

Indexlivingmall

Index Living Mall Public Company Limited

2022 Form 56-1 One Report

(Annual Report)

SUSTAINABLE LIVING FOR FUTURE **LIFESTYLE**





SUSTAINABLE LIVING FOR FUTURE **LIFESTYLE**

THE COMPANY IS COMMITTED TO
DEVELOPING THE ORGANIZATION TOWARDS SUSTAINABLE GROWTH
FOR ALL SECTORS IN THE SOCIETY,
ACCORDING TO THE PRINCIPLES OF GOOD CORPORATE GOVERNANCE
TO CREATE GOOD QUALITY PRODUCTS AND SERVICES,
ENHANCE THE QUALITY AND SAFETY OF LIVING, AND
BE FRIENDLY TO THE COMMUNITY, SOCIETY, AND ENVIRONMENT.



A high-angle, warm-toned photograph of a woman with dark hair, wearing a light-colored blouse and white trousers, sitting on a dark brown leather sofa. She is using a silver laptop. In front of her is a low, curved wooden coffee table holding a small potted plant, a decorative dish, and a book. To her right is a modern armchair with a grey blanket draped over it. The room has a patterned rug and a wooden shelving unit in the background.

3G | SUSTAINABILITY STRATEGY

The Company operates its business under the framework of good corporate governance, transparency, and accountability. The Company is also committed to developing the business and balancing the economy, society, and environment while being able to manage business growth stably and be accepted by society, based on ethics and good corporate governance, ability to generate effective returns to shareholders, taking into account the impact of the Company's business operations on stakeholders in every aspect.



GREAT EXPERIENCE

Create a good experience from products and services

- Customer Experience
- Development of innovative
- Products and services
- Digitalization and data privacy



GROW TOGETHER

Together create happiness and a good quality of life with responsibility

- Human rights
- Health and safety
- Human capital development
- Community contribution
- Anti-corruption



GREEN PLANET

Take care and pass on a sustainable environment to society

- Energy conservation
- Waste management

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LIVE AND INSPIRE

Enjoy the INDEX collection
of beautiful designs, quality,
and craftsmanship that never
compromises by functionality.



Vision, Mission, and Core Values

VISION

Be Top of Mind for the Best Furniture and Home Furnishing Business in Asia.

MISSION

1. Be a manufacturer and distributor of furniture and home furnishings which have sustainable growth, a strong brand, and a professional executive management team.
2. Aim to be the leading furniture and home furnishing business by expanding franchises across the Asian region with continuous development.
3. Stay top of mind with customers in quality products and services that come with modern designs to better meet the lifestyles of customers.
4. Create a positive return for employees and business partners and also give back to society.
5. Commit to conducting business responsibly and with regard to the environment, society, and good corporate governance.

CORE VALUES

Speed, Technology & Service: STS





4 JOY

4 Joys Ready to Serve

Index Living Mall gives you the pleasure to shop for furniture and home furnishings that are pocket-friendly and offers you special services like no other.



JOY PRICE

for pocket-friendly
and happier shopping



JOY SERVICE

that will make your
home decoration easy



JOY DESIGN

by world class designers



JOY QUALITY

guaranteed with
international standard

GOALS AND STRATEGIES FOR BUSINESS OPERATIONS



Business operations in 2022 may have been resolved after the outbreak of COVID-19, which lasted for more than two years in Thailand, due to the country fully reopening on May 1, 2022. This stimulated the recovery of the Thai service and tourism sector. In addition, the government implemented economic stimulation measures to promote exports and private investments as well as to stimulate consumer spending and confidence. However, the impact of the global economic slowdown and the rise in world oil prices over the past 7 years has had an effect on the rising cost of products which correlate with fuel and energy. Consumer behavior has also been affected by the high rise of inflation and flooding in many regions. This is considered to be a new challenge for business operators and various industries to restore the business to its previous level of performance.

Index Living Mall Public Company Limited (the "Company") has foreseen and evaluated the risks related to the economic recovery, as well as the unpredictable nature of global economic factors. As a result, the business

strategy has been adjusted to support both short and long-term objectives in order to be flexible and adaptive to the economic situation, consumer behavior, and consumer purchasing power. The Company used a policy to maintain the gross profit margin by adjusting the selling price to be in line with the increased costs. The Company restructured the retail business and utilized the space of the Index Living Mall for maximum benefit and revenue as well as giving importance to the development of new business channels and cooperating with business partners to achieve continuous business expansion. In the meantime, the Company continues to innovate to increase production in order to achieve efficiency, control the quality of standardized products, and pay close attention to costs and investment management, as well as sustainability operations that emphasize Environment, Social, and Governance (ESG) to develop and improve both products and services, as well as work processes in the supply chain for sustainable growth in accordance with the vision to be top of mind for the best furniture and home furnishing business in Asia.



The Company implemented the following strategies in 2022:



Create New Shopping Experiences and Adapt Sales Strategies to Match Online and Offline Consumer Behavior.

The "INDEX NEXTPERIENCE 2022" vision is to create new shopping experiences for furniture, appliances, and home furnishings in order to fulfill the future of living at Index Living Mall. The Company adjusted its strategy to improve existing branches and select products that meet the needs of every lifestyle by organizing a new area called Signature Index as an inspiring space for home furnishings and stylish living as well as organizing marketing activities and promotions that continually attract customers to visit and shop at branches.

The Company never stops developing and improving Index Living Mall to be a shopping destination for furniture

and home furnishings. The Kaset-Nawamin Index Living Mall underwent major renovations for the first time in 9 years under the concept of "Urban Nature Living" to be a lifestyle store model before being rolled out to other branches. The Company emphasized the importance of personalized products that meet the specific needs of customers. Therefore, the 'Index One House Beyond' campaign was organized using the symbol 'P' derived from 'Personalized'. Thus, customers can select their preferred design, color, size, material, and function from products displaying the P symbol in order to customize them to meet the needs of their entire home.

In order to deliver a great customer experience with better products and services, the Company studied and analyzed customer behavior in order to adjust the product sales strategy and develop links for both online and offline sales and services so that they are more efficient, faster, aligned with consumer behavior, and supportive of work from home. The proportion of online shopping has increased since the COVID-19 pandemic.

Thus, the Company expanded online sales channels so that customers can shop through all Social commerce channels, Marketplaces, and platforms popular among Thai people when searching for products and shopping online to increase the ease and speed of mobile shopping. A tracking system has been developed to support deliveries ordered through any channel of the Company so that the delivery status can be tracked online. These factors contributed to the Company's steady sales growth.



Restructuring the Retail Store, Expanding Rental Space, and Diversifying Income Risk

The Company uses the mixed-use model as a strategy to maximize revenue from its rental spaces, by combining the use of selling space at the Index Living Mall and rental spaces at new branches primarily in Bangkok and its vicinity. Due to the advantageous location of the Index Living Mall and The Walk as well as the anchor business partners who are well-known and capable of attracting customer traffic, the Company's rental space has a high potential to generate income. As a result of the resolution of COVID-19 and the effective management of service costs, the number of tenants has increased and the Company has new tenants who operate a variety of businesses. As a result, 2022 rental and service revenue hit a new high record during the previous year.



Cooperation with Strategic Partners

The Company emphasizes a business expansion strategy by seeking cooperation with business partners such as COM7 Public Company Limited, Thailand's leading retailer of smartphones and technology products, as a distributor of electrical appliances, mobile devices, and computer accessories at all Index Living Mall stores. This is a win-win strategy so that both businesses can offer comprehensive product selections to attract customers.

The Company moved forward with the Marketing Collaboration strategy with business partners, Woody-Wuthithorn Milintachinda. The Company initiated the development of healthcare products under the brand,

Dreamia, a healthy pillow that was an innovation from the United States. This supported the growing demand for healthy products. This strategy's business expansion drove the Company's mattress and bedding sales growth in 2022. The Company has also partnered with The Mall Group to expand distribution channels for home furnishing products at The Mall Group department store, starting with Siam Paragon and The Mall Tha Phra, and will gradually roll out to other branches.

In addition to customer base expansion to cover the furniture and home furnishings market, the Company partnered with OfficeMate, the largest office supply store in Thailand by selling furniture and home furnishing products on OfficeMate's Online B2B Marketplace to penetrate OfficeMate's B2B customer group through another online channel.



Expense Management and Preparation to Support the Cost of Energy Prices

To mitigate the impact of continuously fluctuating economic risks, the Company always plans to manage and control the expenses of the Corporate Group and for an increase in energy prices, whether electricity or fuel costs. The Company plans on changing the refueling system of transportation vehicles from the original Fleet Card to a fuel bunker in the distribution center. This allows the Company to collect the amount of oil consumed by both the Company and Tao Kae Noi that delivers products for the Company. This enables the Company to save money by receiving fuel rebates and having better fuel rates. In addition, the Company plans to use electric vehicles for product delivery and to install energy-efficient air conditioning systems in its branches by 2023. This will help reduce the impact of oil and electricity prices that are likely to increase over time.

Since 2018, the Company has installed solar panels on the rooftops of Index Living Mall factories and branches to generate renewable energy. The Company has continued this practice. As a result, the cost of electricity was reduced significantly. In 2022, 9 additional solar rooftop systems were installed, bringing the total number of branches with solar rooftop systems to 24 branches.



Upgrade Production to a Smart Factory for Efficiency and Waste Management Control

The Company's strength is to control a complete supply chain from upstream to downstream, especially having its own furniture factory. The Company improved production process and operation as Smart Factory by investing in modern machinery and technology to ensure efficient production and product quality control, as well as to achieve maximum effectiveness. This factor contributed to the Company's increase in profitability.



Effective Liquidity Management

The Company continued to manage liquidity effectively by consistently prepaying its long-term loans from financial institutions in 2022. As a result, the total loan debt burden decreased by 839.5 million Baht from 1,975.9 million Baht at the end of 2021. This was a prepayment of long-term loans for a total of 613 million Baht since the end of 2022. This reduced financial costs by 32.1 million Baht, from 246.5 million Baht at the end of 2021 to 214.3 million Baht at the end of 2022.



Conduct Business with Sustainability Goals Under Sustainable Living for the Future Lifestyle Concept

2022 was the year that the Company was driven towards business sustainable development and places importance on all ESG (Environment, Social, and Governance) dimensions, under the concept of 'Sustainable Living for Future Lifestyle' in order to meet the sustainable future lifestyle in the environmental dimension where the Company generates electricity from solar rooftop systems as a mechanism to reduce greenhouse gas emissions in accordance with Thailand Voluntary Emission Reduction Program (T-VER) and the Low Emission Support Scheme Project (LESS) from Thailand Greenhouse Gas Management Organization (Public Organization).

In regards to the social and governance dimension, the Company places great importance on society as part of

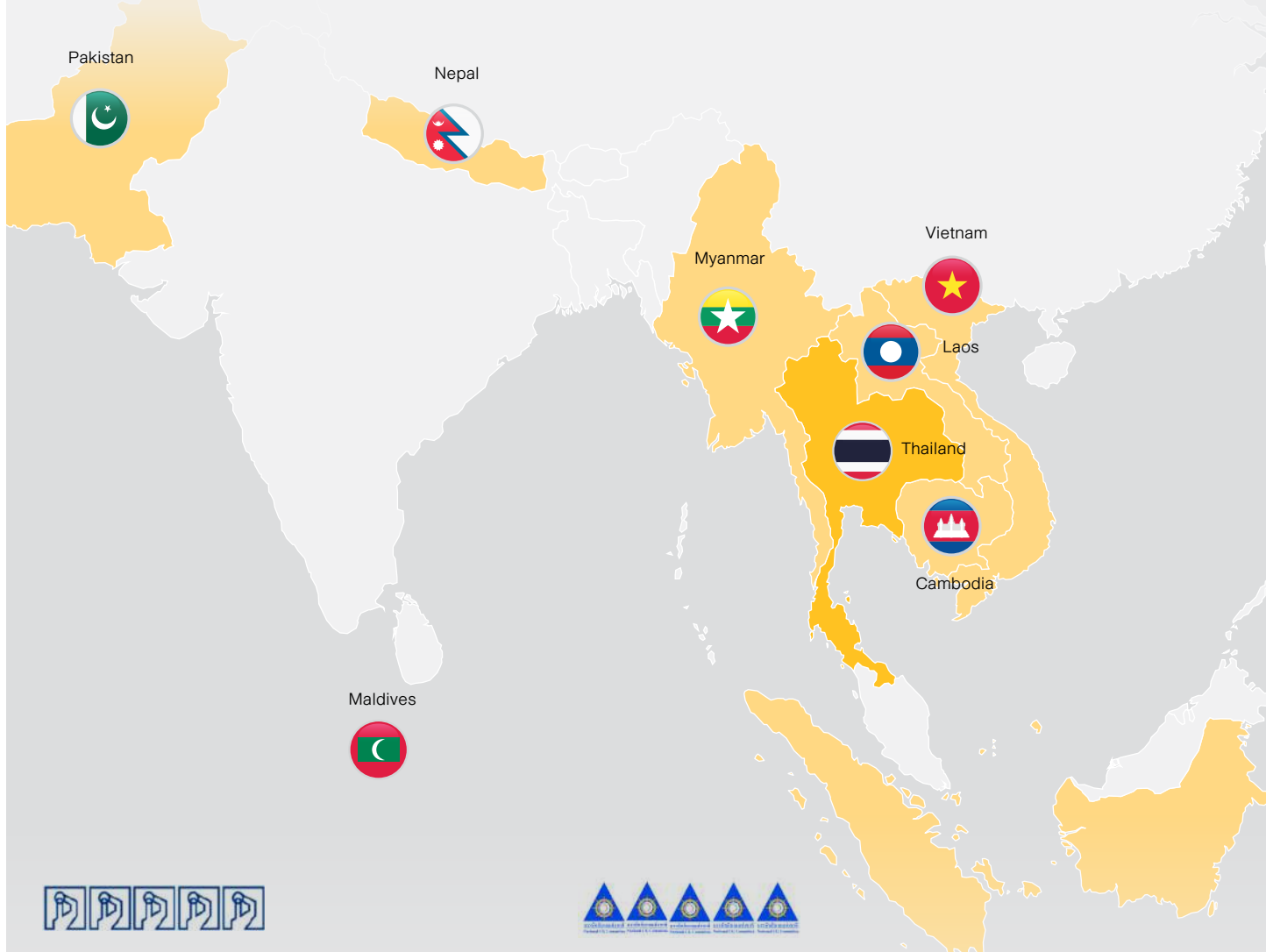
business operations by maintaining good relationships with employees and customers and promoting equality within society and governance, emphasizing efficient, transparent, and verifiable governance as well as taking stakeholders into account. In 2022, Index Living Mall received awards and certifications from various projects and institutions in each dimension, reaffirming its standing as a listed company that operates in accordance with good corporate governance principles and pays attention to the environment, social, and economic dimensions as follows:

