration Committee / Independent Director / Audit and Corporate Governance Committee	Somboon Advance Technology Public Company Limited	Auto parts manufacturing business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		<ul style="list-style-type: none"> <li>- Chartered Director Class (R-CDC) Thai Institute of Directors (IOD) Class of 3/2008</li> <li>- Monitoring Fraud Risk</li> <li>- Management (MFM) Thai Institute of Directors (IOD) Class of 1/2009</li> <li>- Monitoring the Quality of Financial Reporting (MFR) Thai Institute of Directors (IOD) Class of 11/2010</li> <li>- Role of the Compensation Committee (RCC) Thai Institute of Directors (IOD) Class of 10/2010</li> <li>- Monitoring the Internal Audit Function (MIA) Thai Institute of Directors (IOD) Class of 9/2010</li> </ul>					2002 - Present	Independent Director / Chairman of the Audit Committee / Chairman of the Risk Policy Committee	Central Pattana Public Company Limited	Real estate development business



Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		<ul style="list-style-type: none"> <li>- Monitoring the System of Internal Control and Risk Management (MIR) Thai Institute of Directors (IOD) Class of 9/2010</li> <li>- Anti-Corruption for Executive Program (ACEP) Thai Institute of Directors (IOD) Class of 2/2012</li> <li>- DCP Reunion (M-DCP Re) Thai Institute of Directors (IOD) Class of 1/2012</li> </ul>								
Mr. Sakkanon Chirathivat  Director (February 20, 2019)  Vice Chairman of the Board of Directors (February 20, 2019)  Nomination and	45	<ul style="list-style-type: none"> <li>- Bachelor of Architecture, University of Westminster, England</li> <li>- Master of Urban Design, AA School of Architecture, England</li> <li>- Master of Business Administration, Sasin</li> </ul>	33.46	Being a sibling of Miss Jomkwan Chirathivat, who is a director and executive of the Group	-None-	13	2014 – Present	Vice Chairman of the Board of Directors / Nomination and Remuneration Committee/ Risk Management Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2016 - Present	Director	Zen and Spicy Company Limited	Restaurant business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
Remuneration Committee (February 20, 2019)  Risk Management Committee April 29, 2019)		Graduate Institute of Business Administration of Thailand  - Director Certification Program (DCP) Thai Institute of Directors (IOD) Class of 211/2015  - Ethical Leadership Program (ELP) Thai Institute of Directors (IOD) Class of 7/2017  - Role of the Chairman Program (RCP) Thai Institute of Directors (IOD) Class 50/2022					2016 - Present	Director	Spice Synergy Company Limited	Service mark owner Restaurant brands
							2016 - Present	Director	Food Active Company Limited	Wholesale business of other food products Which is not elsewhere classified
							2015 - Present	Director	AGB Family Holding Company Limited	A holding company that does not primarily invest in financial business
							2015 - Present	Director	AGB Siblings Holding Company Limited	A holding company that does not primarily invest in financial business
							2015- Present	Director	Zen Supply Chain Management Company Limited	Management business, procurement, purchase and delivery of raw materials
							2015 - Present	Director	Suan Saladaeng Company Limited	Real estate rental and operation business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2013 - Present	Director	Tokyo Concepts Company Limited	Restaurant business
							2013 - Present	Director	Gyu Grill Group Company Limited	Restaurant business
							2013 - Present	Director	Aka Inter Foods Company Limited	Restaurant business
							2011 - Present	Director	Zen Restaurant Holding Company Limited	Restaurant business
							2006 - Present	Director	Terra Cottage Company Limited	Resort hotel business And apartments
							2006 - Present	Director	Canyon Cottage Company Limited	Hotel and Resort Business
							2014 - 2018	Chief Executive Officer	Zen Corporation Group Public Company Limited	Holding Company of Food Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
Mr. Prawit Kijpaisalrattana  Independent Director (February 20, 2019)  Chairman of the Audit and Corporate Governance Committee (February 20, 2019)  Chairman of the Nomination and Remuneration Committee (August 8, 2019)	69	<ul style="list-style-type: none"> <li>- Bachelor of Accounting, Thammasat University, Thailand</li> <li>- Master of Accounting, Thammasat University, Thailand</li> <li>- Board Nomination and Compensation Program (BNCP) Thai Institute of Directors (IOD) Class of 7/2019</li> <li>- Director Accreditation Program (DAP) Thai Institute of Directors (IOD) Class of 120/2015</li> <li>- Advanced Audit Committee Program (AACP) Thai Institute of</li> </ul>	-None-	-None-	1	-None-	2014 - present	Independent  Director / Chairman of the Audit and  Corporate Governance Committee /  Chairman of the Nomination and Remuneration Committee	Zen Corporation  Group Public Company Limited	Holding Company of  Food Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		Directors (IOD) Class of 30/2018					2018 - present	Independent Director/Chairman of the Audit Committee	Thai Eastern Group Holdings Company Limited	Holding shares in other companies (Holding Company) operating rubber business Palm oil business Renewable energy business And other related businesses
							2015 - 2020	Director	Baan Suay Group (Suratthani) Public Company Limited	Real estate business
							2013 - 2014	Cooperative Chairman	Beef cattle cooperatives	Agricultural Cooperatives

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
Assoc.Prof.Dr. Wilert Puriwat  Independent Director (February 20, 2019)  Chairman of the Marketing and Sustainable Development Committee (February 20, 2019)  Nomination and Remuneration Committee (8 August 2019)	55	<ul style="list-style-type: none"> <li>- Bachelor's Degree in Finance and Banking Chulalongkorn University, Thailand</li> <li>- Master of Marketing, Thammasat University, Thailand</li> <li>- Master's Degree in Private and Public Management, Yale University, USA</li> <li>- Ph.D. in International Business, University of Oxford, England</li> <li>- Director Accreditation Program (DAP)Thai Institute of Directors (IOD), Class of 137/2017</li> </ul>	-None-	-None-	1	-None-	2015 - Present	Independent Director / Chairman of the Marketing and Sustainable Development Committee / Nomination and Remuneration Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2022 - Present	Independent Director / Audit Committee	KIJCHAROEN ENGINEERING ELECTRIC PUBLIC COMPANY LIMITED	Engaged in manufacturing business by providing services for the production of electrical control and distribution equipment.
							2019 - Present	Dean of Faculty of Commerce and Accountancy	Chulalongkorn University	University

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2018 - 2019	Audit Committee	Zen Corporation Group Public Company Limited	Holding shares in other companies (Holding Company) that operate a restaurant business and other related businesses
							2010 – 2019	Head of Marketing Department	Chulalongkorn University	University
							2010 - 2015	Consultant	Spa Haku Hodo Company Limited	Advertising service business
Mrs. Jotika Savanananda  Independent Director (February 20, 2019)  Audit and Corporate Governance Committee (February 20, 2019)  Nomination and Remuneration Committee (March 12, 2021)	62	<ul style="list-style-type: none"> <li>- B.A. in Psychology, University of Minnesota, USA</li> <li>- M.S. in Psychology, University of San Francisco, USA</li> <li>- MBA (Finance and International Business), Sasin Graduate Institute of Business Administration, Chulalongkorn University</li> </ul>	-None-	-None-	1	3	2022 - Present	Chairman of the Board	Bitkub Capital Group Holdings Co.,Ltd.	Digital Asset Management
							2021 - Present	Nomination and Remuneration Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2018 - Present	Independent Director / Audit and Corporate Governance Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		<ul style="list-style-type: none"> <li>- Director Certification Program (DCP) Thai Institute of Directors (IOD), Class of 73/2006</li> <li>- Advanced Audit Committee Program (AACP) Thai Institute of Directors (IOD), Class of 18/2015</li> <li>- Risk Management Committee Program (RMP) Thai Institute of Directors (IOD), Class of 6/2015</li> <li>- Corporate Governance for Capital Market Intermediaries (CGI) Thai Institute of Directors (IOD) Class of 18/2017</li> </ul>					2018 – Present	Director	RFS Company Limited	Hospital support service business
							2020 - Present	Sub-Committee	Securities and Exchange Commission	Government agency
							2015 - Present	Independent Director / Audit Committee / Nomination and Remuneration Committee	Central Pattana Public Company Limited	Real estate development business
							2015 - Present	Chairman of the Board	Talis Asset Management Company Limited	Asset Management Business
							2018 - present	Qualified University Council Member	Mahidol University Council	University
							2019 – Present	Qualified Director	Thailand Capital Market Development Fund	Promote the development of the capital market



Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2019 – 2020	Qualified Director	Life Insurance Fund (Life Insurance Fund)	Insurance business
							2017 – 2020	Director / Audit Committee / Investment Committee	Life Insurance Fund (Life Insurance Fund)	Insurance business
							2018 - 2019	Nomination and Remuneration Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2014 – 2018	Director / Chairman of the Audit Subcommittee / Nomination and Remuneration Committee	The Stock Exchange of Thailand	The Stock Exchange of Thailand
							2014 - 2017	Qualified Financial Director	The Office of Insurance Commission (OIC)	Government agency

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2014 - 2015	Director / Risk Management Committee / Nomination and Remuneration Committee	Government Housing Bank	State Enterprises
							2009 - 2014	Managing Director	SCB Asset Management Company Limited	Asset Management Business
Mr. Chavalit Chindavanig  Independent Director (April 29, 2019)  Chairman of the Risk Management Committee (April 29, 2019)  Audit and Corporate Governance Committee	59	<ul style="list-style-type: none"> <li>- Bachelor of Faculty of Engineering Mechanical Engineering Chulalongkorn University Thailand</li> <li>- Master of Business Administration Finance Eastern Michigan University USA</li> <li>- IT Governance and Cyber</li> </ul>	-None-	-None-	1	2	2019 – present	Independent Director / Chairman of the Risk Management Committee / Audit Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2019 - present	Independent Director / Audit Committee	Internet Thailand Public Company Limited	The company is a fully integrated provider of ICT infrastructure