- An excellent CG Scoring of 5 stars for the second consecutive year for the Corporate Governance Report of the Thai Listed Companies: CGR for 2022 by the Thai Institute of Directors Association (IOD).
- Outstanding Investor Relations Awards 2022 by SET AWARDS for companies listed on the Stock Exchange of Thailand.
- Certification of members of the Thai Private Sector Collective Action Against Corruption (CAC).
- Outstanding Sustainability Model Organization in the Thai Capital Market for Persons with Disabilities Award for the year 2022 from the Securities and Exchange Commission (SEC) in collaboration with the Ministry of Labor, Department of Skill Development, Department of Employment, Department of Empowerment and Development of the Life of Persons with Disabilities, Thai Listed Companies Association and the Association of Disabled Persons Council of Thailand.

Despite the difficulties encountered during the economic recovery in 2022, the Company remained committed to developing the business of the Corporate Group in order to create a good experience in terms of products and services that meet every lifestyle and promote better living and quality of life for consumers, whether in the retail furniture business, the rental and retail space business, or other business of the Corporate Group. The Company emphasizes growing together with employees, partners, and business partners in accordance with good corporate governance principles, being transparent, fighting against corruption, and conducting business with responsibilities together with social development and environmental preservation, in order to achieve the set sustainability goals.

RETAIL STORES

At the end of 2022, the Company had 42 retail stores in Thailand and 17 overseas franchise stores in 8 countries, including Indonesia, Nepal, Maldives, Laos, Cambodia, Pakistan, Myanmar, and Vietnam. Vietnam is one of the countries with consistently high economic growth and potential in recent years, which will benefit the Company's expansion of overseas franchise business and overall sales in the future.



The Company was placed in the group with the highest scores for the year 2022 after receiving a perfect score of 100% for the third consecutive year from the AGM Checklist by The Thai Investors Association.



The Company received an Excellent CG Scoring of 5 stars for the second consecutive year for the Corporate Governance Report of Thai Listed Companies: CGR for the year 2022 from Thai Institute of Directors (IOD).



The Company has been certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) on September 30, 2022, for the first time after declaring its intention to join the Thai Private Sector Collective Action Against Corruption on February 25, 2022. The certification is valid for 3 years as a part of building a strong social network with corporate culture beginning with the executive level and extending to all employees in order to create an awareness of the dangers of corruption, a sense of morality, ethics, and good citizenship for the confidence of stakeholders. This includes creating sustainability for further business development.



Number of Stores in Thailand

42 **Stores**
In Thailand



Overseas Franchise Stores

17 **Stores**
In 8 Countries



Indonesia **2** Stores



Vietnam **4** Stores



Cambodia **1** Store



Laos **1** Store



Maldives **1** Store



Myanmar **3** Stores



Nepal **2** Stores



Pakistan **3** Stores

Indonesia



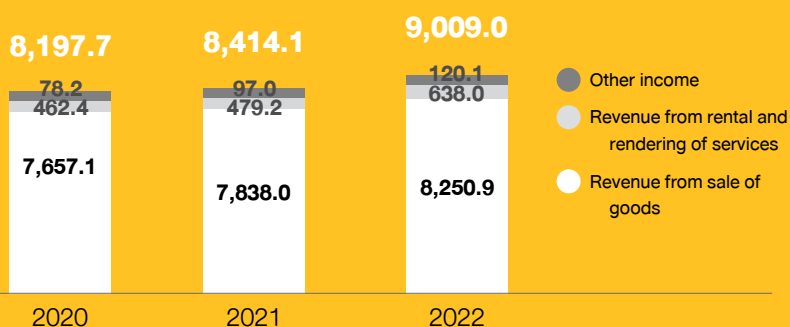
The Company received the Outstanding Investor Relations Awards 2022 from SET Awards 2022 from the group of listed companies on the Stock Exchange of Thailand, with a market capitalization of more than 3,000 million Baht but not exceeding 10,000 million Baht.

FINANCIAL HIGHLIGHTS



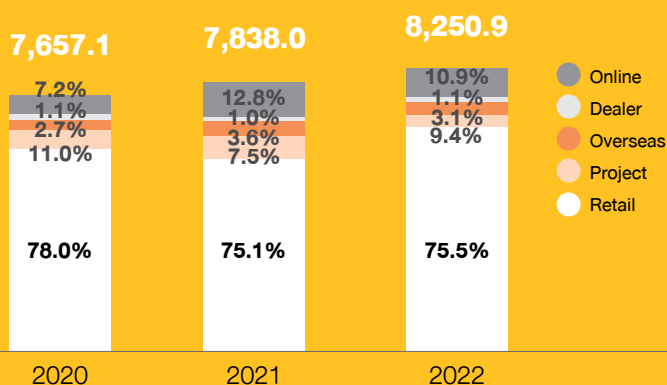
Total Revenue

(Unit: THB million)



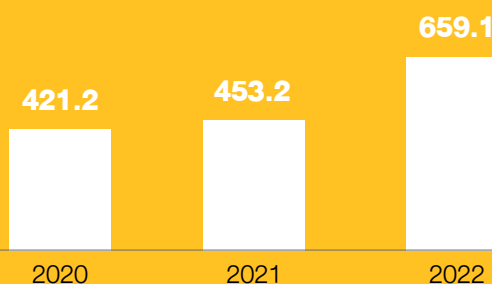
Sales by Channel

(Unit: THB million, %)



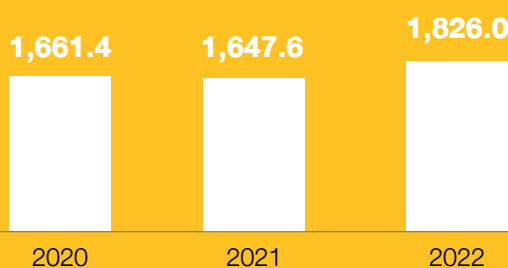
Net Profit

(Unit: THB million)



EBITDA

(Unit: THB million)





Statement of Income (THB million)	2020	2021	2022
Revenue from Sale of Goods	7,657	7,838	8,251
Revenue from Rental and Rendering of Services	462	479	638
Cost of Sale of Goods	4,132	4,457	4,566
Cost of Rental and Rendering of Services	274	268	312
Selling and Distribution Expenses	1,981	1,951	2,097
Administrative Expenses	1,033	963	1,039
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	1,661	1,648	1,826
Depreciation and Amortization	883	872	831
Earnings before interest and taxes (EBIT)	778	776	995
Net Profit	421	453	659
Earnings per Share (Baht)	0.83	0.90	1.31
Dividend per Share (Baht)	0.42	0.55	0.80
Statement of Financial Position (THB million)	2020	2021	2022
Total Assets	12,951	12,356	12,032
Total Liabilities	7,871	7,045	6,364
Paid-up Capital	2,525	2,525	2,525
Equity Attributable to Owners of the Parent	5,078	5,310	5,668
Book Value per Share (Baht)	10.1	10.5	11.2
Liquidity Ratios	2020	2021	2022
Current Ratio (x)	1.0	0.8	0.8
Quick Ratio (x)	0.2	0.2	0.2
Leverage Ratios	2020	2021	2022
Debt to Equity Ratio (x)	1.5	1.3	1.1
Interest-bearing Debt to Equity Ratio (x)	1.2	0.9	0.7
Interest Coverage Ratio (x)	2.6	3.1	4.6
Profitability Ratios	2020	2021	2022
Gross Profit Margin from Sale of Goods (%)	46.0%	43.1%	44.7%
Gross Profit Margin from Rental and Rendering of Services (%)	40.7%	44.2%	51.1%
Overall Gross Profit Margin (%)	45.7%	43.2%	45.1%
EBIT Margin (%)	9.5%	9.2%	11.0%
Net Profit Margin (%)	5.1%	5.4%	7.3%
EBITDA Margin (%)	20.3%	19.6%	20.3%
Return on Asset (%)	6.2%	6.1%	8.2%
Return on Equity (%)	8.4%	8.7%	12.0%
Share Information	2020	2021	2022
Par Value (Baht per share)	5.0	5.0	5.0
Number of Listed Shares (mn shares)	505.0	505.0	505.0



Pennapha Dhanasarnsilp

CHAIR
MAN



MESSAGE FROM THE CHAIRMAN

In 2022, Index Living Mall Public Company Limited achieved success in all aspects of corporate management, as evidenced by its consistency in generating quarterly profits and support for all stakeholders under sustainable management by prioritizing the development and expansion of materiality issues in the environment, social, and governance dimensions.

The Company expanded its business by launching more branches in order to create employment in the community and society, as well as to make a timely adjustment to branches in other provinces in response to changes in consumer behavior. In addition, the growth and development of distribution channels, such as local and international dealers, has kept on growing over the past year.

The Company is committed to continuous improvement and adaptation in order to reduce costs and operate as a "smart factory" in order to conduct business effectively in all aspects and generate maximum profit to maintain the Company's profitability at all times.

The Company also pursued new business opportunities with various business partners in accordance with its corporate strategy which contributed to a quarterly increase in profits.

Moreover, the Company also places importance on good corporate governance, risk management, and regulatory compliance. The Company became a certified member of the Thai Private Sector Collective Action Against Corruption: CAC on September 30, 2022. This emphasizes the significance of the Company taking a stand against all forms of corruption for sustainable business growth.

Due to our commitment to reducing greenhouse gas emissions and responding to the global direction in climate change, the Solar Rooftop System of Index Living Mall Public Company Limited is successfully registered with the Thailand Voluntary Emission Reduction Program (T-VER) from Thailand Greenhouse Gas Management Organization (TGO) which cover electricity generation for a total of 24 branches and other future branches in order to reduce greenhouse gas emissions which contribute to global warming, etc.

The Company received SET AWARDS 2022, Outstanding Investor Relations Awards Business Excellence for its emphasis on the disclosure of information, transparency, and participation in activities as well as being attentive to the opinions of analysts and institutional investors who regularly contact investor relations.

The Company continues to place an emphasis on stakeholders who have consistently supported and continually trusted the Company. As a result, the Company announced an interim dividend payment in September 2022 and a proposed dividend payment for 2022 at the Company's 2023 Annual General Meeting of Shareholders in April 2023. This was consistent with the Company's dividend payment policy.

On behalf of the Index Living Mall Public Company Limited Board of Directors, I would like to express my gratitude to all shareholders, business partners, and customers who have consistently supported the Company as well as the executives and employees for their commitment throughout the past year. The Company would like to reassure everyone that the Company will continue to pursue continuous growth and conduct business with good governance principles, honesty, and transparency, as well as giving back to society and protecting the environment in order to generate sustainable growth for the Company's business.

Mrs. Pennapha Dhanasarnsilp
Chairman of the Board

BOARD OF DIRECTORS



1 Mrs. Pennapha Dhanasarnsilp
Independent Director
Chairman of the Board
Chairman of Nomination,
Remuneration, Corporate
Governance, and Sustainable
Development Committee

2 Mr. Jirayut Rungsritthong
Independent Director
Chairman of the Audit Committee
Nomination, Remuneration,
Corporate Governance, and
Sustainable Development Committee

3 Mr. Adisak Ruckariyaphong
Independent Director
Chairman of the Risk Management
Committee
Chairman of the Investment Committee
Audit Committee
Nomination, Remuneration, Corporate
Governance, and Sustainable
Development Committee

4 Mr. Thakorn Piyapan
Independent Director
Audit Committee Member
Investment Committee Member

5 Mr. Ariya Banomyong
Independent Director

6 Mr. Pisith Patamasatayasonthi
Director
Chairman of the Executive Committee
Chief Executive Officer



7

Mrs. Kunthong Udommahuntisuk
Director

8

Miss Kridchanok Patamasatayasonthi
Director
Risk Management Committee
Investment Committee
Executive Committee
Managing Director

9

Ms. Pichapim Patamasatayasonthi
Director
Executive Committee









10

Mr. Ekalak Patamasatayasonthi
Director
Executive Committee

11

Mr. Ekaridhi Patamasatayasonthi
Director
Risk Management Committee
Executive Committee

EXECUTIVES

	 <p>Mr. Pisith Patamasatayasonthi Chief Executive Officer</p>		 <p>Miss Kridchanok Patamasatayasonthi Managing Director</p>
 <p>Mr. Vipon Vorasowharid Chief Operating Officer</p>		 <p>Ms. Pichapim Patamasatayasonthi^{/1} Senior Vice President – Furniture, Mattress & HDI Trading Line</p>	
	 <p>Mr. Ekalak Patamasatayasonthi Senior Vice President – Business Development Younique and The Walk Line</p>		 <p>Mr. Nattinai Yuttapatsak Senior Vice President – Project Sales and Office Furniture Line</p>

Remarks ^{/1} Ms. Pichapim Patamasatayasonthi was Appointed as Senior Vice President of Furniture, Mattress & HDI Trading Line on March 1, 2022.



**Mr. Kwanchai
Kitkongkajornchai**
Senior Vice President -
Product Strategy
Development and
Dealer Line



**Mrs. Kanokwanrat
Srimaneesiri**
Senior Vice President -
Accounting and Finance
and Company Secretary



**Ms. Pavaravadee
Wichaidit**
Senior Vice
President - Supply Chain
Management,
DC and IT Line



**Mrs. Kanjanawan
Layluxsiri**
Senior Vice
President - Marketing



**Mr. Gerard
McGuck**
Senior Vice President –
Retail Commercial
International Retail & Filed
Merchandising Line



ACHIEVEMENT AWARD AND SUSTAINABILITY AWARDS



- 1 September 2022**
The Company is a Certified Member of the Thai Private Sector Collective Action Against Corruption (CAC).



- 2 October 2022**
The Company received SET AWARDS 2022 - Outstanding Investor Relations Awards Business in the category of companies listed on the Stock Exchange of Thailand with a market capitalization of more than 3,000 million Baht but not exceeding 10,000 million Baht.



- 3 November 2022**
The Company received a plaque for Outstanding Sustainability Model Organization in the Thai Capital Market for Persons with Disabilities Award for the year 2022 from the Securities and Exchange Commission (SEC).



- 4 February 2020**
GERMAN DESIGN AWARD 2020 from Winner of Invisible Bed designed by Apirat Boonruongthaworn, top furniture designer of Thailand



- 5** Asia Pacific Entrepreneurship Awards 2019



- 6**
2018 - 2019
No. 1 Brand Thailand 2018 - 2019 Marketeer



- 7**
March 2017
Thailand's Most Admired Brand Award 2017

- 8 February 2017**
THAILAND'S TOP 10 RETAILERS RANKING, the only furniture and home furnishing retail company of Thailand from the 500 Asia-Pacific Retail Companies ranked In 2017 at the 2017 RET



- 9 February 2016**
No.1 Brand Thailand Award 2015 - 2016

- 10 February 2016**
THAILAND'S TOP 10 RETAILERS RANKING, the only furniture and home furnishing retail company of Thailand from the 500 Asia-Pacific Retail Companies ranked In 2016 at the 2016 RET



- 11**
February 2016
Thailand's Most Admired Brand Award 2016



- 12 February 2015**
Thailand's Most Admired Brand Award 2015



- 13**
February 2008
PRIME MINISTER'S EXPORT AWARD for Outstanding Exporters Award in the Furniture Category for the Year 2008



- 14**
February 2005
SUPERBRANDS AWARD FOR "WINNER" Award for the best Thai brand in the Furniture Category for the Year 2006





BUSINESS OPERATION AND PERFORMANCE

Part 1 Business Operations and Performance



1. Corporate Group Structure

1.1 Important events in the past 3 years

2019

- ↓ The Company was listed on the Stock Exchange of Thailand (IPO) on July 26, 2019.
- ↓ Index Living Mall, Chaiyaphruek Branch, and Chanthaburi Branch were launched to cover the area of Nonthaburi and the east respectively.
- ↓ The first branch of the WINNER Store in Ratchaburi province was launched. This is a COCO store (Company Owned Company Operated).
- ↓ The Company launched two branches of Index Living Mall in Vietnam. These were franchise stores in Ho Chi Minh City, Vietnam. Vietnam is a country with high growth potential for business expansion because of its recent high economic growth rate.

2020

- ↓ There was a temporary closure of Index Living Mall, The Walk, and Little Walk branches from March 22 to May 16, 2020, due to the government lockdown restrictions in order to prevent the spread of COVID-19. However, there were some areas in The Walk and Little Walk that opened for service. These included supermarkets, restaurants (for takeaway service only), pharmacies, etc. Every branch reopened for business as usual on May 17, 2020.
- ↓ The Company discontinued Index Furniture Center at The Mall, Tha Phra branch on January 14, 2020, due to the expiration of the long-term lease agreement. The Company also discontinued Index Furniture Center, Don Mueang Airport branch in June 2020, because of the disruption in air travel due to the measures to stop the spread of COVID-19. The operating results of the branch did not significantly increase total sales volume of the Company. As a result, the Company ceased the operation of the said branches.
- ↓ Discontinued BoConcept store in the Index Living Mall, Pattaya branch on October 16, 2020, after the spread of the COVID-19 pandemic affected the sales of the store. This is one of the areas that had a relatively significant economic impact because its main source of income is from tourism and the purchasing power still has not returned to normal. The Company decided to cease the operations of the said branch in order to reduce expenses and properly manage the business.
- ↓ Launched the 5th franchise of Index Living Mall in Yangon, Myanmar on June 2, 2020. Launched the 3rd franchise of Index Living Mall in Ho Chi Minh City, Vietnam on December 3, 2020.
- ↓ Launched Furinbox, a brand-new product that is ready to assemble furniture. Furinbox is innovative furniture that resulted from a new design concept. The product was designed and developed to be multi-functional and convenient. The highlights of the product are its affordable prices, ease of assembly, and it is accessible in all areas. The product was designed to penetrate the mass market and a new generation of customers through online sales channels
- ↓ Collaborated with NocNoc.com, the leading e-commerce platform that sells construction materials and home furnishing products in order to enhance the Company's potential in the online marketing of Home Living category as well as stimulate the growth of online sales.
- ↓ Cooperated with SCG, the leader of Innovative Houses, by officially opening a showroom called "Younique Customized Furniture, innovative customized furniture" inside the SCG Experience Building to create opportunities to expand Younique's customer base.
- ↓ Cooperated with Boonthavorn Ceramic Company Limited, a leading business center for decorative materials, tiles, and sanitary ware as well as bathrooms, kitchens, and home furnishings. A showroom called "Younique Customized Furniture, innovative furniture tailored to your liking" was opened at Boonthavorn, Kaset Nawamin Branch in order to create opportunities to expand Younique's customer base.
- ↓ Cooperated with Landy Home (Thailand) Company Limited, the number one home building center in Thailand in order to create direct access to customers who are in the process of building new homes.
- ↓ Temporarily closed the Index Living Mall, Mahachai Branch (December 19, 2020 and January 15, 2021), and the Rayong branch (December 28, 2020 and January 3, 2021) in compliance with the provincial governor's mandate to stop a second wave of the COVID-19 pandemic.



2021



Temporarily closed certain branches of Index Living Mall, The Walk, and Little Walk according to the government lockdown restrictions for 29 provinces in maximum and strictly controlled areas to prevent the spread of COVID-19 from July 12 to August 31, 2021. After the situation improved, the government began easing restrictions on September 1, 2021, and announced a policy to reopen the country on November 1, 2021.



The Company entered into an agreement with COM7 Public Company Limited (COM7), a large smartphone and technology product retailer in Thailand, as a distributor of electrical appliances, mobile devices, Living Mall. In Q4/2021, the Company began delivering spaces in the first phase to COM7 with 5 stores and gradually expanded to all stores in early 2022.



Opened two Index Living Mall franchise stores in Indonesia in Q4/2021 in cooperation with a new partner, PT Mitra Adiperkasa (MAP Group), a large retail capital group in Indonesia with retail stores and leading stores for fashion, sporting goods, children's clothing, food, and beverages, which were well received.



Discontinued Index Furniture Center – Fashion Island in October 2021 due to the expiration of the lease agreement. The Company will consider opening another store in the future.

2022



Opened Index Living Mall and Little Walk – Lat Krabang in December 2022 as the Company's 32nd Index Living Mall store and the 3rd Little Walk, which received good feedback both from sales of Index Living Mall and 100% full tenants of Little Walk.



Opened the 4th Index Living Mall franchise store in Vietnam in October 2022 after the success of the first 3 stores over the past 3 years, despite the impact of the COVID-19 outbreak.



The Company renovated BoConcept– Siam Paragon and reopened the store in May 2022. BoConcept is a Danish furniture brand that the Company operates as a franchise to expand its high-end customer base.



Due to the expiration of the lease agreement, the Company discontinued Index Furniture Center – The Mall Bangkai in July 2022. However, the Company will consider opening another store.



The Company's Board of Directors resolved to approve the Company to enter into a joint venture agreement with Flash Express Company Limited the integrated E-Commerce service provider, to set up a new joint venture company providing delivery, assembling, and installation services of furniture and bulky items in Thailand. The new joint venture's company registration is expected to complete by Q2/2023.

1.2 Nature of Business

1.2.1 Business and Revenue Structure of the Corporate Group

The Corporate Group operates a furniture and home furnishing business. Its main sales channel is through retail business, especially Index Living Mall which collects a complete range of furniture, household items, home furnishings accessories, and a complete range of home-related products and services. There are also retail stores under the brands OK Furniture, Trend Design, and BoConcept. At the end of 2022, there were a total of 42 retail outlets. The next sales channel is online sales, project sales, selling through dealers, and giving franchising rights to Index Living Mall stores in foreign countries. This includes an original equipment manufacturing business (OEM) for both domestic and international operators. In addition to the furniture business, the Company also operates rental and retail space service business in Index Living Mall and community malls under the brands The Walk,

Little Walk, and Index Mall, as well as other businesses which is an additional service to the main business of the Company. The details are as follows:

1) Retailer of Furniture, Home Furnishings, and Decorations:

The Company provides a variety of distribution channels to support the needs of each customer group, both domestically and internationally.

1.1 Retail stores: There are a variety of store formats, styles, and products in order to effectively reach the target audience in each area. The Company's retail stores are as follows:

- **Index Living Mall** is a standalone store that sells a full range of products, whether furniture, home furnishings, or home decorations, and also offers comprehensive home-related services. There are a total of 32 branches.
- **Index Furniture Center** is a store located in department stores. There are 2 branches in total.

List of Index Living Mall & Index Furniture Center branches

Number	Branch	Province	Store Name
Bangkok and its vicinity			
1	Seacon Srinakarin	Bangkok	Index Furniture Center
2	Central Bangna	Bangkok	Index Furniture Center
3	Rangsit	Pathum Thani	Index Living Mall
4	Bangna	Bangkok	Index Living Mall
5	Ekkamai	Bangkok	Index Living Mall
6	Bangyai	Nonthaburi	Index Living Mall
7	Rattanathibet	Nonthaburi	Index Living Mall
8	Ratchaphruek	Bangkok	Index Living Mall
9	Kaset Nawamin	Bangkok	Index Living Mall
10	Mahachai	Samut Sakhon	Index Living Mall
11	Chaengwattana	Bangkok	Index Living Mall
12	Nakhon Pathom	Nakhon Pathom	Index Living Mall
13	Rama 2	Bangkok	Index Living Mall
14	Bang Kruai - Sai Noi	Nonthaburi	Index Living Mall
15	Chaiyaphruek	Nonthaburi	Index Living Mall
16	Lat Krabang	Bangkok	Index Living Mall
Central			
17	Phitsanulok	Phitsanulok	Index Living Mall
18	The Walk Nakhon Sawan	Nakhon Sawan	Index Living Mall
western region			
19	Hua Hin	Phetchaburi	Index Living Mall



Number	Branch	Province	Store Name
Eastern			
20	Chonburi	Chonburi	Index Living Mall
21	Pattaya	Chonburi	Index Living Mall
22	Rayong	Rayong	Index Living Mall
23	Chachoengsao	Chachoengsao	Index Living Mall
24	Chanthaburi	Chanthaburi	Index Living Mall
Northeast			
25	Ubon Ratchathani	Ubon Ratchathani	Index Living Mall
26	Udon Thani	Udon Thani	Index Living Mall
27	Khon Kaen	Khon Kaen	Index Living Mall
28	Nakhon Ratchasima	Nakhon Ratchasima	Index Living Mall
29	Surin	Surin	Index Living Mall
the North			
30	Chiang Mai	Chiang Mai	Index Living Mall
South			
31	Phuket	Phuket	Index Living Mall
32	Hat Yai	Songkhla	Index Living Mall
33	Surat Thani	Surat Thani	Index Living Mall
34	Nakhon Si Thammarat	Nakhon Si Thammarat	Index Living Mall

This is so that customers can purchase products and receive comprehensive home-related services at one place in Index Living Mall stores. The Company operates a home service business under the name *Index Home Service* that has a furniture moving service, a house cleaning service, an air conditioner cleaning or disinfection service, and a sofa leather replacement service. In 2022, the Company initiated home and condominium inspection services by professional engineers. This was added to provide home services that meet the needs of customers even more.

- **Trend Design** is a premium furniture store with a modern Italian style. It offers high-quality, minimalist products for customers in premium mass to premium segments located within the Index Living Mall and leading department stores. There are currently 6 branches (Siam Paragon, Bangna, Ratchaphruek, Chiang Mai, Pattaya, and Phuket).
- **BoConcept** is a famous furniture franchise store from Denmark under the concept of urban Danish Design with a minimalist style for premium customers. There is 1 branch located on the 3rd floor of the Siam Paragon Department Store. The Company renovated and reopened the store at the end of May 2022 to support the expansion of the premium customer base.