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companie s	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
(April 19, 2019)		Resilience Program (ITG) Thai Institute of Directors (IOD), Class of 10/2019 - Certification Program Update (DCPU) Thai Institute of Directors (IOD), Class of 5/2015 - Corporate Governance for Capital Market Intermediaries (CGI) Thai Institute of Directors (IOD), Class of 4/2015 - Monitoring the System of Internal Control and Risk Management (MIR) Thai Institute of Directors (IOD), Class of 12/2012 - Monitoring the Quality of Financial Reporting (MFR) Thai Institute of Directors (IOD), Class of 15/2015					2018- present	Audit Committee	KKP Capital Public Company Limited	Holding shares in other companies (Holding Company) In the capital market business
							2012 - present	Director	KKP Capital Public Company Limited	Holding shares in other companies (Holding Company) In the capital market business
							2016 - present	Audit Committee	Kiatnakin Phatra Bank Public Company Limited	Securities business
							2012- present	Director	Kiatnakin Phatra Bank Public Company Limited	Securities business
							2019 - 2020	Director	Limousine and Car Transport Company Limited	Holding shares in other companies (Holding Company) operating car rental business
							2012 - 2018	First Executive Vice President	Kiatnakin Bank Public Company Limited	Commercial banking business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		<ul style="list-style-type: none"> <li>- Monitoring the Internal Audit Function (MIA) Thai Institute of Directors (IOD), Class of 11/2013</li> <li>- Monitoring Fraud Risk Management (MFM) Thai Institute of Directors (IOD), Class of 6/2013</li> <li>- Audit Committee Program (ACP) Thai Institute of Directors (IOD), Class of 37/2013</li> <li>- Director Certification Program (DCP) Thai Institute of Directors (IOD), Class of 76/2006</li> <li>- Director Accreditation Program (DAP) Thai Institute of Directors (IOD), Class of 21/2004</li> </ul>					2007-2018	Chief Financial and Budget Officer/ Member of the Risk Management Committee	Kiatnakin Bank Public Company Limited	Commercial banking business
							2011 - 2017	Director / Audit Committee	KKTrade Securities Company Limited	Securities business
							2009 - 2016	Director	KKTrade Securities Company Limited	Securities business
							2010 - 2016	Audit Committee	KKTrade Securities Company Limited	Securities business
							2009 - 2016	Director	Erawan Law Office Limited	Law firm

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
Mr. Boonyong Tansakul  Director (February 20, 2019) Chairman of the Executive Committee (February 20, 2019) Risk Management Committee (April 29, 2019) Chief Executive Officer (June 1, 2018)	57	<ul style="list-style-type: none"> <li>- Bachelor of Science degree in Electrical Engineering King Mongkut's Institute of Technology Thonburi, Thailand</li> <li>- Certificate in Introductory Manufacturing Management, Sanno Institute of Management Thai Japanese Technological Promotion Association Thailand</li> <li>- Certificate of completion in Executive Development Program, Kellogg Graduate School of Management,</li> </ul>	-None-	-None-	-None-	8	2021 - Present	Independent Director	Knight Club Capital Asset Management Public Company Limited	Buying or accepting transfers of non-performing assets from financial institutions
							2019 - Present	Risk Management Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2018 - Present	Chairman of the Executive Committee / Chief Executive Officer	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2016 - Present	Director	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2019 - Present	Director of Nomination and Remuneration Committee	Thai Listed Companies Association	Non-profit Organization

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		Northwestern University, USA  - Capital Market Academy Leadership Program Class 2015, The Securities and Exchange Commission, Thailand  - Capital Market Academy Program (CMA) Class 13/2011, The Stock Exchange of Thailand  - Director Certification Program (DCP) Class 96/2007, Thai Institute of Directors (IOD)  - IOD Chartered Director Class 3/2008, Thai Institute of Directors (IOD)					2018 - Present	Director / Chief Executive Officer	Zen Restaurant Holding Company Limited	Holding Company of Food Business
							2018 - Present	Chief Executive Officer / Director	Aka Inter Foods Company Limited	Restaurant Business
							2018 - Present	Chief Executive Officer / Director	Gyu Grill Group Company Limited	Restaurant Business
							2018 - Present	Chief Executive Officer / Director	Spice Synergy Company Limited	Restaurant's Service Mark Holder
							2018 - Present	Chief Executive Officer / Director	Tokyo Concept Company Limited	Restaurant Business
							2018 - Present	Chief Executive Officer / Director	Zen and Spicy Company Limited	Restaurant Business
							2018 - Present	Chief Executive Officer / Director	Zen Supply Chain Management Company Limited	Supply Chain Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		<ul style="list-style-type: none"> <li>- Anti-Corruption for Executive Program (ACEP) Class 2/2012, Thai Institute of Directors (IOD)</li> <li>- Executive Development Program (EDP) Class 4/2009, Thai Listed Companies Association</li> <li>- Director Leadership Certification Program (DLCP) Thai Institute of Directors (IOD) Class 1/2564</li> <li>- Advanced Audit Committee Program Thai Institute of Directors (IOD) Class 45/2565</li> </ul>					2020 - 2021	Chief of Project Management and Business Development Group (Acting)	Zen Restaurant Holding Company Limited	Restaurant Business
							2020 - 2021	Chief of Project Management and Business Development Group (Acting)	Aka Inter Foods Company Limited	Restaurant Business
							2020 - 2021	Chief of Project Management and Business Development Group (Acting)	Gyu Grill Group Company Limited	Restaurant Business
							2020 - 2021	Chief of Project Management and Business Development Group (Acting)	Spice Synergy Company Limited	Restaurant's Service Mark Holder

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2020 - 2021	Chief of Project Management and Business Development Group (Acting)	Tokyo Concept Company Limited	Restaurant Business
							2020 - 2021	Chief of Project Management and Business Development Group (Acting)	Zen and Spicy Company Limited	Restaurant Business
							2020 - 2021	Chief of Project Management and Business Development Group (Acting)	Zen Supply Chain Management Company Limited	Supply Chain Business
							2013 – 2016	Managing Director	Singer Thailand Public Company Limited	Retail and Leasing Business
							2013 - 2015	Executive Vice President	Singer Asia Limited	Retail and Leasing Business



Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
Miss Jomkwan Chirathivat  Director (February 20, 2019)  Executive Director (February 20, 2019)  Marketing and Sustainable Development Committee (December 14, 2020)	40	<ul style="list-style-type: none"> <li>- Bachelor's Degree in Mass Communication Chulalongkorn University, Thailand</li> <li>- Fashion Portfolio Certificate, London College of Fashion, England</li> <li>- Director Accreditation Program (DAP) Thai Institute of Directors (IOD), Class of 116/2015</li> </ul>	33.46	Being a sibling of Mr. Sakkanon Chirathivat, who is Vice Chairman of the Board of Directors of the Group	-None-	12	2020 - Present	Marketing and Sustainable Development Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2018 - Present	Executive Director/ (Acting) Chief Intellectual Property Officer	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2014 - Present	Director	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2016 - present	Director	Zen and Spicy Company Limited	Restaurant Business
							2015 - present	Director	AGB Siblings Holding Company Limited	A holding company that does not primarily invest in financial business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2015 - present	Director	Gyu Grill Group Company Limited	Restaurant Business
							2015 - present	Director	Zen Supply Chain Management Company Limited	Supply Chain Business
							2015 - present	Director	Suan Saladaeng Company Limited	Real estate rental and operation business
							2014 – Present	Director	Aka Inter Foods Company Limited	Restaurant Business
							2011 – Present	Director	Zen Restaurant Holding Company Limited	Restaurant Business
							2011 – Present	Director	Tokyo Concept Company Limited	Restaurant Business
							2016 - present	Director	Spice Synergy Company Limited	Restaurant's Service Mark Holder
							2015 – Presen	กรรมการ	AGB Siblings Holding Company Limited	A holding company that does not primarily invest in financial business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2006 – Present	Director	Terra Cotta Company Limited	Resort hotel business And apartments
							2006 – Present	Director	Canyon Cottage Company Limited	Hotel and Resort Business
							2019 - 2021	(Acting) Chief Intellectual Property Officer	Zen Restaurant Holding Company Limited	Restaurant Business
							2019 - 2021	Director	Zen and Spicy Company Limited	Restaurant Business
							2018 - 2021	Director	Spice Synergy Company Limited	Restaurant's Service Mark Holder
							2562 – 2564	Deputy Chief Executive Officer of Intellectual Property Management Group (Acting)	Gyu Grill Group Company Limited	Restaurant Business
							2019 - 2021	(Acting) Chief Intellectual Property Officer	Zen Supply Chain Management Company Limited	Supply Chain Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2019 - 2021	(Acting) Chief Intellectual Property Officer	Aka Inter Foods Company Limited	Restaurant Business
							2019 - 2021	(Acting) Chief Intellectual Property Officer	Zen Restaurant Holding Company Limited	Restaurant Business
							2019 - 2021	(Acting) Chief Intellectual Property Officer	Tokyo Concept Company Limited	Restaurant Business
Mr. Chittapon Vivaddhanakasem  Director (February 20, 2019) Executive Director (March 6, 2020) Risk Management	43	<ul style="list-style-type: none"> <li>- Bachelor's Degree in General Management Assumption University, Thailand</li> <li>- Master of Finance and Marketing, University of San Francisco</li> <li>- Director Accreditation Program (DAP) Thai</li> </ul>	1.47	-None-	-None-	9	2020 - Present	Executive Director/ Risk Management Committee / Chief People Officer	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2014 - Present	Director	Zen Corporation Group Public Company Limited	Holding Company of Food Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
Committee (December 14, 2020) Chief People Officer (April 1, 2020 )		Institute of Directors (IOD), Class 116/2015  - Financial Statements for Directors (FSD) Thai Institute of Directors (IOD), Class 46/2022  - Director Certification Program (DCP) Thai Institute of Directors (IOD), Class 321/2022					2018 - Present	Director	Ready Set Go Company Limited	Sports equipment business
							2020 - Present	Chief People Officer	Spice Synergy Company Limited	Restaurant's Service Mark Holder
							2016 - Present	Director	Spice Synergy Company Limited	Restaurant's Service Mark Holder
							2020 - Present	Chief People Officer	Zen and Spicy Company Limited	Restaurant Business
							2016 - Present	Director	Zen and Spicy Company Limited	Restaurant Business
							2020 - Present	Chief People Officer	Zen Supply Chain Management Company Limited	Supply Chain Business
							2015 - Present	Director	Zen Supply Chain Management Company Limited	Supply Chain Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2020 - Present	Chief People Officer	Zen Restaurant Holding Company Limited	Restaurant Business
							2014 - Present	Director	Zen Restaurant Holding Company Limited	Restaurant Business
							2020 - Present	Chief People Officer	Tokyo Concept Company Limited	Restaurant Business
							2014 - Present	Director	Tokyo Concept Company Limited	Restaurant Business
							2020 - Present	Chief People Officer	Gyu Grill Group Company Limited	Restaurant Business
							2013 - Present	Director	Gyu Grill Group Company Limited	Restaurant Business
							2020 - Present	Chief People Officer	Aka Inter Foods Company Limited	Restaurant Business
							2013 - Present	Director	Aka Inter Foods Company Limited	Restaurant Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2010 - Present	Director	Haad Samran Company Limited	Hotel business
							2019 - 2020	Marketing and Sustainable Development Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business
Mr. Steven David Halliday  Director (February 20, 2019) Risk Management Committee (August 13, 2021)	43	<ul style="list-style-type: none"> <li>- Bachelor of Mechanical Engineering, University of Southampton, England</li> <li>- Master of Engineering Business Management, University of Warwick, England</li> <li>- Master of Engineering Management, Chulalongkorn University, Thailand</li> <li>- Director Accreditation Program (DAP) Thai</li> </ul>	1.26	-None-	-None-	7	2021 - present	Risk Management Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2014 - present	Director	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2016 - present	Director	Spicy Synergy Company Limited	Restaurant's Service Mark Holder
							2016 - present	Director	Zen and Spicy Company Limited	Restaurant Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		Institute of Directors (IOD), Class of 115/2015					2015 - present	Director	Aka Inters Foods Company Limited	Restaurant Business
							2015 - present	Director	Zen Supply Chain Management Company Limited	Supply Chain Business
							2014 - present	Director	Zen Restaurant Holding Company Limited	Restaurant Business
							2014 - present	Director	Gyu Grill Group Company Limited	Restaurant Business
							2014 - present	Director	Tokyo Concept Company Limited	Restaurant Business
							2010 - 2013	Vice President, Strategy Department	TMB Bank Public Company Limited	Commercial bank



Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
Mr. Siruwat Chatchaval  Director (August 24, 2020)  Marketing and Sustainable Development Committee (February 24, 2020)  Executive Committee (March 6, 2020)  Chief of Thai Brands Officer (March 25, 2020)	44	<ul style="list-style-type: none"> <li>- Bachelor of Arts in Communication Design Rangsit University, Thailand</li> <li>- Global Mini MBA, Entrepreneurial Manager, Thammasat University, Thailand</li> <li>- Thailand BrandKU EXT Certificate in Business Administration, Kasetsart University, Thailand</li> <li>- Director Accreditation Program (DAP) Thai Institute of Directors (IOD), Class of 169/2020</li> </ul>	1.01	-None-	-None-	10	2565 – ปัจจุบัน 2022 – Present	Director	King Marine Foods Co., Ltd.	Distributor of aquatic products wholesale and retail
							2021 - Present	Director	Zen And Kosum Interfood Company Limited	Production and distribution of retail and wholesale both domestically and internationally relating to products such as bottled fermented fish sauce and including other food products

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2020 - Present	Director / Executive Director / Marketing and Sustainable Development Committee / Chief Commercial Officer_Thai Brand	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2020 - Present	Director / Chief Commercial Officer_Thai Brand	Zen Restaurant Holding Company Limited	Restaurant Business
							2020 - Present	Director / Chief Commercial Officer_Thai Brand	Aka Inters Foods Company Limited	Restaurant Business
							2020 - Present	Director / Chief Commercial Officer_Thai Brand	Tokyo Concept Company Limited	Restaurant Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2020 - Present	Director / Chief Commercial Officer_Thai Brand	Gyu Grill Group Company Limited	Restaurant Business
							2020 - Present	Director / Chief Commercial Officer_Thai Brand	Zen Supply Chain Management Company Limited	Supply Chain Business
							2020 - Present	Director / Chief Commercial Officer_Thai Brand	Zen and Spicy Company Limited	Restaurant Business
							2020 - Present	Director / Chief Commercial Officer_Thai Brand	Spicy Synergy Company Limited	Restaurant's Service Mark Holder
							2016 - Present	Committee	Chef Best Company Limited	Business for property rental
							2018 - 2020	Risk Management Committee	Zen Corporation Group Public Company Limited	Holding Company of Food Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2009 - 2016	Chief Executive Officer	Crazy Spicy Group Company Limited	Restaurant franchise business
Mrs. Yupaphan Ekasittikul  Executive Director (June 1, 2018) Chief Financial Officer (June 1, 2018) Accounting Director (Acting) (June 1, 2018) Finance Director (Acting) (June 1, 2018) Highest Authorized Person responsible for Accounting and Finance	55	<ul style="list-style-type: none"> <li>- Bachelor of Accounting, Thammasat University, Thailand</li> <li>- Master of Accounting, Thammasat University, Thailand</li> <li>- Diploma in Advanced Accounting Examination Thammasat University, Thailand</li> <li>- Director Accreditation Program (DAP), Thai Institute of Directors (IOD), Class of 96/2012</li> <li>- Board Reporting Program (BRP), Thai Institute of</li> </ul>	0.05	-None-	1	11	2022 – Present	Chairman of the Board	King Marine Foods Co., Ltd.	Distributor of aquatic products wholesale and retail
							2021 - Present	Director	Zen And Kosum Interfood Company Limited	Production and distribution of retail and wholesale both domestically and internationally relating to products such as bottled fermented fish sauce and including other food products
							2021 – Present	Director	UDD Auto Service Co., Ltd.	Car paint service business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		Directors (IOD), Class of 12/2013 - Company Secretary Program (CSP), Thai Institute of Directors (IOD), Class of 53/2013 - Company Reporting Program (CRP), Thai Institute of Directors (IOD), Class of 9/2014 - Effective Minutes Taking (EMT), Thai Institute of Directors (IOD), Class of 30/2014 - Anti-Corruption the Practical Guide (ACPG), Thai Institute of Directors (IOD), Class of 18/2015 - Risk Management Program for Corporate Leaders,					2018 - Present	Executive Director / Risk Management Committee / Chief Financial Officer / Chief Financial Officer /Accounting Director (Acting) / Finance Director (Acting)	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2018 - Present	Executive Director / Risk Management Committee / Chief Financial Officer / Chief Financial Officer / Accounting Director (Acting) / Finance Director (Acting)	Zen Corporation Group Public Company Limited	Holding Company of Food Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		Thai Institute of Directors (IOD), Class of 9/2017					2020 - Present	Director	KIN DEE YU DEE 2020 Company Limited	Restaurant Business
							2018 - Present	Chief Financial Officer	Zen Restaurant Holding Company Limited	Restaurant Business
							2018 - Present	Chief Financial Officer	Aka Inters Foods Company Limited	Restaurant Business
							2018 - Present	Chief Financial Officer	Tokyo Concept Company Limited	Restaurant Business
							2018 - Present	Chief Financial Officer	Gyu Grill Group Company Limited	Restaurant Business
							2018 - Present	Chief Financial Officer	Zen Supply Chain Management Company Limited	Supply Chain Business
							2018 - Present	Chief Financial Officer	Zen and Spicy Company Limited	Restaurant Business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2018 - Present	Chief Financial Officer	Spicy Synergy Company Limited	Restaurant's Service Mark Holder
							2018 - 2022	Independent Director / Audit Committee	Eastern Power Group Public Company Limited	Energy and utilities business
							2017 - Present	Director	Sithikul Associates Company Limited	Accounting services, bookkeeping, auditing
							2016 - 2017	Chief Financial Officer	Post Publishing Public Company Limited	Printing media business
							2012 - 2015	Deputy Managing Director	Erawan Sugar Company Limited	Sugar factory business
							2012 - 2014	Financial Accounting Director	TOA Paint (Thailand) Company Limited	Color production and distribution business  And coating

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							1997 - 2011	Financial Accounting Director	Central Restaurants Group Company Limited	Restaurant Business
Mr.Pree Suvimolthirabutr  Executive Director (December 14, 2021)  Chief Operations Officer (September 1, 2021)	48	<ul style="list-style-type: none"> <li>- Bachelor's degree in Engineering, Department of Electrical, Chulalongkorn University</li> <li>- Master's degree MBA ,Oregon State University, USA</li> <li>- Director Accreditation Program (DAP) Thai Institute of Directors (IOD) , Class of 162/2019</li> <li>- Advanced certificate in public economics management, King</li> </ul>	-None -	-None -	-None -	7	2021 - Present	Executive Director/ Chief Operations Officer	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2021 - Present	Chief Operations Officer	Zen Restaurant Holding Company Limited	Restaurant Business
							2021- Present	Chief Operations Officer	Aka Inters Foods Company Limited	Restaurant Business
							2021 - Present	Chief Operations Officer	Tokyo Concept Company Limited	Restaurant Business
							2021 - Present	Chief Operations Officer	Gyu Grill Group Company Limited	Restaurant Business



Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		Prajadhipok's Institute, Class 9					2021 - Present	Chief Operations Officer	Zen Supply Chain Management Company Limited	Supply Chain Business
							2021 - Present	Chief Commercial Officer Japanese Brand	Zen and Spicy Company Limited	Restaurant Business
							2021 - Present	Chief Operations Officer	Spicy Synergy Company Limited	Restaurant's Service Mark Holder
							2021 – 2021	Senior Expert	Boston Consulting Group	consulting business
							2018 – 2020	Managing Director	About passion / Food generation	Restaurant Business
							2016 – 2017	Supply Chain & IT Director	Boots Retail (Thailand)	Retail business
							2007 – 2014	Supply Chain Director	Big C Supercenter	Retail business
							2005 – 2006	Country Sales Manager	Ge energy	energy business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2003 – 2004	Senior Manager	True Corporation	Information technology business
							1999 – 2003	Senior consultant	Accenture	consulting business
Mrs. Mayuree Chitrakorn  Executive Director (February 24, 2022) Chief Marketing Officer (February 4, 2022) <i>Subsidiary Executives</i> (August 11, 2022)	46	- Bachelor of Journalism and Advertising Bangkok University	-None -	-None -	-None -	7	2022 - Present	Executive Committee / Chief Marketing Officer	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2022 - Present	Chief Marketing Officer	Zen Restaurant Holding Company Limited	Retail business
							2022 - Present	Chief Marketing Officer	Aka Inters Foods Company Limited	Retail business
							2022 - Present	Chief Marketing Officer	Tokyo Concept Company Limited	Retail business
							2022 - Present	Chief Marketing Officer	Gyu Grill Group Company Limited	Retail business