- **OK Furniture** is a small furniture store that sells OK furniture, Winner, Furinbox, and home furnishing items at affordable prices, located in other provinces. The target group is mainly the mass market with 1 branch in Ratchaburi province.

1.2 Project Sales

The Company offers furniture and home furnishing products for project work by targeting B2B (Business to Business) customers from real estate businesses, agencies, and various organizations. Primarily, the Company manufactures made-to-order products under its own brand and non-branded products (OEM) for both domestic and international markets. The types of project work can be categorized as follows:

1. Home projects which are mainly for condominium projects, hotels, and restaurants. This includes the manufacturing of prefabricated metal stairs and mezzanine work. The service covers production and installation. The Company has been well-received by a large number of large real estate customers in Thailand.
2. Office project work and office furniture (Logica Project), such as desks, chairs, lockers, and sofas, which the Company serves from production, and

installation. The main customers are architects, designers, private companies, hospitals, educational institutions, government agencies, medium-sized state enterprises, etc.

1.3 Domestic dealer

The Company operates a wholesale furniture business with dealers which are furniture stores that distribute mainly Winner branded products and also sell other brands inside the store as well. However, there is a clear division of sales areas. The locations of dealerships are scattered in major cities and secondary cities in Thailand. In 2022, the Company had a total of 30 dealers in the country.

1.4 Online Channel

In order to support the behavior of Thai consumers who prefer online shopping, the Company gives importance to the development of online sales channels to cover all channels. This includes e-commerce websites and using various social media of the Company. This also included installing a system to manage orders from customers who come through each channel quickly and accurately as well as create a good shopping experience through the Company's online system. The online distribution channels are divided into:

- **E-commerce:** The Company has a main e-commerce website that collects home furniture products and home furnishings for online shopping in one website at www.indexlivingmall.com. There are brand-specific websites such as Furinbox and Dreamia which are e-commerce sites that sell brand-specific products as an additional channel. Customers can shop, receive discounts, make payments, and track delivery instantly.
- **Social Commerce:** The Company connects the sale of products with all of the Company's social media channels. This includes Facebook, Instagram, and Line in order to support the use of various social media channels according to each customer's style. In 2022, the Company launched Line Shopping to expand the customer base that shops through Line. The Company initiated the use of sales through Google Messenger, where customers click to chat via Google Maps and Google Search to add convenience to customers who want information and order products as another channel as well.
- **Selling Products through Marketplace and Other Platforms:** The Company opened stores in leading marketplaces such as Lazada, Shopee, JD

Central, and NocNoc.com. In 2022, the Company expanded its cooperation with OfficeMate by selling its products on OfficeMate's platform in order to expand the online customer group to cover more as well.

1.5 Modern Trade

The Company extended the production of OEM products to develop furniture products and distribute branded products for the Modern Trade customer group which is composed of construction material and home furnishing retailers. In 2022, the Company expanded the market by cooperating with The Mall group to bring the Company's home furnishings to be sold in department stores starting from Siam Paragon and The Mall Tha Phra. It has plans to expand to other branches as well. This sales channel has a better direction due to continually receiving repeated orders and the opportunity to expand the customer base in the future.

1.6 International Business

The Company expanded its furniture and home furnishings distribution business to international markets, which has significant growth potential and business expansion opportunities. The Company intends to seek business collaboration with local operators who are knowledgeable in furniture and home furnishings distribution in each country. Distribution channels are categorized as follows:

- Overseas Index Living Mall retail stores in the form of franchise businesses. These are full-scale Index Living Mall franchised stores that have the same in-store management as stores in Thailand.
- Project sales include home and office designs, either in the form of purchasing products or purchasing products with installation services. The Company has networks in many countries through the storefront of franchises and dealers as well as direct customers.
- Original Equipment Manufacturers (OEM) and Trading: The Company manufactures made-to-order products which include furniture and home furnishings without any branding for foreign customers such as South Korea, Japan, European countries, the Americas, etc. This includes selling the Company's brands such as Index Furniture and Winner to foreign customers as well.

2) Rental and Retail Space Service Business

The Company operates the rental and retail space service business through The Walk Company Limited and the Company itself. The rental and retail space service business is divided into the following 4 categories:



2.1 The Walk

The community mall in the form of air-conditioned multi-story buildings. This includes Index Living Mall, supermarkets, restaurants, cafes, shops, and banks that have convenient parking for all customers. There are a total of three branches, Ratchaphruek, Kaset Nawamin, and Nakhon Sawan.

2.2 Little Walk

Mini community mall in one-story buildings which features convenient access and drive-through services in certain areas. There are 3 branches in Bangna, Pattaya, and Lat Krabang.

2.3 Index Mall

A large retail space within the Index Living Mall building in a standalone format increases opportunities and attracts people to visit and shop at Index Living Mall. There are 4 branches in total, namely Bang Yai, Rama 2, Bang Na, and Chaiyaprupek.

2.4 Retail Space within the Index Living Mall

Retail spaces in Index Living Malls are smaller than the current Index Mall. Index Living Mall has retail space in 11 branches.

3) Other Businesses

The Company increased channels to generate income from other business operations that do not sell furniture, home furnishings, and rental businesses by purchasing a food and beverage franchise. This included the development of consumer goods stores that complement the shops and services in the rental area. This is another way to attract consumers to use the services in Index Living Mall and The Walk. Currently, the Company has other businesses that currently operate as follows:

3.1 Franchise Stores namely Amazon: The Company bought an Amazon coffee shop franchise to open the service in the Company's rented areas. Currently, there are 2 branches in total: The Walk Kaset Nawamin and The Walk Bangna.

3.2 Other Stores namely Seoul U Mart: A Korean supermarket business that the Company developed its own brand and imported products from Korea such as food, ingredients, snacks, beverages, kitchen equipment, etc. This was emphasized in The Walk and two rental areas in Index Living Mall in the Lat Krabang branches. There are plans to expand the business more in the future.

Revenue Structure

The summary of the Company's revenue structure classified by business and distribution channel is as follows:

	2020		2021		2022	
	THB million	%	THB million	%	THB million	%
A. Revenue from sale of goods						
1. Domestic sales						
1.1 Retail stores	5,976.0	72.9	5,885.6	69.9	6,229.5	69.1
1.2 Projects	839.0	10.2	588.3	7.0	773.1	8.6
1.3 Dealers	83.4	1.0	79.6	0.9	92.7	1.0
1.4 Online	548.9	6.7	1,000.7	11.9	902.8	10.0
Total revenue from domestic sales	7,447.3	90.8	7,554.2	89.8	7,998.1	88.8
2. Overseas sales						
2.1 Franchise and Dealers	62.2	0.8	77.9	0.9	85.9	1.0
2.2 OEM	125.3	1.5	186.3	2.2	145.3	1.6
2.3 International projects	22.2	0.3	19.6	0.2	21.6	0.2
Total revenue from overseas sales	209.7	2.6	283.8	3.4	252.8	2.8
Total revenue from sale of goods	7,657.1	93.4	7,838.0	93.2	8,250.9	91.6
B. Revenue from rental and rendering of services	462.4	5.6	479.2	5.7	638.0	7.1
Total operating revenue	8,119.5	99.0	8,317.1	98.8	8,888.9	98.7
Other income	78.2	1.0	97.0	1.2	120.1	1.3
Total revenue	8,197.7	100.0	8,414.1	100.0	9,009.0	100.0

Remark : Values may differ by one decimal point due to figure rounding

1.2.2 Product Information








(1) Nature of Business and Business Innovation Development

Nature of Products or Services

Furniture, Home Appliances, and Home Furnishing Business: Products are classified into 3 core products:

1. Furniture products

1.1. Own Branded Furniture. The Company has a total of 7 furniture brands, Index Furniture, WINNER, Logica, Trend Design, Younique, Furinbox, and OK Furniture which cover all types of furniture products for home and office use. This furniture is mainly made from particle board and medium-density fiberboard (MDF) under the European Standard E1. The furniture under these brands is manufactured by the corporation's factories and external manufacturers. Furinbox is a new concept of furniture in a box that is affordable, convenient, easy to transport, and quick to assemble which primarily targets mass-market customers.

Brand							
Concept	Smart Living	Simple, uncomplicated lifestyle	Beautiful and fully functional just for you	High-quality, simple products designed in Italian modern style to complement a high standard of living	High-quality office furniture with contemporary designs and functionality for professionals	New concept of furniture in a box that is affordable, convenient and quick to assemble	Standard quality products at a reasonable price with useful functions and great value.
Customer Group	<ul style="list-style-type: none"> Age: 25 - 60 years old Group: Premium Mass Lifestyle: Modern urbanites who appreciate unique products 	<ul style="list-style-type: none"> Age: 20 - 45 years old Group: Premium Mass Lifestyle: Urbanites who prefer products that are simple and multifunctional, but also worthwhile 	<ul style="list-style-type: none"> Age: 25 - 45 years old Group: Premium Mass Lifestyle: Urbanites with a sense of individuality and a desire for innovation and customization 	<ul style="list-style-type: none"> Age: 25 - 50 years old Group: Upper middle class income Lifestyle: People with unique lifestyles who prefer modern and cutting-edge designs 	<ul style="list-style-type: none"> Group: Architects, designers, Offices, hospitals, government and state enterprise agencies 	<ul style="list-style-type: none"> Age: 25 - 35 years old Group: Mass Lifestyle: Minimalist and clean who prefer products that can fit into any area of the house or condominium 	<ul style="list-style-type: none"> Age: 20-45 years old Group: Low tier Lifestyle: Customers who seek great value in their purchases.

1.2. Other furniture brand includes BoConcept brand sold in BoConcept store. These furniture products are imported from abroad in order to penetrate the customer group with higher levels of income.

2. Home Furnishing Products

This covers a full range of home furnishing products, more than 15,000 items were handpicked and have modern designs under the Index Home brand. The sales volume for home furnishing ranked second, behind furniture products. This includes consignment products from leading brands.

3. Mattress and Bedding

The Company distributes mattresses and bedding products in Index Living Mall stores, whether manufactured by the Company or consignment products. Theraflex and Winner are the Company's manufacturing brands. The Company also sells bedding sets such as pillows, duvets, bolsters, and pillowcases under its own brands, Index Home and Catherine Brooks. In 2022, the Company developed a healthy pillow under the Dreamia brand, an innovation from the United States, which was a marketing collaboration with Woody-Wuthithorn Milintachinda (Woody) to expand this healthy product line. The mattress and bedding consignment brands that the Company currently sells include Sealy, Dunlopillo, Lotus, Santas, Slumberland, Stevens, Synda, Springmate, etc.



In regards to electrical appliances, the Company discontinued sales of electrical products under the Power One brand at the beginning of 2022 and changed the Power One selling area to be a rental area for Com7 Public Company Limited, Thailand's leading retailer of smartphones and technology products, in order to sell electrical appliances in the store called "Banana".

● Product Development Policy

In order to meet the needs of customers and the market, Product Strategy and Development Line collaborated with Trading Team and Retail Commercial and International Retail & Field Merchandising Line to study customer behavior by listening to customer feedback in order to develop new products and improve current products. Marketing team is responsible for developing marketing plans to support new products in accordance with the outlined concepts and closely monitoring the market environment to make timely adjustments to the plans.

In 2022, the Company modified the product development plan, sought out new products at affordable prices, adjusted the necessary product assortment, and responded more effectively to the ever-changing needs of its customers. In addition to developing products for sustainability, the Company is committed to developing innovative products with functionality and designs that are compatible with every lifestyle and distinct from competitors. This includes selecting products made from natural raw materials and designing small packages that reduce greenhouse gas emissions, delivery cycles, and the use of plastic. The Company incorporated technology into its manufacturing processes by using automated systems to calculate and cut wood pieces to make production more efficient, generate the least amount of waste, and make the best use of natural resources

In 2022, the Company had a budget for product research and development of 37.9 million Baht, which included the expenses of the Product Strategy and Development Line, the department responsible for the creation of new products for the Company.

Research and Product Development Expenditures (million Baht)

Year	2020	2021	2022
Expenditures	31.2	35.0	37.9

● Innovative Business Development

The Company aims to utilize quality technology and innovations in business operations as well as product and service development to connect and respond to the needs of the Corporate Group stakeholders in an efficient, quick, timely, and easy-to-access manner. The Company places importance on the personal information protection of those involved. The details in this section are disclosed in Part 1, section 2 Risk Management, and Section 3 Driving Business for Sustainability.

● Tax Incentives:

In 2022, the company used tax privileges from the Board of Investment (BOI) for 24.2 million baht, increased by 18.4 million baht in 2021. As a matter of fact, the company has accumulated tax privileges from the beginning of 2021 until the end of 2022, at total of 42.6 million baht out of 71.1 million baht from the investment in machinery which must be used by the end of 2023.

(2) Marketing and Competitive Environment

Despite the recovery of the Thai economy in 2022, the furniture and home furnishings market in Thailand faced a number of risk factors that prevented the business from expanding to its full potential due to the global economic slowdown, the Russia-Ukraine conflict with other nations made a wide impact on global energy prices, causing transportation costs and raw material costs to rise. In addition, exchange rate volatility led to a significant depreciation of the Thai Baht against the U.S. dollar which increased the price of raw materials and imported goods. However, the domestic inflation rate rose in conjunction with food prices and energy costs, causing consumers to be more cautious with their spending.

However, the Thai economy is likely to improve in the second half of 2022 due to an increase in private consumption and private investment, particularly in the tourism and services sectors which resumed significant growth. The real estate market trends as well as home and condominium projects have also recovered in accordance with the increasing demand for housing for consumers, both low-rise residences and condominiums. The government relaxed the Loan to Value measures. (LTV) and the reduction of the transfer and mortgage fees have become a positive factor for the furniture and home furnishing market, especially

for both small and large project sales. The export of furniture benefited from the weak Baht as well.

The competitive environment in the furniture and home furnishing market has intensified, especially the online market, since the spread of COVID-19. This caused changes in consumer behavior and daily life. Working from home has increased the number of customers who purchase furniture and home furnishings online. This factor has accelerated business operators to adjust their strategies to sell their products through the online market, which has become a channel that generates higher proportions of income, to compete for online spaces and marketplaces that are popular among Thai consumers in order to gain online market share. Business operators need to use marketing strategies for both prices, promotions, and delivery services to attract more online customers and improve the speed and accuracy of customer service.

Due to the above factors, the Company adjusted its product development strategy, product prices, and promotional plans to be concise and attract customers but keep the gross margins at an appropriate level even with higher product costs. The Company promotes personalized furniture products that allow consumers to select their preferred design, color, size, material, and function to meet their diverse needs. The Company implemented expense management and cost control plans to improve the manufacturing of the affiliated factories with the Smart Factory system. IA policy regarding inventory management has been implemented in response to economic fluctuations. The Company emphasizes Omni-channel with the development of a back-of-the-house system in order to provide both online and on-site customer services to be in the same direction. A data analytic study has been used for sales and marketing planning in order to accurately communicate with the appropriate target groups in each sales channel in the future (this project is still in progress).

The rental business has a tendency to recover due to the reopening of the country and the Ministry of Public Health has announced that COVID-19 will no longer be considered a dangerous communicable disease as of October 1, 2022, onwards. Stores and business operators are able to resume normal operations and can now open and operate normally. Moreover, consumers

have more confidence to leave their homes. As a result, the Company's rental space business tends to improve significantly with continuous sale growth and the number of tenants has increased since the beginning of 2022. However, the market competition tends to intensify as a result of an increased number of new business operators invested in retail space or small-to-medium community malls in Bangkok and its vicinity. The Company prioritized the selection of locations for new branch openings in densely populated areas of its target market and pursued strong and reputable business partners to be the main anchor partner for The Walk, Little Walk, and Index Living Mall rental spaces. The Company focuses on maintaining good relationships with existing partners in order to achieve long-term business growth together.

Competitors: Major domestic furniture business operators are as follows:

Furniture Retailers

- Ikano (Thailand) Company Limited: The main brand is IKEA, which focuses on DIY Furniture. There are 3 branches: Bangna, Bangyai, and Phuket. IKEA adjusted its strategy to increase the area for the market hall, food and beverage shops to attract customer traffic to spend more time at IKEA. In 2023, IKEA plans to launch its fourth branch in cooperation with The Mall Group, located at The Emsphere, under the concept of a city-center store, to penetrate the heart of the city and expand its customer base in Sukhumvit and the heart of Bangkok.
- SB Furniture Group: The main product brands are SB Furniture and Koncept that focuses on unique, modern, and multi-functional furniture. The SB Design Square retail store has 12 branches, 27 branches of SB furniture in Home Pro, 5 branches of SB showrooms in department stores and 10 branches of SB Dealer.
- There are 2 Koncept stores in SB Design Square and showrooms in department stores and 124 dealer shops nationwide.
- Modernform Group Public Company Limited: The main product brand is MODERNFORM which focuses on project owners and government officials. The Company began to penetrate the retail market by expanding product lines and online



markets. Recently, the Ratchaphruek Branch was launched to expand its customer base in western Bangkok who have high purchasing power. There are currently 6 branches in total.

- Chic Republic Public Company Limited operates business under the name Chic Republic which sells products under the brand CHIC and RINA HEY, emphasizing elegant and stylish furniture. The target customers are mid to upper level clientele. In 2022, there were a total of 5 branches in Bangkok, Nonthaburi, and Chonburi.

Construction Material Business and Home Decoration

- Home Product Center Public Company Limited operates a retail business under the name of HomePro, selling products and providing services related to construction, renovation, decoration, home and building repairs as a One Stop Shopping Home Center. Currently, HomePro has a total of 99 branches in Thailand and 7 branches in Malaysia. It is a major shareholder of Mega Home, a construction materials retail center that sells materials for repairs, renovations, decorations, and a variety of appliances. Currently, Mega Home has 18 branches.
- Siam Global House Public Company Limited operates a business that sells construction materials, furnishing materials, tools, and equipment as well as furniture under the name Global House. In 2022, there were a total of 77 branches.
- Dohome Public Company Limited operates a retail and wholesale business that provides a full range of construction materials and home furnishing equipment services under the name of Dohome. There are 26 branches in total, 21 of which are major branches and 8 of which are small branches (Do home Togo).
- Boonthavorn Company Limited launched 15 furniture stores under the name Lifestyle Furniture and 10 JYSK stores which are Scandinavian-style furniture and home furnishings with hidden simplicity from Denmark. In 2022, there are 10 branches located in Boonthavorn and Design Village, which are Boonthavorn's home-related products centers. Boonthavorn expanded its Design Village branches in 2022 from 2 to 3 branches with further expansion planned for 2023.

- SCG Group opened retail stores that distribute construction materials, home furnishings, and comprehensive home services under the names "SCG Home" and "SCG Home Experience" as well as "SCG Home Boonthavorn", a joint venture with Boonthavorn to expand the retail business in providing complete living solutions in Thailand and the ASEAN region inside the Boonthavorn building. It also launched online channels at www.scghome.com which feature all of SCG Home's products and services.

(3) Product and Service Procurement

1. Furniture, Home Appliances, and Home Furnishings

The factories of affiliated companies and external vendors or manufacturers supply furniture and home furnishing products for retail stores and various distribution channels of the Company. When it comes to procurement planning, the Company considers the following factors: (1) historical sales (2) growth rate (3) promotional campaigns for the year, and (4) economic conditions, furniture demand, and retail. The Company reviews the purchase plan and pre-orders from partners based on lead time on a regular basis to plan the quantity and timing of orders from the factories of the Company and other partners.

Furthermore, the Company divided its products into 4 main seasons: spring (from January to March), summer (from March to July), fall (from August to October), and the festive season (November and December). The trading team, the product strategy and development line, and the marketing team will plan for new product procurement at the end of each season.

● Production

The Company has a mattress and furniture factory operated by IDF, which is located in Mahachai, Samut Sakhon, with an area of approximately 160,000 square meters and 1,273 employees as of December 31, 2022. The products are made from particle board and medium-density fiberboard with the top layered materials selected by the customer. The new innovative machinery from Germany with full automation technology has been used to increase production efficiency and produce smaller batch-sized products.

2022 Production Capacity and Capacity Utilization

Number	Item	Maximum Production Capacity	Actual Production Volume	Capacity Utilization Rate
Home Furniture				
1	Wardrobe	8,000 pieces	3,627 pieces	45 percent
2	Bed	8,000 pieces	3,936 pieces	49 percent
3	Home entertainment cabinet	12,000 pieces	1,124 pieces	9 percent
4	Cabinets, storage cabinets, shelves, and doors	12,000 pieces	11,349 pieces	95 percent
5	Table	6,000 pieces	4,706 pieces	78 percent
6	Wooden table	8,000 pieces	4,743 pieces	59 percent
7	Sofa	2,000 pieces	2,096 pieces	105 percent
Built-in Furniture				
8	Built-in furniture	4,200 pieces	2,383 pieces	57 percent
Office Furniture				
9	Desk	4,000 pieces	365 pieces	9 percent
10	Storage cabinet	5,200 pieces	1,543 pieces	30 percent
11	Partition	500 pieces	360 pieces	72 percent
Kitchen Set				
12	Kitchen sets and compact kitchen cabinets	8,000 pieces	1,513 pieces	19 percent
Steel Furniture				
13	Chair	7,000 pieces	1,454 pieces	21 percent
14	Prefabricated stairs	200 pieces	871 pieces	435 percent
15	Stairs and mezzanines	200 pieces	229 pieces	115 percent
16	Parametric	500 pieces	1 piece	0.3 percent
Mattress				
17	Mattress	4,000 pieces	2,912 pieces	73 percent
Total		89,800 pieces	43,211 pieces	48 percent

Note: The Maximum production capacity is calculated from the maximum production capacity per month for three work shifts per day and six days per week

● Raw Materials Procurement

For the Company's manufactured products, raw material costs are the most important proportion of the Company's cost of sales. The raw material cost accounts for 67.3% of the cost of sales for products manufactured by IDF for the fiscal year that ended on December 31, 2022.

The main raw materials used in production are particle board and medium-density fiberboard (MDF), steel edges, glass, top layer materials, leather, fabrics, and fittings such as handles, hinges, springs, drawer rails, etc. However, these raw materials can generally be acquired from many raw material suppliers, both domestically and internationally. For the fiscal year that ended on December 31, 2022, the Company's imports of raw materials from foreign countries represented 10%

of IDF's raw material purchase amount which was paid mainly in US dollars.

The raw material procurement plan is primarily determined by the order volume from the purchasing department, the total volume of advanced orders, the inventory level at the distribution center, and the factory's production plan. The production plan is reviewed on a weekly basis.

The purchase of raw materials from the top 10 suppliers was equal to 44.6% of the purchase value of raw materials to produce products from the Company's factories for the fiscal year that ended on December 31, 2022. In addition, the Company did not depend on any one raw material supplier for more than 30.0% of the total purchase order value according to the consolidated



financial statements. The Company has maintained good relationships with the main raw material suppliers and many suppliers for a long time to prevent a shortage of raw materials that may occur and/or significant price increases, disruptions in production processes, and/or increases in raw material prices.

● **Product Sourcing from Vendor or External Manufacturers**

- **Products from Vendors of Operating Equipment Manufacturers** are products that the Company has designed and the manufacturer's copyrighted products, mainly are home furnishing products of the Company's brand. The product development department selects product manufacturers by comparing at least three manufacturers based on the following key factors: (1) product quality (2) production costs (3) minimum order quantity (4) reliability and (5) the potential to be the main, long-term manufacturer. In certain cases, the Company will not consider every criterion when the products require specialized raw materials with certain specifications, the manufacturer's copyrighted products, and repeat ordered products from the vendor and manufacturer that passed the selection process. The product strategy and development line, the trading team, the merchandising team, and the import team will jointly evaluate the performance of the vendor or manufacturer each year in order to consider areas of improvement and decide whether or not to continue to hire these vendors or manufacturers.
- **Products from Brand Owners** are divided into 2 categories: outright sales and consignment.
 - Outright sale products are leading brand products that the Company purchased from sales representatives. For BoConcept brand furniture, the Company directly imported these products from the brand owner with an outright sale at a specified mid-price and was mainly paid in US dollars. The Company chooses products from that brand's catalog by taking into account the demand trends of the customer.
 - Consignment products: The Company will receive a proportion of the gross sale for commissions, rebate fees, and other support as agreed upon with each trading partner. Consignment products are mainly distributed in the Company's retail stores. These include mattresses, bedding, carpets, wallpaper,

etc. However, the purchasing or restocking of products will be discussed between the Company and the trade partner. If the said product has a slower turnover rate than the Company expected, the Company will return the consignment products to the trade partners immediately.

In 2022, the majority of the Company's purchases came from domestic suppliers. The proportion of domestic and international orders represented 78.7% and 21.3% of the total order value respectively. The majority of imported goods are manufactured in China. Orders from affiliated companies represented 40.9% of the total domestic order value, while orders from the top 10 domestic suppliers or manufacturers of Index Living Mall represented 24% of the total domestic order value.

● **Inspection, Storage, and Distribution of Products**

Currently, the Company has 4 distribution centers which are Bang Bon Distribution Center, Ekachai Distribution Center, Bang Kradi Distribution Center, and Mahachai Distribution Center. Bang Bon and Bang Kradi Distribution Centers are the main distribution centers that distribute the products to the Company's retail stores all over Thailand. This includes customers who purchase products from branches in Bangkok and its vicinities (except Nakhon Pathom). The Ekachai and Mahachai Distribution Center stores safety stocks for further delivery to the Bang Don Distribution Center.

The Company developed a tracking and delivery system with quality and standardized equipment to control, track, and transport products as well as developed personnel and operational processes to be effective to ensure that the products that are delivered to the distribution centers meet the quantity and quality of the order. This is accomplished by inspecting products for broken or damaged fragile items. and make a random inspection for other products as well. The Company has a storage management system that results in minimal damage and minimal loss. This includes accurate and fast product delivery.

The product delivery process is divided into 2 categories. These are (1) Direct delivery and installation by the distribution center for customers of Index Living Mall stores in Bangkok and its vicinities (except the Nakhon Pathom branch), and (2) Delivery and installation by the Company's branches for branches in other provinces. The Company has a transportation plan for each delivery so that the number of products can be delivered to customers appropriately and effectively by taking into account various factors such as the delivery time specified by the customer, location, route, time

of installation, etc. In addition, products are installed by professional teams that have been trained by the Company. As a result, the installation is quick and meets the standard. Having customers evaluate their satisfaction immediately following the delivery and installation of products enables the Company to have customer feedback for service improvement.

2. Rentals and Retail Space Service Business

● Area Procurement and Project Development

The main factors that the Company considers in finding a location for the community mall is density, the purchasing power of the population, the number of shopping malls and community malls nearby, ease of travel and access to stores. This includes a customer behavioral analysis in order to design floor plans and shopping zones that meet the needs of customers.