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
							2022 - Present	Chief Marketing Officer	Zen Supply Chain Management Company Limited	Supply Chain Business
							2022 - Present	Chief Marketing Officer	Zen and Spicy Company Limited	Retail business
							2011 – 2022	Head of Corporate Marketing Communication	Food Passion co.,Ltd (Bar B Q Plaza)	Food Retail
Miss Kanlaya Chuaychoo  Accounting Manager (14 December 2016)  A person whom has been assigned to responsible accounting control	43	- Bachelor of Business Administration (Accounting), Srinakharintarawiroj University, Thailand - Master of Business Administration (Accounting), Ramkhamhang University, Thailand	-None-	-None -	-None -	-None -	2016 – Present	Senior Accounting Manager	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2012 – 2016	Accounting Assistant Manager	Mc Group Public Company Limited	Business, trade, fabrics, woven from synthetic fibers, elastic threads, nylon fibers, synthetic fibers

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
Miss Oraya Uesakul Corporate Secretary (24 July 2015)	57	<ul style="list-style-type: none"> <li>- Bachelor of Business Administration (Money and Banking), Ramkhamhang University, Thailand</li> <li>- Master of Business Administration (M.B.A.- Finance), Western Michigan University, U.S.A.</li> <li>- Company Secretary Program (CSP), Thai Institute of Directors (IOD), Class 36/2010</li> <li>- Effective Minute Taking (EMT), Thai Institute of Directors (IOD), Class 17/2010</li> <li>- Anti Corruption: The practical Guide (ACPG) Thai Institute of Directors (IOD), Class 15/2014</li> </ul>	-None -	-None -	-None -	-None -	2020 – present	Committee of Thai Company Secretary Club	Thai Listed Companies Association	Thai Listed Companies Association
							2015 – present	Corporate Secretary	Zen Corporation Group Public Company Limited	Holding Company of Food Business
							2014 – 2015	Corporate Secretary	Mc Group Public Company Limited	Business, trade, fabrics, woven from synthetic fibers, elastic threads, nylon fibers, synthetic fibers
							2011 – 2013	Assistant Vice President for Accounting and Finance	Chemical Man Public Company Limited	Production and distribution of lime And continuous chemical products
							2010 – 2011	Corporate Secretary	Minor International Public Company Limited	Resort hotel business and apartments

Name-Surname / Position (Date of appointment)	Age (Year)	Education / Training ( IOD )	% Shareholding in the Company <sup>(1)</sup>	Family Relation between Directors and Executives	Other current position of director / executive positions		Work Experience			
					Other listed companies	Companies or Other position in other company doing business	Time period	Position	Company / Department name	Type of Business
		<ul style="list-style-type: none"> <li>- Bord Reporting Program (BRP) Class 39/2022 Thai Institute of Directors (IOD)</li> <li>- Company Secretary Forum 2022 Thai Institute of Directors (IOD)</li> </ul>					2000 – 2009	Financial director	Minor International Public Company Limited	Resort hotel business and apartments

## APPENDIX 1.2 : The position of director and executives in the Company, subsidiaries and associates

List of Directors	The Company or ZCG	Subsidiary									Associated
		ZRH	AKA	GGG	SYN	OTT	ZPC	ZSM	ZKC	KMF	KIN DEE YU DEE 2020 Co., Ltd.
1. Mr. Paitoon Taveebhol	C, II	-	-	-	-	-	-	-	-	-	-
2. Mr. Sakkanon Chirathivat	I, V, VII	I	I	I	I	I	I	I	-	-	-
3. Mr. Prawit Kijpaisalrattana	I, II, III, V	-	-	-	-	-	-	-	-	-	-
4. Asst.Prof. Wilert Puriwat	I, II, VI	-	-	-	-	-	-	-	-	-	-
5. Mrs. Jotika Savanananda	I, II, III, V	-	-	-	-	-	-	-	-	-	-
6. Mr. Chavalit Chindavanig	I, II, III, VII	-	-	-	-	-	-	-	-	-	-
7. Mr. Boonyong Tansakul	I, VII	I	I	I	I	I	I	I	-	-	-
8. Miss Jomkwan Chirathivat	I, IV, VII, X	I, X	I, X	I, X	I, X	I, X	I, X	I, X	-	-	-
9. Mr. Chittapon Vivaddhanakasem	I, IV, VI, X	I, X	I, X	I, X	I, X	I, X	I, X	I, X	-	-	-
10. Mr. Steven David Halliday	I, IV, VII, X	I, X	I, X	I, X	I, X	I, X	I, X	I, X	-	-	-
11. Mr. Siruwat Chatchaval	I, IV, VI, X	I, X	I, X	I, X	I, X	I, X	I, X	I, X	I	I	-
12. Mrs. Yupaphan Ekasittikul	IV, X	X	X	X	X	X	X	X	C, I	C, I	I
13. Mr. Pree Suvimolthirabutr	IV, X	X	X	X	X	X	X	X	-	-	-
14. Mrs. Mayuree Chitrakorn	IV, X	X	X	X	X	X	X	X	-	-	-

## Remark:

C = Chairman of the Board

I = Director

II = Independent Director

III = Audit Committee

IV = Executive Committee

V = Nomination and Remuneration Committee

VI = Marketing and Sustainable Development Committee

VII = Risk Management Committee

X = Executive

## APPENDIX 1.3 : The position of director and executives in related companies

Company list	List of Directors and Executives													
	Mr. Paiboon Taveebhol	Mr. Sakkanon Chirathivat	Mr. Prawit Kijpaisalrattana	Assoc.Prof.Dr. Wilert Puriwat	Mrs. Jotika Savanananda	Mr. Chavalit Chindavanig	Mr. Boonyong Tansakul	Miss Jomkwan Chirathivat	Mr. Chittapon Vivaddhanakasem	Mr. Steven David Halliday	Mr. Siruwat Chatchaval	Mrs. Yupaphan Ekasittikul	Mr. Pree Suvimolthirabutr	Mrs. Mayuree Chitrakorn
KCE Electronics Public Company Limited	I, II, III, V, VII	-	-	-	-	-	-	-	-	-	-	-	-	-
Easy Buy Public Company Limited	I, II, III	-	-	-	-	-	-	-	-	-	-	-	-	-
Somboon Advance Technology Public Company Limited	I, II, III, V	-	-	-	-	-	-	-	-	-	-	-	-	-
Central Pattana Public Company Limited	I, II, III, VII	-	-	-	I, II, III, V	-	-	-	-	-	-	-	-	-
AGB Family Holding Company Limited	-	I	-	-	-	-	-	I	-	-	-	-	-	-
AGB Siblings Holding Company Limited	-	I	-	-	-	-	-	I	-	-	-	-	-	-
Terra Cotta Company Limited	-	I	-	-	-	-	-	I	-	-	-	-	-	-
Canyon Cottage Company Limited	-	I	-	-	-	-	-	I	-	-	-	-	-	-
Food Active Company Limited	-	I	-	-	-	-	-	-	-	-	-	-	-	-
Suan Saladaeng Company Limited	-	I	-	-	-	-	-	I	-	-	-	-	-	-
Thai Eastern Group Holdings	-	-	I, II, III	-	-	-	-	-	-	-	-	-	-	-

Company list	List of Directors and Executives													
	Mr. Paiboon Taveebhol	Mr. Sakkanon Chirathivat	Mr. Prawit Kijpaisalrattana	Assoc.Prof.Dr. Wilert Puriwat	Mrs. Jotika Savanananda	Mr. Chavalit Chindavanig	Mr. Boonyong Tansakul	Miss Jomkwan Chirathivat	Mr. Chittapon Vivaddhanakasem	Mr. Steven David Halliday	Mr. Siruwat Chatchaval	Mrs. Yupaphan Ekasittikul	Mr. Pree Suvimolthirabutr	Mrs. Mayuree Chitrakorn
Company Limited														
RFS Company Limited	-	-	-	-	I	-	-	-	-	-	-	-	-	-
Talis Asset Management Company Limited	-	-	-	-	C	-	-	-	-	-	-	-	-	-
Haad Samran Company Limited	-	-	-	-	-	-	-	-	I	-	-	-	-	-
Ready Set Go Company Limited	-	-	-	-	-	-	-	-	I	-	-	-	-	-
Sithikul Associates Company Limited	-	-	-	-	-	-	-	-	-	-	-	I	-	-
Chef Best Company Limited	-	-	-	-	-	-	-	-	-	-	I	-	-	-
Knight Club Capital Asset Management Company Limited	-	-	-	-	-	-	II	-	-	-	-	-	-	-
Kijcharoen Engineering Electric Public Company Limited	-	-	-	II, III	-	-	-	-	-	-	-	-	-	-

Remark:

C = Chairman of the Board

I = Director

II = Independent Director

III = Audit Committee

IV = Executive Committee

V = Nomination and Remuneration Committee

VI = Marketing and Sustainable Development Committee

VII = Risk Management Committee

VIII = Risk Policy Committee

IX = Investment Committee

X = Executive



Zen Corporation Group Public Company Limited

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## APPENDIX 2

Details of the Directors of the Subsidiary

## APPENDIX 2 : Details of the Directors of the Subsidiary

List of Directors	Subsidiary								
	ZRH	AKA	GGG	SYN	OTT	ZPC	ZSM	ZKC	KMF
1. Mr. Boonyong Tansakul	C,I, X	C,I, X	C,I, X	C,I, X	C,I, X	C,I, X	C,I, X	-	-
2. Mr. Sakkanon Chirathivat	I	I	I	I	I	I	I	-	-
3. Miss Jomkwan Chirathivat	I	I	I	I	I	I	I	-	-
4. Mr. Chittapon Vivaddhanakasem	I, X	I, X	I, X	I, X	I, X	I, X	I, X	-	-
5. Mr. Steven David Halliday	I	I	I	I	I	I	I	-	-
6. Mr. Siruwat Chatchaval	I, X	I, X	I, X	I, X	I, X	I, X	I, X	I	I
7. Mrs. Yupaphan Ekasittikul	-	-	-	-	-	-	-	C, I	C, I
8. Miss Veeradaorn Puengphocharoenphun	-	-	-	-	-	-	-	I, X	I, X
9. Miss. Warinphat Saenglee	-	-	-	-	-	-	-	I, X	I, X
10. Mr.Teeratas Bumnetpun	-	-	-	-	-	-	-	I, X	I, X
11. Mrs.Nuttsasi Bumnetpun								I, X	I, X

Note:

C = Chairman of the Board

I = Directors

X = Executive

Zen Corporation Group Public Company Limited

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### APPENDIX 3

Details about Head of Internal Audit and Head of Operations (Compliance)

## APPENDIX 3 : 3.1 Details about Head of Internal Audit

The Company assigned Miss. Rungaroon Phongwilai to be the Head of Internal Audit. The details of the Head of Internal Audit as follows:

Head of Internal Audit	Age (Year)	Education / Training	Time period	Company	Position
Miss. Rungaroon Phongwilai	44	<b>Education</b> - Bachelor of Business - Bachelor's degree in Accounting, Thammasat University - Master's degree in Business Administration National Institute of Development Administration	Oct. 2021-Present	Zen Corporation Group Public Company Limited	(Acting) Internal Audit Director
			2018 – Sep. 2021	Zen Corporation Group Public Company Limited	Assistant Director of Internal Audit
			2015 - 2018	Zen Corporation Group Public Company Limited	Audit Executive
		<b>Training</b> - Anti-Corruption the Practical Guide (ACPG) Class of 57/2021 - Internal Audit Management - Fraud investigation	2005 – 2015	Siam Food Products Public Company Limited	Internal Audit Manager

## APPENDIX 3 : 3.2 Details about Head of Operations (Compliance)

The Company assigned Mr. Songwut Boakhem to be the Head of Operations (Compliance) as follows:

Head of Operations	Age (Year)	Education / Training	Time period	Company	Position
Mr. Songwut Boakhem	69	<ul style="list-style-type: none"> <li>- Bachelor of Business Accounting, Thammasat University</li> <li>- Bachelor of Laws, Thammasat University</li> <li>- Master of Business Administration, Kasetsart University</li> </ul>	2018-Present	Zen Corporation Group Public Company Limited	Head of Management Office
			2017-2018	RHB Securities (Thailand) Public Company Limited	Legal Director
			2014-2017	Suetrong Property Company Limited Group	Legal Manager
			2010-2013	CIMB Thai Bank Public Company Limited	Executive Vice President Business support Line
			2007-2010	Sathorn Asset Management Company Limited (subordinate to CIMB Thai Bank Public Company Limited )	Managing Director
			1999-2007	BankThai Public Company Limited	Executive Vice President Business

Head of Operations	Age (Year)	Education / Training	Time period	Company	Position
			1190-1999	United Bank Public Company Limited	Senior Director Credit Quality and Legal Development Department
			2517-2533	Bangkok Bank Public Company Limited	Section Chief / Senior Auditor

Zen Corporation Group Public Company Limited

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APPENDIX 4

Assets for business operation and Details about the appraisal items

**APPENDIX 4: Assets for business operation and Details about the appraisal items****1. Assets for business operation**

Details of assets used in business operation It appears in Section 1.1, page 61, item 4.

**2. Details about the appraisal items**

- None -



Zen Corporation Group Public Company Limited

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APPENDIX5

Policy and Practice of Corporate Governance and Code of Conduct of the Company in Full  
Version

APPENDIX 5: Policy and Practice of Corporate Governance and Code of Conduct of the  
Company in Full Version

Good Corporate Governance Policy

Of

ZEN Corporation Group Public Company Limited and Its Subsidiaries

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

## Section 1

### Rights of Shareholders

#### 1. Shareholder meetings

1. Zen Corporation Group Public Company Limited ("the Company") shall support all shareholders and the institutional shareholders to attend the shareholders' meetings.

2. The Company shall send documents stating the date, time, location, and agenda of a meeting, as well as explanations and reasons for each agenda, all information related to matters that need to be decided at a meeting, in an invitation letter of the shareholders' meeting or in an attachment of meeting agenda. All shareholders shall be notified at least 28 days in advance, and the details shall be available on the Company website <http://www.zengroup.co.th>.

3. The Company shall give shareholders an opportunity to submit questions regarding the meeting agenda to the Board of Directors in advance, from the date of the Company providing the details about the invitation letter of the shareholders' meeting and related documents on the Company website up to 7 days before the date of the shareholders' meeting. The shareholders may submit questions via the Company website or via fax or email of the Company Secretary. The Company shall notify the rules of the submission in advance through the news system of the Stock Exchange of Thailand ("SET") in the invitation letter of the shareholders' meeting and on the Company website <http://www.zengroup.co.th>.

4. The Company shall facilitate shareholders to fully exercise their rights to attend the meeting and vote. A meeting shall be held on working days, and its location shall be in Bangkok or its perimeter with convenient transportation for shareholders. It shall also provide sufficient personnel and technology for document verification and provide duty stamps for the proxies.

5. The Company shall nominate at least one independent director as a proxy from shareholders who are unable to attend the meeting with a power of attorney in the form where shareholders can specify the voting direction.

#### 2. Actions on the day of the shareholders' meeting

1. The Company shall arrange to use ballots and/or electronic voting in the event of an E-Meeting and/or technology for the shareholders' meeting, shareholder registration voting on important agenda such as connected transactions, acquisition or disposition of assets, and vote counts and voting display for

transparency and accountability and enable the meeting to be conducted quickly, accurately, and precisely. In the case of meeting via electronic media (E-Meeting), it will comply with the Royal Ordinance on Electronic Conferencing B.E. 2563 (2020) and other laws and regulations. related.

2. The Company shall require the directors and the senior management of the Company to attend the shareholders' meeting and answering questions at the shareholders' meeting.

3. The Company shall allow the shareholders to vote separately in accordance with the sub-transactions in each proposed agenda, such as the voting agenda for the election of individual directors.

4. The Company shall arrange an independent person(s) to count or check the votes in the shareholders' meeting, and the voting results shall be disclosed to the meeting and recorded in the minutes of the meeting.

5. The Chairman of the meeting shall manage the time appropriately and encourage the shareholders with an opportunity to express their opinions and ask questions related to the meeting according to the agenda.

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

1. The Company shall prepare the minutes of the shareholders' meeting within 14 days from the meeting date with the clarification of voting procedures, a method of displaying the scores to the meeting before conducting the meeting, an opportunity for shareholders to raise issues or raise questions, answering important issues, inquiries, clarifications, opinions, and voting methods, including the number of votes in approval or disapproval, or abstention of all agendas, as well as the names of the directors who attend the meeting and the directors who take leave. The minutes of the meeting shall be sent to the Stock Exchange of Thailand in accordance with the regulations and published on the Company website to be available to check and reference.

2. The Company shall disclose to the public the voting results of each agenda in the next shareholders' meeting on the Company website.

## Section 2

### Equitable Treatment of Shareholders

#### 1. Providing Information before the Shareholders' Meeting

1. The Company shall inform the schedule of the shareholders' meeting along with the agenda and opinions of the Board of Directors to the SET and publish it on the Company website at least 28 days before the date of the shareholders' meeting.
2. The Company shall inform shareholders of various rules for the meeting, voting process, voting rights for each type of share in the invitation letter.
3. The Company shall make the invitation letter to the shareholders' meeting in both Thai and English.

#### 2. Protection of Rights of Minority Shareholders

1. The shareholders have the right to propose the Company matters to be included in the agenda of the shareholders' meeting in accordance with the rules stipulated by the Company, which are disclosed on the Company website at [http:// www.zengroup.co.th](http://www.zengroup.co.th), by December 31 of every year.
2. The shareholders may nominate persons to be elected as directors in accordance with the rules stipulated by the Company, which are disclosed on the Company website at <http://www.zengroup.co.th>, by December 31 of every year.
3. The executive shareholders shall not add an agenda item to the meeting or change important information without notifying the shareholders at least 21 days before the meeting date.

#### 3. Prevention of Internal Information

1. The Company shall provide knowledge to the directors and executives of the Company, including those with management positions in the accounting or finance department who are department managers or higher or equivalent (according to the definition of the Capital Market Supervisory Board and the Stock Exchange of Thailand) regarding the obligation to report the Company's securities holdings under Section 59 and the penalty under Section 275 of the Securities and Exchange Act B.E. 2535 (the "Securities Act"), including reporting of acquisition or disposal of the Company's securities under Section 246 and the penalty under Section 298 of the Securities Act.

2. (a) Directors and executives, including those with management positions in the accounting or finance department who are department managers or higher or equivalent are obliged to prepare and disclose their stock holding reports issued by the Company, including spouses or people who live together as husband and wife and children who are not legal age and (b) a juristic person in which the persons under (a) hold more than 30% of the total voting rights of the juristic person and the combined shareholding is the largest proportion of that juristic person under the Notification of the Office of the Securities and Exchange Commission and Section 59 of the Securities and Exchange Act within seven working days from the reporting obligation and within three working days every time there is a change with buying, selling, transferring or accepting the transfer of securities, through the Company's Secretary in order to be submitted to the Office of the Securities and Exchange Commission at all times. The Company's Secretary shall summarize the report of securities holding and changes in securities holding to the Board of Directors meeting for acknowledgment on a regular basis every six months, and the directors and senior management shall notify the Board or the person assigned by the Board and trading the shares of the Company at least one day in advance before trading.
3. The directors and executives, including those with management positions in the accounting or finance department who are department managers or higher or equivalent, and relevant workers who have received internal information regarding the financial statements, financial status or results of operations of the Company, including other important internal information, shall not buy, sell, offer to buy or sell, or solicit other people to buy, sell, offer to buy or sell shares or other securities (if any) of the Company, either directly or indirectly within the period prior to the disclosure of the financial statements or the financial status and operating results of the Company until the Company has disclosed the information to the public. The Company shall notify the directors and executives in writing to refrain from the above actions for at least 30 days in advance of public disclosure, and they should wait for at least 24 hours after the information has been made public before performing the above actions.
4. The directors, executives, officers and employees of the Company and its subsidiaries, including those who are assumed to acknowledge or possess information within the Securities Act shall not use the Company's and its subsidiaries' internal information that has or may have an effect on the

price change of the Company's securities, and that has not been made public, which they have known due to their position or status for the purpose of buying, selling, offering to buy or sell, or solicit other people to buy, sell, offer to buy or sell shares or other securities (if any) of the Company, either directly or indirectly, and whether such actions are done for the benefit of themselves or others, or shall not reveal such facts for others to do so as to whether they gain benefits or not.