After the plan and building design are finished, the Company will select a contractor in accordance with the construction procurement policy by comparing the qualifications of contractors based on the main factors which include quality, price, delivery time, and reliability so that construction is punctual and in accordance with the plan, and the estimated investment budget. The Company has a policy to monitor construction on a regular basis. It takes approximately 12 to 18 months from finding a location until the project development is complete.

● Procurement of Tenants

In the initial planning phase to build an Index Living Mall or community mall, the Company will create a retail space to be in balance with the location, in terms of the area size and

tenants' types of business. The Company will explore the need for retail space from the operators who have rented retail space in other branches and prospective tenants. The important factors that the Company considers when choosing tenants include, (1) complimentary business with Index Living Mall (2) diverse types of businesses such as restaurants, cafes, gyms, tutoring schools, etc. If a community mall has a large retail space such as the Walk or Little Walk, supermarkets will attract people to walk in the community mall (3) stores that have a strong customer base in order to increase the chances of survival of the stores, and (4) businesses that attract people to walk in the mall.

After that, the Company will negotiate the rental fees, terms, and conditions in the lease agreement with each tenant since the project has been designed. In addition, during the rental period, the Company focuses on building good relationships, providing assistance to every tenant equally, and expanding its customer base through marketing.

● Rental Space Management

Systematic and efficient retail space management is another important factor that helps to maintain the same tenants and attract new tenants. The Company has arranged proper retail space zones, selected a variety of stores, and provided complete facilities. This includes parking lots, elevators, escalators, and toilets that are sufficient for the number of users. In addition, the Company regularly maintained and improved public utilities and buildings so that they were safe and in good condition with continuous use. The Company had regular discussions and inquired about the satisfaction and advice of tenants. A meeting with tenants is held every year.

(4) Business Assets

● Property, Building, and Equipment

As of December 31, 2022, the primary fixed assets used in business operations of the Company and its subsidiaries had a net book value of 4,687.8 million Baht or 39.0% of the total assets. The details are as follows:

Item	Ownership	Net Book Price (million Baht)	Obligations
1. Land	IDF	174.7	None
2. Buildings and Improvements	Corporate Group	2,807.7	Collateral Mortgage for Financial Institution Loans
3. Machinery and Equipment	Corporate Group	185.1	None
4. Furniture and Office Equipment	Corporate Group	597.5	None
5. Vehicles	Corporate Group	14.9	None
6. Utilities	Corporate Group	878.5	None
7. Assets During Construction and Installation	Corporate Group	29.4	None
Total		4,687.8	



● Right-of-use assets

As of December 31, 2022, the Right-Of-Use Assets of the Company and its subsidiaries had a net book value of 3,071.3 million Baht, accounting for 25.5% of the total assets. The details are as follows:

Item	Ownership	Net Book Price (million Baht)	Obligations
1. Land	Corporate Group	2,883.0	Collateral Mortgage for Financial Institution Loans
2. Buildings	The Company	141.5	Collateral Mortgage for Financial Institution Loans
3. Vehicles	The Company	46.8	None
Total		3,071.3	

● Investment Properties

As of December 31, 2022, the Company's investment properties had a net book value of 1,752.1 million Baht or 14.6% of the total assets. The details are as follows:






Item	Proprietary Nature	Net Book Price (million Baht)	Obligations
1. Land	The Company	262.3	None
2. Buildings and Improvements	Corporate Group	524.1	Collateral Mortgage for Financial Institution Loans
3. Utilities	Corporate Group	210.5	None
4. Assets During Construction and Installation	Corporate Group	10.2	None
5. Right-of-Use Assets	Corporate Group	745.0	Collateral Mortgage for Financial Institution Loans
Total		1,752.1	








● Intangible Assets

As of December 31, 2022, the Company and its subsidiaries' intangible assets were software and computer programs. These assets are owned by the Corporate Group. In the consolidated financial statements, the net book value was 32.5 million Baht or 0.3% of the total assets.

● Trademarks











As of December 31, 2022, the Company owns 64 trademarks in Thailand. These are as follows:

Trademark	Ownership	Products	Protection Period
	The Company	Spring mattresses, pillows	29 Jan. 2001 – 28 Jan. 21
	The Company	Spring mattresses	19 Sep. 2005 – 15 Dec. 26
	The Company	Furniture installation service	18 Mar. 2005 – 17 Mar. 25
	The Company	Wardrobes, shelves, and desks	18 Mar. 2005 – 17 Mar. 25
	The Company	Beds	25 Jan. 2006 – 24 Jan. 26
	The Company	Furniture	25 Jan. 2006 – 24 Jan. 26
	The Company	Interior design and decorating services with computer programs	22 Dec. 2006 – 21 Dec. 26

Trademark	Ownership	Products	Protection Period
	The Company	Furniture, home furnishings, electrical appliances, and home appliances	14 Aug. 2009 – 13 Aug. 2029
	The Company	Beds, wardrobes, tables, chairs, TV stands, dressing tables, and sofas	January 29, 2001 – January 28, 2031
	The Company	Furniture and home furnishings	September 19, 2005 – September 15, 2026
	The Company	Beds, wardrobes, tables, chairs, TV stands, dressing tables, sofas, cabinets, mattresses, and mirrors	March 18, 2005 – March 17, 2025
	The Company	URental & Retail Space services	March 18, 2005 – March 17, 2025
	The Company	Entertainment services, location and recreational equipment services	January 25, 2006 – January 24, 2026
	The Company	Business management services in department stores and electrical appliances sales managementservices	January 25, 2006 – January 24, 2026
	The Company	Business management services in department stores and electrical appliances sales management services	December 22, 2006 – December 21, 2026
	The Company	Rental and retail space services	August 14, 2009 – August 13, 2029
	The Company	Entertainment services, location and recreational equipment services	August 14, 2009 – August 13, 2029
	The Company	Food processors, food mixers, blenders, fruit juice extractors, electric orange juicers, egg beaters, vacuum cleaners, high pressure washers, washing machines, and dishwashers	June 13, 2012 – June 12, 2022
	The Company	Irons and steam irons	June 13, 2012 – June 12, 2022
	The Company	Microwave, toasters, electric ovens, electric kettles, electric thermoses, coffee pots, coffee makers, waffle makers, inductive stoves, electric rice cookers, rice cookers, digital steamers, fans, smokeless grills, BBQ stoves, electric stoves, slow cookers, pressure cookers, fryers, air purifiers, refrigerators, clothes dryers, hoods, electric pans, and hair dryers	February 6, 2014 – February 5, 2024
	The Company	Knives, spoons, and forks	12 Apr. 2012 – 12 Apr. 2032
	The Company	Cooking pots, cooking pans, food steamers, turners, ladles, colanders, kitchenware, kitchen utensils, ladles, scrapers, non-electric peelers, wine barrels, water jugs, flasks, non-electric kettles, tongs, ice molds, food molds, and containers to store or put household items	12 Apr. 2012 – 13 Apr. 2032
	The Company	Pillows, bolsters, cushions, seat cushions, and bean bag chairs	18 Oct. 2012 – 17 Oct. 2032
	The Company	Bed sheets, pillowcases, bolsters, duvet covers, blankets, duvets, towels, face towels, body towels, hand towels, cushion covers, textile curtains, door curtains, window curtains, mattress toppers, and textile labels	18 Oct. 2012 – 17 Oct. 2032




Trademark	Ownership	Products	Protection Period
	The Company	Provide a diverse range of products to facilitate customers	March 31, 2016 – March 30, 2026
	The Company	Children's chairs, children's play sets, cots, cribs with barriers, children's tables, non-metal diaper changing tables, baby mattresses, and baby cushions	March 31, 2016 – March 30, 2026
	The Company	Product variety management services	March 31, 2016 – March 30, 2026
	The Company	Product variety management services	March 31, 2016 – March 30, 2026
	TW	Business management services in department stores, business management services for selling furniture products, product variety management services	August 10, 2011 – August 9, 2021 (pending renewal)
	TW	Rental and retail space	August 10, 2011 – August 9, 2021 (pending renewal)
	TW	Entertainment services, locations and recreational equipment services	August 10, 2011 – August 9, 2021 (pending renewal)
	TW	Food and beverage supply service	August 10, 2011 – August 9, 2021 (pending renewal)
	TW	Health care services (spa)	August 10, 2011 – August 9, 2021 (pending renewal)
	TW	Business management services in department stores, business management services for selling furniture products, Product variety management services	December 17, 2010 – December 16, 2030
	TW	Rental and retail space	December 17, 2010 – December 16, 2030
	TW	Entertainment services, locations and recreational equipment services	December 17, 2010 – December 16, 2030
	TW	Food and beverage supply service	December 17, 2010 – December 16, 2030
	TW	Spa health care services	December 17, 2010 – December 16, 2030
	The Company	Tables, cabinets, beds, chairs, and shelves	August 31, 2004 – August 30, 2024
	The Company	Furniture	August 31, 2004 – August 30, 2024
	The Company	Beds, wardrobes, tables, chairs, TV stands, dressing tables, sofas, cabinets, mattresses and mirrors	June 13, 2012 – June 12, 2022 (pending renewal)
	The Company	Furniture and home furnishings	August 14, 2009 – August 13, 2029
	The Company	Beds, wardrobes, tables, chairs, TV stands, dressing tables, sofas, cabinets, mattresses and mirrors	June 13, 2012 – June 12, 2022
	The Company	Furniture and home furnishings	August 14, 2009 – August 13, 2029

Trademark	Ownership	Products	Protection Period
	The Company	Beds, wardrobes, tables, chairs, TV stands, dressing tables, sofas, cabinets, mattresses and mirrors	October 30, 2009 – October 29, 2029
	The Company	Furniture and home furnishings	October 30, 2009 – October 29, 2029
	The Company	Chairs, TV stands, wooden tables, dressing tables, sofas, wardrobes, wooden beds	17 н.п. 61 – 16 н.п. 71
	The Company	Chairs, TV stands, wooden tables, dressing tables, sofas, wardrobes, wooden beds	July 17, 2018 – July 16, 2028
	The Company	Furniture distribution management	August 31, 2004 – August 30, 2024
	The Company	Tables, cabinets, beds, chairs and shelves	August 31, 2004 – August 30, 2024
	The Company	Office desks, chairs, filing cabinets and indoor partitions	April 16, 2004 – April 15, 2004
	The Company	Office furniture sales service	April 16, 2004 – April 15, 2004
	The Company	Furniture and home furnishings distribution service	August 17, 2017 – August 16, 2027
	The Company	Faucets, sanitary ware, picture frames, mirrors, wooden boxes, curtain rails, clothes hangers, ironing boards, serving trolleys, shelves, storage racks, mailboxes, easels, lockers, tables, pillows, mattresses, statues, decorations, clamps, clothes racks, baskets, cloths, mops, tableware, tableware sets, pans, pots, sheets, pillowcases, duvets, blankets, towels, curtains, rugs, non-slip mats, artificial grass and wallpaper	May 31, 2018 – May 30, 2028
	The Company	Beds, wardrobes, kitchen wall sets, cabinets, office tables and chairs, dining tables and chairs, dressing table sets, center tables, chairs, TV stands and shoe racks Furniture and home furnishings management service and interior design services	August 17, 2017 – August 16, 2027
	The Company	Shopping mall business management	October 4, 2018 – October 4, 2028
	The Company	Cutlery sets for children, small travel bags, diaper bags, baby chairs, baby pens, storage shelves, drawer sets, lockers, wardrobes, sitting sets, children's tables, diaper changing tables, cots, cribs, baby cushions, baby bedding, bolsters, nursing pillows, hangers, bedding sets and pillowcases, towels, breastfeeding covers, baby blankets, swaddles and services to bring many types of products together for the convenience of buyers	July 17, 2018 – July 16, 2028
	The Company	Mattresses, spring mattresses, beds, electronically adjustable beds and mattress bases	July 15, 2021 – July 14, 2031



Trademark	Ownership	Products	Protection Period
	The Company	Mattresses, mattress protectors, pillows, bolster cushions	1 July 15 2021 – July 14, 2031
	The Company	Bed sheets, pillow cases, bed sheet sets, and pillow case sets	July 15 2021 – July 14, 2031
	The Company	Mattresses, mattress protectors, pillows, bolster cushions	July 15 2021 – July 14, 2031
	The Company	Bed sheets, pillow cases, bed sheet sets, and pillow case sets	July 15 2021 – July 14, 2031
	The Company	Mattresses, mattress protectors, pillows, bolster cushions	November 4, 2021 – November 4, 2031
	The Company	Bed sheets, pillow cases, bed sheet sets, and pillow case sets	November 4, 2021 – November 4, 2031

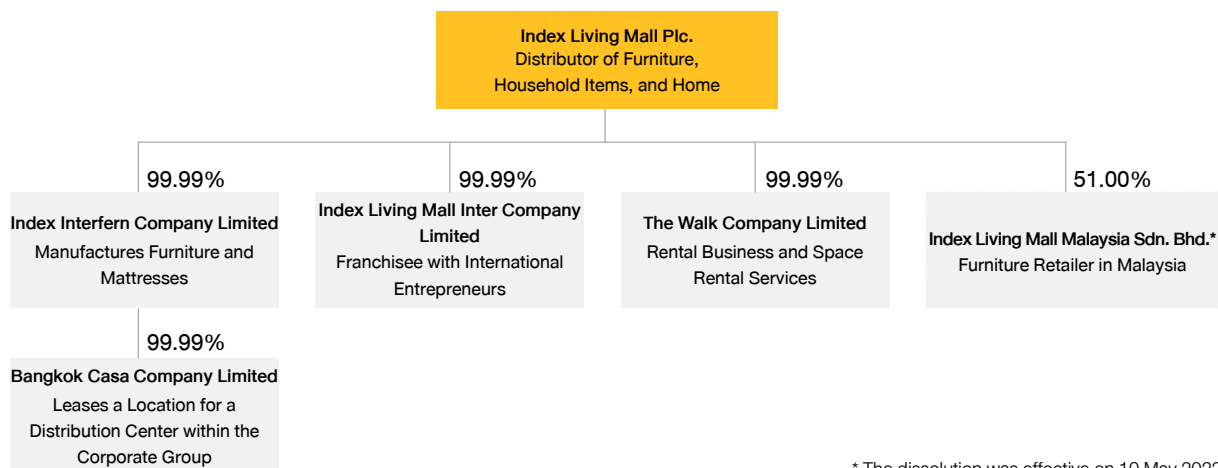
As of December 31, 2022, the Company was in the process of applying for trademark registration for a total of 1 item. This can be summarized as follows:

Trademarks	Proprietary Nature	For Service	Registration Filing Date
	The Company	Chairs/ adjustable chairs/ folding chairs/ chairs with backs/ wheelchairs/ beach chairs/ lounge chairs/ vanity chairs/ sofa chairs/ children's chairs/ reclining chairs/ chairs with armrests/ armchairs/ electric recliners/ rocking chairs/ stools/ bar stools/ two seat chairs/ picnic chairs/ inflatable chairs/ fabric chairs/ canvas chairs/ field chairs/ office chairs/ rattan chairs/ iron chairs/ stands to hang clothes/ children's pen/ partitions for decorations/ etc. Furniture and home furnishing equipment sales management service/ electrical and home appliance sales management services	April 10, 2020

1.3 Shareholding Structure of the Corporate Group

The Company has clearly separated its operations by type of business and affiliated companies such as Index Company Interfern Company Limited manufactures furniture for delivery to Index Living Mall Public Company Limited and The Walk Company Limited, which operates a rental and retail space business. There are also international franchise business operators.

Shareholding Structure Chart of the Corporate Group



* The dissolution was effective on 10 May 2022

Business Relationship with Major Shareholders

On November 30, 2018 (1) Mr. Pisith Patamasatayasonthi (2) Mrs. Kunthong Udommahuntisuk (3) Miss Kridchanok Patamasatayasonthi (4) Miss Pichapim Patamasatayasonthi (5) Mr. Ekalak Patamasatayasonthi (6) Mr. Ekaridhi Patamasatayasonthi (collectively referred to as the "Patamasatayasonthi Family") and the Krobkrua Thammada Panich Company Limited (the Patamasatayasonthi Family and the Krobkrua Thammada Panich Company Limited collectively referred to as the "Covenantor"), entered into a non-compete agreement with the Index Living Mall Public Company Limited ("Covenantee") with the following important agreements:

- (1) Each covenantor agrees not to conduct business, or be a major shareholder in agreed-upon businesses, either directly or indirectly, that compete with the covenantee unless it proceeds through the covenantee, subsidiaries or associated companies of the covenantee.

In this regard, the term "agreed-upon business" refers to the business in the same condition as the business of the covenantee is currently operating in, on the date of this contract. This includes the following businesses:

1. The retail business of furniture and/or home furnishing products, both domestically and internationally, and
2. The production and distribution of furniture products which are mainly made from particle board material.

However, the term "agreed-upon business" does not include:

- A Business operations of the Bangkok Master Wood Company Limited, operating original equipment manufacturing business for the domestic and international wholesale distribution of furniture and/or home furnishing products mainly made from rubber wood under the customer's trademark ("OEM Business") to the customers of Bangkok Master Wood Company Limited whose names appears at the end of this non-compete agreement, and/or
 - B. Conducting OEM business for new customers (as defined in article (2)), after a covenantee does not wish to exercise the right of first refusal in accordance with the guidelines specified in article (2).
- (2) The covenantor offers the right of first refusal to the covenantee to operate OEM business for new customers with the following procedures:
 1. In the event that the covenantor receives a proposal or a business opportunity that looks like an OEM business for other customers other than the customers whose names appear at the end of this non-compete agreement ("OEM business for new customers"), the covenantor agrees to do the following:
 - A. The covenantor agrees to notify the covenantee of the proposal or OEM business opportunity for new customers without a delay as well as any related details. This includes the deadline for covenantees to operate the OEM



business for new customers. The covenantor jointly determines the notification period with the covenantee for the time period that the covenantee must notify the covenantor in writing (“notification period”).

- B. If the covenantee wishes to or does not wish to proceed with the OEM business for the said new customer, the covenantee must notify the covenantor in writing within the notification period.
- C. If the notification period has elapsed, the covenantee does not need to notify the covenantor of their intentions. It is considered that the covenantee does not wish to proceed with OEM business for new customers and the covenantor can operate the OEM business for the said new customer.

In this regard, the determination of the notification period is based on the size of the item proposal or the business opportunity which appears to be the nature of OEM business for new customers. The covenantee must have sufficient time to comply with the notifications and regulations for listed companies on the Stock Exchange of Thailand. This includes the Notification of the Office of Securities and Exchange Commission of Thailand regarding the disclosure and operation of the listed company in terms of the acquisition or disposition of assets 2004 (including amendments), and the notification of the Office of Securities and Exchange Commission of Thailand regarding the disclosure and operations of the listed company regarding connected transactions 2003 (including amendments).

- 2. In the event that the covenantee notified their intention to conduct OEM business for new customers, however at a later time, the covenantee notifies the covenantor in writing that the covenantee does not wish to conduct business with the new customer, the covenantor can conduct the OEM business for the said new customer.
- 3. In the event that the covenantee requests to conduct OEM business for a new customer, the covenantee agrees to carry out the relevant and necessary tasks to operate an OEM business for new customers with honesty and precaution by taking into account the benefits of the covenantee and the shareholders of the covenantee.

In the event that the covenantee wishes to conduct an OEM business for a new customer, the conducting of the OEM business for the said new customer will not be considered a connected transaction. However, if the covenantor does not wish to conduct an OEM business for the new customer and the covenantor wishes to undertake an OEM business for such new customers, the

Company will comply with the notifications of the Office of Securities and Exchange Commission of Thailand regarding the disclosure of information and operations of the listed company for connected transactions 2003 (including amendments) before submitting the notification of intent to not operate such business. The size of the item proposal will be calculated as if the covenantee was the person entering into the enactment.

- (3) This contract will expire when (1) any covenantor is no longer a major shareholder (this includes related persons of the covenantor), director, and executive of the covenantee, this considers that the duties of the covenantor under this agreement have expired, or (2) when the covenantee is no longer a listed company in the Stock Exchange of Thailand, or (3) when the covenantee is a shareholder of the Bangkok Master Wood Company Limited holding more than 50% of the total voting shares of the Bangkok Master Wood Company Limited and all covenantors combined do not hold more than 10% of the total voting shares of Bangkok Master Wood Company Limited.
- (4) Additional amendments to the essence of this contract agreement can only be made when a written agreement is made between the parties and approved by the Shareholders' Meeting of the covenantee in accordance with the relevant laws. The shareholder's equity of the stakeholders will not be counted when considering and approving the said agenda items at the Shareholders' Meeting.

Mr. Arak Suksawat, the spouse of Miss Kridchanok Patamasatayasonthi (“Miss Kridchanok”) is involved as a director, executive, and major shareholder in a business that has the same conditions as the Company. Therefore, Miss Kridchanok added an agreement to the non-compete agreement mentioned above in the event that Miss Kridchanok receives information or someone gives information about the manufacturing and distributing furniture business that has a potential return for investments, Miss Kridchanok will propose it to the Board of Directors for their sole discretion. In addition, the added agreement will expire when Miss Kridchanok is no longer a major shareholder, director, and executive of the Company, or when the Company is no longer a listed company in the Stock Exchange of Thailand.

In the future, the Company may consider purchasing or renting land and/or buildings for branch expansion from the Patamasatayasonthi Family or from third parties as deemed appropriate by the executive management. The plans to launch such branches will be proposed to the Executive Committee or the Board of Directors as stipulated in the delegation of authority of the Company to further request the approval of launching a new branch.

1.3.4 Shareholders

(1) Major Shareholders

List of 15 Major Shareholders (according to the share register as of January 31, 2023)

Number	Shareholder	Number of Shares	Proportion Percentage
1	Krobkrua Thammada Panich Co.,Ltd.	203,310,000	40.259
2	Mr. Ekaridhi Patamasatayasonthi	35,335,320	6.997
3	Miss Pichapim Patamasatayasonthi	34,379,320	6.808
4	Mr. Ekalak Patamasatayasonthi	34,213,420	6.775
5	Miss Kridchanok Patamasatayasonthi	34,069,320	6.746
6	Mrs. Kunthong Udommahuntisuk	23,204,880	4.595
7	Mr. Pisith Patamasatayasonthi	13,400,900	2.654
8	Thai NVDR Co., Ltd.	11,180,617	2.214
9	Mr. Chai Manopas	8,828,000	1.748
10	Mr. Yingyot Udommahuntisuk	8,308,860	1.645
11	Miss Chonthip Udommahuntisuk	7,030,000	1.392
12	Ms. Chonwadee Udommahuntisuk	7,000,000	1.386
13	Mr. Ekarat Udommahuntisuk	7,000,000	1.386
14	Mr. Paniang Phongsatha	6,801,700	1.347
15	K Mid Small Cap Equity RMF	4,201,900	0.832

Distribution of Shareholdings by Nationality

The distribution of shareholding by nationality of Index Living Mall Public Company Limited, whose name appears on the closing date of the Major Shareholder Registration book (XO) on January 31, 2023.

Shareholder	Total Shares			Legal Entity			Individual		
	Number (people)	Number (shares)	Percentage (%)	Number (companies)	Quantity (shares)	Percentage (%)	Number (people)	Number (shares)	Percentage (%)
Thai Nationals	3,222	500,895,200	99.19	36	226,816,617	44.92	3,186	274,078,583	54.27
Foreign Nationals	22	4,104,800	0.81	17	4,002,200	0.79	5	102,600	0.02
Total	3,244	505,000,000	100.00	53	230,818,817	45.71	3,191	274,181,183	54.29

1.4 The Company Registered and Paid-up Capital

The Company's registered capital is 2,525.0 million Baht and the paid-up capital is 2,525.0 million Baht.

1.5 Issuance of Other Securities

- none -



1.6 Dividend Payment Policy

Dividend Payment Policy of the Company

The Company has a policy to pay dividends to shareholders at the rate of no less than 50% of the net profit in accordance with the consolidated financial statements of the Company after corporate income tax and deducting various types of reserves that are required by law and the Company each year. The Board of Directors will consider the payment of dividends by considering various factors that benefit the shareholders. These include economic conditions, operating results, the financial position of the Company, cash flow, reserve funds for future investment, and reserves to pay off loans or working capital within the Company. The terms and conditions stipulated in the loan agreement and the payment of dividends do not have a significant impact on the normal operations of the Company and are in accordance with what the Board of Directors deems appropriate or suitable.

Dividend Payment Information in 2022

Date of the Shareholders' Meeting : April 22, 2022

Date of Dividend Payment : May 18, 2022

The payment of dividends to shareholders for the period between June 1 and December 31, 2021 was at the rate of 0.40 Baht per share.

The dividend rate of net profits after corporate income tax was deducted. Individual shareholders can request tax returns from dividend payments.

Interim Dividend 2022

Date of the Board's resolution : August 8, 2022

Dividend payment date : September 6, 2022

Dividend payment from the net profit of separate financial statement January 1, 2022 - June 30, 2022

Per share : 0.20 Baht/share

The dividend rate of net profits of businesses exempted from corporate income tax (BOI) were at the rate of 0.182 Baht per share and the net profits that are not subject to corporate income tax were at the rate of 0.018 Baht per share.

The Dividend Payment Policy of Subsidiaries

The subsidiaries have a policy to pay dividends to shareholders at the rate of no less than 50% of the net profit in accordance with the consolidated financial statements of the Company after corporate income tax and deducting various types of reserves that are required by law and the Company each year. The Board of Directors will consider the payment of dividends by considering various factors that benefit the shareholders. These include economic conditions, operating results, the financial position of the Company, cash flow, reserve funds for future investment, and reserves to pay off loans or working capital within the Company. The terms and conditions stipulated in the loan agreement and the payment of dividends do not have a significant impact on the normal operations of the Company and are in accordance with what the Board of Directors deems appropriate or suitable.



2. Risk Management



2.1 Policy and Risk Management Plan

The Company places importance on risk management by closely monitoring the situation and analyzing business trends, economics, and related factors in order to manage and adjust business strategies to achieve the set goals. The Company established a Risk Management Committee to oversee the corporate risk assessment, review Risk mitigation plan to prevent and control various risks to meet an acceptable level, assign the Management Committee to manage risk in conjunction with business strategies, and consider any mitigation action to response on various situations in the event of a sudden crisis. Furthermore, the Company broadened the scope of enterprise risk assessment to cover the emerging risks that may affect the business operations of the Company in the next 3-5 years which includes Environment, Social Governance (ESG) risks. This is the starting point for the organization's journey toward sustainable business development.