5. The Company's and its subsidiaries' directors, executives, officers and employees, including those who are assumed to acknowledge or possess information within the Securities Act shall not disclose internal or confidential information of the Company and its subsidiaries, including confidential information of business partners of the Company and its subsidiaries, which they have known due to their performance of duties to third parties even though the disclosure of the said information does not cause damage to the Company, its subsidiaries or partners.
6. The directors, executives, officers and employees of the Company and its subsidiaries, including those who are assumed to acknowledge or possess information within the Securities Act shall keep confidential and/or internal information of the Company and its subsidiaries and the directors, executives, officers and employees of the Company and its subsidiaries, including those who are assumed to acknowledge or possess information within the Securities Act shall not use confidential information and/or internal information of the Company and its subsidiaries to benefit other companies.
7. The directors, executives, officers and employees of the Company and its subsidiaries, including those who are assumed to acknowledge or possess information within the Securities Act shall be responsible for complying with the guidelines for using the internal information of the Securities Act and the Public Limited Companies Act, and other relevant rules.

#### 4. Conflicts of Interest of directors

Company Code of Conduct stipulates that the directors, executives, and employees of the Company and its subsidiaries to cope with conflicts of interest by adhering to the benefits of the Company as a key point. The Company has set up a system to oversee connected transactions in accordance with the Notification of the Capital Market Supervisory Board and required that directors and executives to disclose information regarding

to their own interests and those involved in consideration of any agenda in which their directors or executives have a stake, and they shall inform the interests before considering that agenda and record it in the minutes of the meeting. The directors or executives with interests in any agenda shall not participate in the decision of the agenda and shall leave the meeting room in that agenda.

### Section 3

#### The Role of Stakeholders

The Company and its subsidiaries place importance on the treatment of all groups of stakeholders and take into account legal rights or agreements. It shall not violate the rights of stakeholders such as customers, employees, shareholders or investors, business partners, creditors, society, communities in which the Company is located, including government sectors, auditors, and competitors for financial stability and sustainability of the business. Therefore, the Company and its subsidiaries also take into consideration the participation of interested parties and shall disclose important, relevant information to those interested parties sufficiently, including carrying out the process and channels for receiving and managing the complaints of the interested parties by disclosing processes and channels on the Company website and the annual report. All stakeholders of the Company are as follows:

##### 1. Customers

The Company and its subsidiaries are committed to providing customers with maximum satisfaction with development of quality products and services to meet the needs of customers as much as possible at a fair price, providing accurate information about the operations and products of the Company and its subsidiaries, as well as maintaining communication channels with customers by regularly listening to customer feedback.

##### 2. Employees

The Company and its subsidiaries shall focus on the development of employees' knowledge and capabilities with provision of opportunities for employees thoroughly and consistently and consider employees as valuable resources for the organization and important for growth and profitability of the Company and its subsidiaries along with provision of care and quality work environments for employees, focusing on health and safety, and shall treat all employees with fairness in order to gain fair returns when compared to similar businesses.



### 3. Shareholders

The Company and its subsidiaries are committed to the operation and shall perform their duties with honesty, transparency, and fairness, and use knowledge, expertise, and experience in management by taking into account the best interests of the shareholders with good returns and ongoing growth, as well as to report the situation of the Company and its subsidiaries continuously, completely, transparently, reliably, and give every shareholder equal rights.

### 4. Business Partners and Creditors

The Company and its subsidiaries deem that it is important to encourage business partners and creditors of the Company fully to understand the Company's business. In addition, in order to maintain a clear, lasting, and trustworthy relationship, the Company and its subsidiaries shall strictly comply with the terms and conditions of the agreements, as well as providing complete and accurate financial information to business partners and creditors of the Company. It also sets a policy not to demand, accept, or pay any dishonest benefits to business partners and creditors of the Company.

### 5. Society, Community, and Environment

The Company and its subsidiaries pay attention to and place importance to safety to society, environment, and quality of life of people involved in all operations of the Company and also provides supervision for compliance with laws and regulations in accordance with the spirit of the law and regulations of responsible departments. In addition, the Company seeks to raise awareness of responsibility to the community, society, and environment among employees at all levels, including ongoing evaluation and monitoring.

### 6. Competitors

The Company and its subsidiaries shall treat competitors in a fair and ethical manner and operate the business with the purpose of development and market progress, which is beneficial to the industry as a whole without seeking the confidential information of dishonest or inappropriate competitors.

### 7. Business Partners

The Company and its subsidiaries shall comply with trade conditions and agreements, aiming to treat trade partners based on fairness and consider mutual benefits. It also sets the rules to select partners by providing detailed information to all partners and shall not discourage anyone partner from competing in a business competition and provide a management and monitoring system to ensure that all agreements and contracts are fulfilled, including a process for on-time payment to partners in accordance with the agreed payment terms.

In addition, the Company and its subsidiaries shall conduct a partner evaluation annually and inform the evaluation results and recommendations to enable partners to continuously improve their quality of products and services. At the same time, it allows the partners to submit complaints.

## Section 4

### Disclosure of Information and Transparency

The Board of Directors are committed to ensuring the disclosure of important information relating to the Company and its subsidiaries, including financial and non-financial information is accurate, complete, timely, transparent, through easy access channels, fair and reliable, and also strictly complies with relevant laws, regulations, and regulations. The main principles of information disclosure are as follows:

1. The disclosed information shall be accurate, sufficient, clear, timely, and not to cause any misunderstanding in the material contents.
2. It shall comply with regulations regarding disclosure of information correctly and completely.
3. The Company shall authorize an assigned person(s) to disclose important information that has not been disclosed to the public only.
4. In the case of information that affects the trading prices and the investment decision, the Company shall disclose to the public without delay through the SET.
5. Disclosures are made through various channels, such as reporting to the SET and/or the Office of the Securities and Exchange Commission or on the Company website.

## Section 5

### Board of Directors' responsibilities

#### 1. Board of Directors' Structure

1. The Company has set up its Board of Directors to consist of at least five directors as specified by the shareholders' meeting, but no more than 12 and at least 1 in 3 independent directors but not less than 3, and the remaining members are executive directors and non-executive directors. It has also set the structure of the Board to consist of various qualifications in terms of skills, experience, gender and specific talents that are beneficial to the Company with dissemination of policies on the diverse qualifications of the directors, including the number of years holding the position of each director in the annual report and on the Company website.

2. The directors shall be qualified and shall not be under any prohibition under the Public Company Limited Act and shall not have characteristics that indicate lack of appropriateness to be entrusted to the management of a public-owned business under the law and the Notification of the Securities and Exchange Commission and in the selection of new directors, it shall also consider from the Director Pool database.
3. To strengthen the Board of Directors and enable the directors to devote their time to perform duties in the Company, the Company requires that the directors be able to hold their position of no more than five registered companies.
4. To enable management in the Company's business to achieve effective results, the Company has guidelines in the case of the Chief Executive Officer, and the senior management of the Company will take a position of not more than five companies in which the Company invests and the company in which the directors hold their position shall not have a conflict of interest and shall not be a competitor of the Company. Directorship in other companies shall be proposed for approval by the Board of Directors, and they shall be prohibited from working in any other company other than companies that the Company invests in.
5. The Company requires qualifications of independent directors in accordance with the Notification of the Capital Market Supervisory Board, except for the matters of shares that the Company has stipulated to be stricter. The shares shall not be more than 0.5 percent of the Company's paid-up capital, and the shares held by related persons shall also be counted. The term of office for the independent directors shall be no more than nine years
6. The Company requires the Chairman of the Board and the Chief Executive Officer to be different persons in order to be able to independently carry out the audit for balance the work of the management by dividing duties and responsibilities for each as follows:
  - (1) The Chairman is responsible for overseeing the meetings of the Board of Directors to be efficient and shall ensure provision of an important and necessary meeting agenda for the Company's business operations, especially in the strategic plan, allocate time for the management to present clear information, record the minutes of the meeting correctly, including overseeing the corporate governance of the Company to be in line with the stipulated policies. It also serves as the Chairman of the shareholders' meeting.

- (2) The Chief Executive Officer is responsible for overseeing the management as assigned by the Board of Directors, preparing the policy, business strategy guidelines, goals, work plans, and annual budgets of the Company and its subsidiaries to propose to the Board of Directors for approval as well as carry out operations in accordance with the policy, business strategy guidelines, goals, work plans, and annual budgets of the Company and its subsidiaries as approved by the Board of Directors.
7. The Company has appointed Company Secretary to provide legal advice, rules, and regulations that the Board of Directors should acknowledge and to perform in overseeing the activities of the Directors, as well as coordinating the implementation of the resolutions of the Board of Directors. The Company Secretary shall hold a bachelor's degree in law or accounting or have passed training courses related to the performance of duties of the Company Secretary. The Company has specified the appropriate qualifications of the Company Secretary and disclose the qualifications and experience of the Company Secretary in the annual report and on the Company website and allow the Company Secretary to participate in training and knowledge development.

## 2. Establishment of Sub-Committees

The Board of Directors has appointed five sub-committees as follows

1. Audit and Corporate Governance Committee
2. Risk Management Committee
3. Marketing and Sustainable Development Committee
4. Nomination and Remuneration Committee
5. Executive Committee

Each sub-committee shall perform its duties as assigned by the Board of Directors, which has the power to notify the management to attend the meeting to clarify or prepare the report to present as deemed appropriate.

Each sub-committee consists of the component, term of office, and duties in accordance with the charter, which can be summarized as follows:

- 1) **Audit and Corporate Governance Committee:** consists of at least three independent directors appointed by the Board of Directors, of which at least one shall have knowledge in accounting,

finance, and shall have qualifications regarding independence under the Notification of the Capital Market Supervisory Board. The Audit Committee is responsible for overseeing the Company to prepare sufficient and accurate financial reports, reviewing the internal control system and effective internal audit, as well as supervising compliance with relevant laws, selecting and appointing an auditor(s), and considering connected transactions or transactions that may have conflicts of interest to ensure compliance with the criteria including good corporate governance.

- 2) **Risk Management Committee:** consists of at least three directors and executives of the Company, who shall be appointed by the Board of Directors.
- 3) **Marketing and Sustainable Development Committee:** consists of at least three directors of the Company and independent directors appointed by the Board of Directors, and an independent director shall be the Chairman of the Marketing and Sustainable Development Committee.
- 4) **Nomination and Remuneration Committee:** consists of at least three directors appointed by the Board of Directors, and an independent director shall be the Chairman of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall be consist of more than half of independent directors.
- 5) **Executive Committee:** consists of some of the Company's directors and may consist of one or more other persons, as deemed and appointed by the Board of Directors.

### 3. Roles, Duties, and Responsibilities of the Board of Directors

1. Duties and responsibilities of the Board of Directors shall be as stipulated by law, memorandum of association, articles of association, and resolutions of the shareholders' meeting, which include the following actions:
  - (1) To stipulate the vision, mission, policy, strategy and financial goals for the Company and its subsidiaries, as well as to consider and approve the policy and operation direction that the management proposes, and to supervise the management to proceed in accordance with the vision, mission, policy, strategy and financial goals, with the purpose to increase economic value for shareholders by taking into account all interested parties involved.
  - (2) To review the Board of Directors Charter at least once per year

- (3) To set the structure and define the Company's and its subsidiaries' processes to ensure that operations are in accordance with the rules, regulations, board resolutions, resolutions of the shareholders' meeting, with honesty and carefulness.
- (4) To set the structure and define the Company's and its subsidiaries' processes for a sound risk management system, supervision and inspection, and internal control.
- (5) To monitor and evaluate the management of the Company and its subsidiaries to achieve the strategic plan under the budget approved by the Board of Directors.
- (6) To oversee the preparation of accounts and keep accounts and related documents, including the disclosure of appropriate information to shareholders and the general public.
- (7) To inspect and ensure that the Company and its subsidiaries have complied with the Code of Ethics and anti-corruption policy set by the Board of Directors and determine the Company's and its subsidiaries' policies in corporate governance and social responsibility and environment.
- (8) To appoint a person to be a director or executive of a subsidiary company in proportion to his/her shareholding in the subsidiary company and provide a clear scope of duties and responsibilities of the appointed directors and executives, which include setting a clear framework for exercise discretion and allowing the voting in the Board of Directors' meeting on important matters to be approved by the Board of Directors, and also conduct management control in accordance with the Company policy and transactions to be legal, which includes the disclosure of financial status, information, performance, connected transactions and the acquisition or disposal of significant assets.

However, the delegation of authority and responsibility of the Board of Directors shall not be made in a power of attorney or sub-authorization which allows the Board of Directors or a delegate from the Board of Directors to approve transactions in which they or persons with potential conflicts of interest (as defined in the Notification of the Securities and Exchange Commission or Notification of the Capital Market Supervisory Board) may have a conflict of interest or may receive benefits in any manner or may have a conflict of interest with the Company or its subsidiaries, except for approval of items in accordance with the policies and criteria approved by the shareholders' meeting or the Board of Directors of the Company.

2. In the principles of the good corporate governance of the Company, apart from conducting business in accordance with the law, objectives, and regulations, as well as the resolutions of the shareholders' meeting, the Board of Directors also has the authority, duties, and responsibilities of the Board of Directors as shown in the Board of Directors Charter.

#### 4. Board Meeting and Receipt of Documents

The Board of Directors operates through a meeting of the Board of Directors as follows:

1. The Company shall schedule a meeting of the Board of Directors in advance for the whole year, and the Company Secretary shall inform each director of the schedule.
2. The Board of Directors shall schedule a meeting at least six times a year and at least once within three months.
3. The Chairman of the Board of Directors and the Chief Executive Officer jointly consider and select matters for the agenda of the Board of Directors' meeting and allow each director to propose matters that are beneficial to the Company.
4. Each meeting of the Board of Directors shall have a clear meeting agenda and sufficient and complete meeting documents that shall be submitted to the Board of Directors at least seven days in advance of the meeting date.
5. All directors shall attend every meeting of the Board of Directors and the shareholders, except in the case of necessity.
6. The Chairman of the Board shall allocate sufficient time for the management to propose the matters and to allow the directors to thoroughly discuss the important issues. The Chairman of the Board shall promote careful discretion, and every director shall pay attention to every matter and issue brought to the meetings, including corporate governance issues.
7. The minimum quorum at the time that the Board of Directors is passing a resolution shall not be less than 2 in 3 of the total number of directors.
8. In the case that the Chairman is not an independent director, the Board of Directors shall appoint one of the independent directors to consider the agenda of the meeting in order to be in accordance with the principles of good corporate governance for registered companies.

9. The Company has a policy for non-executive directors meeting as necessary in order to discuss various issues regarding management without the management team and to inform the Chief Executive Officer of the meeting results.
10. The Company has the policy to encourage senior executives to attend the meeting of the Board of Directors.
11. All directors have access to additional necessary information from the Chief Executive Officer, the Company Secretary, or other assigned executives within the specified policy scope and, if necessary, they may provide independent opinions from consultants.
12. Board of Directors shall assign the Company Secretary to record the minutes completely and accurate, and the minutes shall be clear with the meeting results and the opinions of the Board for reference.

#### 5. Board of Directors' Self-Assessment

The Board of Directors requires the assessment of the Board of Directors' performance annually to consider the performance and issues for further improvement.

The Company has the assessment process of the Board of Directors as follows

1. The Board of Directors arranges for annual self-performance assessment for the directors to jointly consider their performance and issues for further improvement. The assessment of the Board of Directors shall use the assessment guidelines suggested by the Stock Exchange of Thailand, and modify to suit with the company's business operations.

2. The Board of Directors arranges for the evaluation of the Chief Executive Officer to compare with the operating results. The Board of Directors shall evaluate in the evaluation form, and the Board of Directors shall assign the Chairman of the Board of Directors to inform the evaluation results to the Chief Executive Officer and the Board of Directors.

#### 6. Directors' Remuneration

To prevent the conflict of interests of the Company, the Nomination and Remuneration Committee is responsible for determining and proposing to the Board for approval. Then, the shareholders may give approval to the work of the Board of Directors with the following rules and regulations:



1. The Committee shall consider the remuneration of the directors by comparing it with the companies in the same industry, company performance, and responsibilities of the directors. The consideration of the remuneration of directors is under the approval of the shareholders' meeting, and the shareholders have the right to consider the criteria and policies for determining remuneration for the directors every year. The Board of Directors has to propose the directors' remuneration for the shareholders to consider as the agenda of the annual general meeting of shareholders.
2. Executive remuneration shall be in accordance with the principles and policies determined by the Board of Directors, which are connected to the Company's operation and the performance of each executive.
3. Board of Directors and the senior management shall report on the directors' remuneration and rationale in the annual report and financial statements of the Company.

#### **7. Development of Directors and Executives**

1. The Company and its subsidiaries shall promote and facilitate the training and education of relevant parties in the corporate governance system of the Company and its subsidiaries, such as directors, Audit and Corporate Governance Committee, executives, and the Company Secretary, in order to continuously improve operations.
2. The Company and its subsidiaries shall arrange an orientation and arrange documents and information useful for the performance of the duties of the new directors.
3. The company encourages directors to continuously develop their knowledge in performing their duties as directors by supporting all directors to attend training courses as recommended by the Board of Directors The Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), the Thai Institute of Directors Association (IOD) and other agencies Related.
4. The Board shall set a plan to develop the potential of executives from the level of Chief Executive Officer to the director level by assigning the management to create a succession plan and a report to the Board of Directors

## Code of Conduct

### Zen Corporation Group Public Company Limited and its subsidiaries

Vol. 11, 2022

#### 1. Scope

The Code of Conduct of Zen Corporation Group Public Company Limited ( the Company”) applies to directors, executives, employees of the Company and its subsidiaries.

#### 2. Policy

The Company has the policy to conduct business in a lawful manner and compliance with requirements to respect the rights of employees, business partners and all related groups of the Company and its subsidiaries.

#### 3. The Company s Code of Conduct consists of:

##### 3.1 Compliance with rules, regulations, notifications and orders of the Company and its subsidiaries

Directors, executives, all employees of the Company and its subsidiaries have duties and responsibilities to acknowledge, understand, and comply with the Code of Conduct, rules, regulations, notifications and orders of the Company and its subsidiaries and supervisors, as follows:

3.1.1. They shall support and strictly comply with the Company s and its subsidiaries policies, regulations, orders, agreements, notifications or circular letters;

3.1.2. They shall perform their duties with honesty and fairness, as well as reporting events that may cause damage to the Company s and its subsidiaries reputation and assets;

3.1.3. They shall be polite and respect colleagues;

3.1.4. They shall perform duties with determination and diligence and maintain regulations and good governance of the Company and its subsidiaries to be a good example make the company and its subsidiaries progress and operate in a proper manner;

3.1.5. They shall strictly maintain the interests and confidentiality of the Company, its subsidiaries and customers or in connection with any activity that must not be disclosed. Dissemination of news related to the business, finance, and individuals of the Company and its subsidiaries shall be done only in a proper and authorized manner and with prudence and efficiency. All related parties agree to keep the above information confidential.

If such information is disclosed or sent to others or used for any matter other than performance of duties for the Company and its subsidiaries, a violator agrees to be responsible for a compensation of civil damages to the Company and its subsidiaries in all respects;

3.1.6. They shall maintain and prevent the Company and its subsidiaries' assets from being damaged or lost, either from an individual or from any disaster, as far as possible;

3.1.7. They shall conduct management by adhering to morality and ethics, enhances morality and ethics at all levels of the Company and its subsidiaries, and monitor and resolve conflicts of interest that may arise in the Company and its subsidiaries by taking the benefits of the Company and its subsidiaries as a priority;

3.1.8. They shall supervise subordinates closely without prejudice or bias;

3.1.9. They shall prepare to work as a team and be open-minded to others' opinions;

3.1.10. They shall comply with and support and supervise all employees to strictly comply with the rules, disciplines and regulations of the Company and its subsidiaries for using computer systems, computer data, computer traffic information of the Company and its subsidiaries to make the use of computers of the Company and its subsidiaries efficiently and in accordance with the computer law, copyright law, Personal Data Protection Act, or other applicable law, and prevent damage to the reputation and image of the Company and its subsidiaries or subject to civil and/or criminal prosecution.

### **3.2 Restrictions**

Directors, executives, and all employees of the Company and its subsidiaries should refrain from performing or behaving in a manner that may lead to the detriment of the Company, its subsidiaries and themselves.

3.2.1. They shall not spend time working for the Company and its subsidiaries to do something else or take personal advantage;

3.2.2. They shall not operate a business of the same condition and in competition with the business of the Company and its subsidiaries, whether it is for personal gain or for others, or being a shareholder with management dominance which may damage the Company and its subsidiaries, either directly or indirectly;

3.2.3. They shall not behave in a manner which may damage the Company's and its subsidiaries position and honor;

3.2.4. They shall not be deliberately or with the intention of making or using false statements or conceal any fact that should be reported to the Company and its subsidiaries;

3.2.5. They shall not work with negligence or perform any act which is inappropriate for the performance of their duties;

3.2.6. They shall not conceal or misrepresent any fact in order to obtain benefits of themselves or others, which may damage to the Company and its subsidiaries, either directly or indirectly;

3.2.7. They shall not prevent or take any action that impedes the legitimate performance of authorized personnel in the Company and its subsidiaries or issue any order for employees to act in a wrongful or unethical manner;

3.2.8. They shall not engage in any breach of civil and/or criminal law that will harm themselves or others, including the Company and its subsidiaries, whether on purpose or not;

3.2.9. They shall not disclose their own or others' wages or salaries, rates of salary increase, whether on purpose or not;

3.2.10. They shall not ask for or agree to receive property or any other benefit from business partners, competitors or any other persons engaging in business with the Company and its subsidiaries or a reception that proves to be more than appropriate, except for traditional gifts or normal business entertainment or business promotion expenses that bring a reputation for trade for exchange according to custom. In case that those items or benefits are worth more than 3,000 baht, they must immediately notify their supervisor at the Department-Director level or higher.

3.2.11. They shall not give a bribe and/or perform any acts that cause damage to the Company and its subsidiaries and/or corruption, either directly or through a third party, and/or misrepresent their influence and/or authority on a business partner's agent, which constitutes a conflict of the Company's and its subsidiaries' policy;

3.2.12. They shall not add, remove or amend any records or information in any way in order to change, alter or distort financial positions or performance of the Company and its subsidiaries and to misrepresent their accounting record status for any purpose;

3.2.13. They shall not be a person with insolvency or for any reason under the law to be presumed to be insolvent and/or ordered by the court to be bankrupt under the law;

3.2.14. They shall not perform any act that fails to protect the intellectual property information of the Company and its subsidiaries or obtained from performance of duties of employees. In addition, the intellectual property of the Company and its subsidiaries shall not be reproduced, adapted or used for personal benefit or for the benefit of others without permission from the Company and its subsidiaries;

3.2.15. They shall not imitate the Company's and its subsidiaries' performance and intellectual property and/or of others for their own benefit or others;

3.2.16. They shall not perform any act which is wrongful exploitation for themselves or others;

3.2.17. They shall not solicit or ask for support from a business partner (if it is necessary to seek such support for the benefit of the Company and its subsidiaries, departments shall consult with a purchasing agency to be responsible for the implementation);

3.2.18. They shall not perform any act which facilitates any person to seek, benefit, or access or disrupt the computer system, computer data, traffic computer information of the Company and its subsidiaries without authorization or permission from the Company and its subsidiaries, or intentionally encourage, support, or allow it to occur or exist in the course of an act of service provider under the computer law, copyright law, Personal Data Protection Act, and other relevant laws;

3.2.19. They shall not buy, sell, transfer, and receive the Company's and its subsidiaries securities by leveraging inside information that has not yet been disclosed for the benefit of themselves or others;

3.2.20. They shall not bring any items, equipment or assets of the Company and its subsidiaries for personal gain or for the benefit of others

#### 4. Code of Conduct Punishment

Any persons accused of violating or failing to comply with this Code of Conduct shall be subject to punishment according to their level of one or several offenses and the Company's and its subsidiaries Regulations

In this regard, a supervisor or the Disciplinary Committee shall have the power to consider punishment under this Notification. For the punishment in the event of serious disciplinary offenses or punishment from suspension, the punishment shall be considered by the Disciplinary Committee only.

Zen Corporation Group Public Company Limited

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APPENDIX 6

Report of the Audit and Corporate Governance Committee

**Appendix 6: Report of the Audit and Corporate Governance Committee****Report of the Audit and Corporate Governance Committee 2022**

Dear Shareholders

The Audit and Corporate Governance Committee of ZEN Corporation Group Public Company Limited comprises of 3 knowledgeable independent directors as follow:

Mr. Prawit Kijpaisalrattana	Chairman of the Audit and Corporate Governance Committee
Mrs. Jotika Savanananda	Member of the Audit and Corporate Governance Committee
Mr. Chavalit Chindavanig	Member of the Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee has fulfilled its duties and carried out all the responsibilities stipulated in the charter of the Audit and Corporate Governance Committee and as assigned by the Board of Directors without limitation in obtaining information for performing its duties. The Audit and Corporate Governance Committee focuses on the implementation of the principles of corporate governance in accordance with the rules and best practices set by the Securities and Exchange Commission and the Stock Exchange of Thailand.

In 2022, the Audit and Corporate Governance Committee held 8 meeting, with all 3 members attending in every meeting. In these meetings, the Audit and Corporate Governance Committee discussed with the management team, auditor, risk management committee, and internal audit department in relevant matters. Its main activities can be summarized as follows:

- 1. Financial Report** To review the Company's quarterly and annual financial statements by taking into account the significant items, suitability of accounting policies used, disclosure of information supplementary to the financial statements, completeness and accuracy of the disclosure in the notes to financial statements and the auditor's observations. The Audit and Corporate Governance Committee requested for the auditor's opinion on the accuracy and completeness of the financial statements, disclosure of information, including adjusting important entries, in which the auditor gave a consistent opinion that the financial statements and the disclosure of financial information are adequate and appropriate according to generally accepted accounting standards.
- 2. Internal Control and Risk Management** To review the internal control system and corporate governance to ensure that the Company's operations achieved the objectives. The Audit and Corporate Governance Committee continuously reviewed both the audit and also the reports of the internal audit department of the Company, which were continuously followed up and reviewed. The suggestions on internal control system can be used by the management to prevent such events from recurring. This reasonably ensures that the Company has a good

and sufficient internal control system in order for identifying weaknesses and significantly preventing fraud or unusual operations.

3. **Anti-Corruption Supervision** The Audit and Corporate Governance Committee recognizes the importance of corporate compliance and reviewing the anti-fraud and corruption guidelines by supervising the expansion of the anti-fraud and corruption practices of the management to its subsidiaries and trading partners to create a balance such as application to be a member of the Thai Private Sector Collective Action Coalition Against Corruption of Subsidiaries; and the guidelines for accepting and giving gifts, entertainment, Donations, and Support.

On 21 August 2018, Thailand's Private Sector Collective Action Coalition Against Corruption had a resolution to approve ZEN Corporation Group Public Company Limited as its member. and on June 30, 2021, the membership of the Thai Private Sector Collective Action Coalition against Corruption has been renewed for the 1st time.

On March 31, 2022, the Thai Private Sector Collective Action Coalition Against Corruption Committee Corruption certified 7 subsidiaries as members of Thailand's Private Sector Collective Action Coalition Against Corruption.

4. **Internal Audit Supervision** The Audit and Corporate Governance Committee reviewed the scope of operation, duties, responsibilities, personnel adequacy, personnel knowledge and competency development, and also supervised the internal audit to ensure that the internal audit activity and the role as a consultant of the internal audit department regarding internal control systems, risk management systems and corporate governance are independent, effective and efficient. In addition, the Audit Committee also approved the internal audit plan for the year 2023, which was established in accordance with the strategic direction of the Company and was risk-based by focusing on auditing the effectiveness of operations which were the important preventive control points, as well as the anti-corruption investigation.
5. **Compliance with Rules and Regulations** The Audit and Corporate Governance Committee reviewed the operations of the company to be in accordance with the Securities and Exchange Act, rules and regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other laws related to the Company's businesses. The Audit and Corporate Governance Committee gave an opinion that the Company strictly complied with the said laws and regulations.
6. **Connected Transactions or Potential Conflicts of Interest** The Audit and Corporate Governance Committee reviewed, supervised, and gave an opinion on the connected transactions or potential conflicts of interest on a quarterly basis based on reasonability, transparency and adequate information disclosure for the best interest of the Company.



The Audit and Corporate Governance Committee gave an opinion that the management decided to make the aforementioned transaction for the benefit of the Company, as it normally did with external parties with normal trading conditions at a reasonable price and comparable to the reference price of the market in that business.

7. **Auditor** The Audit and Corporate Governance Committee selected, appointed and proposed the remuneration of the auditor for the year 2023 by considering the qualifications of the auditor, skills, knowledge, abilities and experience in auditing, independence of the auditor in accordance with the ethics of accounting professionals and the requirements of the Securities and Exchange Commission, the quality of auditing work for the past year and the appropriateness of audit fees. The Audit Committee therefore had a resolution to propose to the Board of Directors for approval in the shareholders' meeting to appoint an auditor from KPMG Phoomchai Audit Company Limited as an auditor for the year 2023.

In 2022, the Audit and Corporate Governance Committee did not consider hiring companies related to auditors to do other work apart from auditing.

8. **Self-assessment** The Audit and Corporate Governance Committee evaluated its performance using self-assessment as group or as individual according to the guidelines of the Stock Exchange of Thailand. The results showed that the Audit and Corporate Governance Committee performed its duties and responsibilities as specified in the Audit and Corporate Governance Committee Charter by adhering to the accuracy, prudence, transparency, sufficient independence and fairness without restrictions on access to information from executives, employees and relevant parties, as well as providing constructive comments and suggestions for the equal benefit of all stakeholders.

In conclusion, the Audit and Corporate Governance Committee has overall opinion that the Board of Directors, the Executive Committee, and the management of the Company have ethics and a commitment to perform their duties in order to achieve the Company's goals with quality, professionalism, keeping up with the changes by attaching great importance to operations under an efficient, transparent corporate governance system. In addition, the Company has concise, sufficient and appropriate risk management and internal control systems.

(Mr. Prawit Kijpaisalrattana)

Chairman of the Audit and Corporate Governance Committee  
Zen Corporation Group Public Company Limited