2.2 Risk factors on Business Operation

Strategic Risk

- **Economic Volatility Risk**

In 2022, Thai economy is likely to recover from the COVID-19 crisis, which lasted over three years, after the government announced a full reopening of the country and relaxed measures. This resulted in a resumption of tourism and service sector expansion, which is a factor that contributes to the country's income growth and employment. However, Thai economy is still affected by the global economic slowdown and Russia-Ukraine conflict has impacted on global energy prices. This will inevitably increase transportation and product costs. Moreover, the fluctuation of Thai Baht has had an effect on the cost of the Company's imported products. Economic volatility is an uncontrollable external risk that may impact the Company's ability to operate business as the set goals.



The Company is aware of this risk and is closely evaluating the impact of fluctuations in the Thai and global economies in order to be prepared to adjust business plans and strategies to support both short-term and long-term goals in a timely manner. In regards to the impact on energy prices and rising product costs, the Company analyzed and implemented a policy to maintain gross profit margin levels by adjusting the selling prices to be in line with the increased costs, developed the affiliated factories' production to be a Smart Factory, managed costs and expenses to prepare for long-term increases in energy prices, such as the generation of solar power and the installation of fuel bankers, etc. The Company also took advantage of a variety of sales channels to sell the Company's products such as online, project sales work, dealers, and export channels. This diversifies the risk that certain sales channels may not be able to achieve their goals. The Company continues to expand business alliances and also places importance on developing new business channels and cooperating with business partners to join forces in ongoing business expansion by expanding its business through new channels such as Modern Trade, selling home furnishings in leading department stores such as The Mall group and developing OEM products for retail businesses in construction material and home improvement such as DoHome and Thai Watsadu.

In terms of investment, after postponing plans to expand new branches for 2 years as a result of the COVID-19 pandemic in order to reduce investment risks that could affect the Company's liquidity, the Company has reviewed and considered investments in new branch expansion and renovation as well as establishing the retail business structure and the Index Living Mall store space, in order to generate the greatest benefit and revenue. In 2023, the Company launched a new branch in Lat Krabung as a mixed-use area that includes both Index Living Mall and Little Walk which will be a new shopping area in Lat Krabang.

- **Competitive Environment in Furniture and Home Furnishings Market, Rentals, and Retail Space Business**

The competition of furniture and home furnishings market continues to intensify across all sales channels due to the lockdown during the COVID-19

pandemic. This altered the lifestyles of most consumers to work, study, and spend more time at home, leading the majority of people to show more interest in home decorations and renovations. This is the primary factor for the growth of furniture and home furnishings market which contradicts to the economic slowdown. In addition, the real estate industry recovered in 2022. This resulted in an increased number of large and small competitors in the retail furniture market. This affected market share competition for furniture and home furnishings in terms of prices, promotions, and related services.

The Company managed the risk resulting from increased competition in the furniture and home furnishing market. The Company has benefited from being a manufacturer and product developer that control the upstream to downstream supply chain. This allowed for flexible adjustments of sourcing strategies, product assortments, and product price levels that meet the needs of customers in each sales channel by focusing on best-selling products such as the Home Solution products, storage and organization equipment, mattress and bedding products, and home office products. The Company promotes pet products and outdoor products that are popular among consumers and tend to have higher demand. In addition, the Company differentiates itself in the furniture market by emphasizing product personalization in order to meet the needs of customers who desire products that are customized and more compatible with their lifestyles. Customers can also select the design, size, material, and function of the furniture. The Company engages in marketing by offering enticing deals and promotions that meet the needs of each customer segment and the market in accordance with the economic situation in each period.

The Company has developed an online shopping experience to compete in the online market by selling products on all of its social media channels, including Facebook, Instagram, and Line in order to support the use of different social media platforms for each customer segment. In 2022, the Company launched Line Shopping to expand its customer base via Line in order to facilitate convenience and provide additional channels for customers who require information and orders via Line. In addition,

the Company expanded its online sales to cover all online customer segments by collaborating with OfficeMate to sell the Company's furniture products on OfficeMate's Marketplace in order to expand the B2B customer base. The Company also collaborates with leading marketplaces in Thailand such as Lazada, Shopee, NocNoc, and JD Central with ongoing promotions and promotional activities.

- **Changes in Customer/Consumer Behavior**

The Company has adjusted business expansion strategy by focusing on the distribution channels with expansion potential, especially online channels, and developing online and offline sales and service connections to be more efficient and faster in accordance with consumer behavior which become to prefer online shopping since COVID-19. The Company expanded all online sales channels to provide customers with access to shopping through all Social commerce, Marketplace, and Platform that are popular among Thai people who search for products and shop online. The Company enhanced the convenience and speed of mobile shopping, as well as developing a delivery tracking system for online ordered products through any of the Company's channels so that the delivery status can be easily tracked online with a simple click.

To better understand customer needs, the Company has developed the Customer Experience system to conduct the customer satisfaction survey for delivery and installation services, solicits Active Feedback from customers directly after purchasing. The system utilizes an AI system to analyze customer satisfaction through comments and feedbacks, notifying relevant departments about any negative feedback of customers so that they can resolve the issue promptly. The Company can collect opinions, problems and suggestions regarding the Company's products and services from the survey in order to analyze and improve in each dimension to better response to customer needs.

The Company is working on a Customer Data Platform (CDP) project that improves the internal data structure and uses an artificial intelligence (AI) system to analyze big data of customer data and purchasing transaction data in order to have useful information in various dimensions

for executives to make a better decision on market planning and product development that meet customer needs and to select content or promotional information that will be communicated to the precise, appropriate customer groups which will result in increased sales. The project is currently under development and evaluation. It is expected to be implemented in 2023

- **Reliance on Major Shareholders or Affiliated Companies of Major Shareholders or Executives**

As of January 31, 2023, the Patamasatayasonthi family was the major shareholder of the Company. This includes Mr. Pisith Patamasatayasonthi, Mrs. Khunthong Udommahuntisuk, Miss Kridchanok Patamasatayasonthi, Miss Pichapim Patamasatayasonthi, Mr. Ekalak Patamasatayasonthi, Mr. Ekaridhi Patamasatayasonthi, and Krobkrua Thammada Panich Company Limited which hold 377.4 million shares or 74.7% of the total issued shares of the Company. Therefore, there is a risk that the major shareholders who own more than 50.0% of the Company's shares may influence the proposal of the management policy, and vote collection, as well as checks and balances that are considered in the Shareholders' Meeting.

The Company's management structure, which consists of the Board of Directors, the Audit Committee, and the Executive Committee, each committee has a clearly defined scope of authority and responsibilities. Currently, the structure of the Board of Directors consists of 11 directors, 5 of whom are independent directors, and 3 of these independent directors are Audit Committee members. The Board of Directors has duties and responsibilities to check and balance matters as well as approve any matters prior to proposing them to the Shareholders' Meeting for approval. If transactions involve directors, major shareholders, controlling persons, related businesses, or individuals who may have conflicts of interest, such persons will not have voting rights to approve such transactions. Minor shareholders have the right to vote against an offering of securities that affect shareholders by casting only 10% of the votes cast by the shareholders attending the meeting. Additionally, transactions must be approved in accordance with the criteria of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand.



● Emerging Risks in the Next 3-5 Years

• **Adaptation Risk to Support Rapid Changes in Technology**

The Company takes into account the risk associated with its adaptability to rapid technological change. There is a possibility that new innovations will undoubtedly play a role in future retail businesses. Therefore, business operators began to implement modern technology and applications to develop services in physical or online stores using Omni-channel for marketing communications and offer unlimited boundaries for products and services to support and respond to the behavior of customers who desire convenience, speed, easy access, 24-hour service, and have accurate and up-to-date information. Therefore, such changes may have an impact on the Company's business operations and may result in losing business opportunities to other competitors if the Company is unable to meet the needs of all online customer groups or if the service is not provided to customers in a timely manner.

In this regard, the Company foresees potential risks and prioritizes the development of operating systems capable of supporting future work and business trends by improving the current operating system. This includes developing a new system or application that extends the old system to increase speed, decrease redundancy, and increase automated functions. In 2022, the Company had system development projects as follows.

- **E-Tax Invoice System** The Company developed a system for generating and transmitting electronic tax invoices to customers and the Revenue Department which operates under the Electronic Transactions Act of B.E. 2544. Since the beginning of 2022, the Company has developed and implemented a system that can serve the customers at both physical and online stores (the Company's website and Marketplace) where the system will send the customers electronic tax invoices via SMS or Email. As a result of switching to an e-Tax Invoice system, the Company can reduce working hours and cut down paper consumption by approximately 1.75 million sheets per year.
- **Customer Experience System** The Company expanded the scope of the development of the satisfaction survey system beginning in 2021 to include the satisfaction survey of products and services at the Company's stores and online

channels. The Company utilized an AI system to analyze customer data and feedback in order to improve and develop its products and services. This allows the Company to contact customers directly in order to resolve issues or respond to customer needs promptly.

- **Delivery Tracking System** To alleviate concerns regarding delivery, the Company developed a delivery tracking system for Index Living Mall customers and online shoppers who make purchases via the website www.Indexlivingmall.com, Chat To SHOP at LINE @Indexlivingmall, and other Marketplace platforms. Customers receive an SMS with a link to check the delivery status online.
- **Transportation and Installation Management System** (transportation management system: TMS) The Company upgraded and implemented a new transportation management system to accurately cover delivery handling and minimize errors as much as possible. There is also a plan to improve the system to have an optimization function to arrange delivery routes more efficient so that each delivery cycle is worth and cost effective.
- **Customer Data Platform (CDP) Project** The Company updated its Big Data database regarding customers, products, and transactions. The AI system then analyzes Big Data in each dimension to obtain crucial information for executives to use when making decisions regarding product pricing, marketing promotions, and company communications with each customer segment. The testing result is accurate, meets customer needs, and results in a better response from customers which leads to the repurchasing of products.
- **Project Management System:** Project sales management system tracks sales, deliveries, and installation status according to the specified plan of each project.
- **RPA (Robotic Process Automation)** RPA is a tool to improve manual operations to automated operations by robots. This reduces process steps, number of manual work, papers and working hours by 20-100%. It also increases work efficiency and precision.

Operational Risk

• **Risk from Fluctuations in Raw Material Costs and Other Expenses**

Since 2021, the prices of primary raw materials for furniture production, especially particle board and steel, have been increased and are unlikely to

decrease in the near future. In addition to the price of raw materials, energy costs such as electricity and fuel cost have been increased significantly. This has a direct impact on the price of furniture production and imports.

The Company closely monitored the movement of raw material and energy prices and evaluated the impact of higher product costs in advance to find ways to mitigate the impact of rising costs through a pricing review, especially furniture products that have a high proportion of particle board and all imported products in order to consider adjusting the selling price to be appropriate and still competitive in the market. If the price of particle board decreases in the future, the Company will benefit from the price differentials of products that have already been sold at a higher price.

In addition, the Company has a plan to continuously manage and control the expenses of the corporate groups to support the increase in energy prices by installing a fuel bunker at the distribution center which will allow the Company to save money due to better fuel rates and a rebate from refueling. Since 2018, the Company has been able to reduce its electricity costs by installing solar rooftops on top of its factories and Index Living Mall branches in order to generate renewable electricity. In 2022, nine additional solar rooftops were installed, bringing the total number of branches with solar rooftops to 24 branches. In the near future, the Company will implement an Energy Saving plan at branches which will include modifying the air conditioning system to be more efficient and save electricity, installing energy-saving light bulbs, and utilizing electric vehicles for product delivery. This contributes to long-term cost savings and the reduction of greenhouse gas emissions.

The Company has a production plan in place and works closely with the factory and supply chain to be flexible and adaptive in adjusting production in accordance with actual sales that occur in a timely manner and pays attention to the costs that may be incurred due to imports, such as recruiting domestic manufacturers and sellers to replace imports.

- **IT Security and Cybersecurity Risk**

Due to the Personal Data Protection Act 2019 (PDPA) that went into effect on June 1, 2022, and the

increasing cybersecurity threats, the Company may be at risk if its information systems and technologies malfunction or there is a data breach, data is stolen, or there is unauthorized access or phishing. This could compromise the data privacy of the customer and the related party which also have a negative impact on the Company's reputation and image.

The Company has prepared the entire work process, related staffs, and IT system to request for a consent of customer personal data through both offline and online channels of the Company in order to support the request of customers who may require for the right in their personal data in the future.

Additionally, the Company has taken additional precautions to ensure data privacy, improve storage and data security systems with an alert system in the event of a data breach. The Company requires that the system and IT infrastructure be tested according to the specified cycle and assign employees to oversee the operating system to resolve issues that may arise at any time as well as searching and developing the most up-to-date hardware and software system to combat new forms of cyber crime and prevent unauthorized access. The following projects were carried out in 2022:

- **Firewall Bundle EDR (Endpoint Detection and Respond)** The Company installed a new firewall to replace the old devices that were no longer supported by the vendor and EDR software was included with the firewall that was installed on all the Company's computers in place of the previous antivirus software.
- **Backup Solution** The Company replaced the existing hardware with new hardware to increase the capacity and speed of backup systems for the headquarters and increase the retention of important data. The Company has provided ILM branches with external NAS storage for data backup purposes. Previously, the backup data was stored on the device, it is now stored in external storage to reduce the risk due to damage to devices.
- **Pentesting & Cyber Resilience Policy** The Company is currently reviewing and improving the IT systems and data security policy to be extensive in all aspects and provide a method



for testing the Company's systems to ensure their resilience against future cyberattacks.

- **Climate Change Risk**

Due to climate change and natural disasters that occur all over the world including Thailand, whether heavy rain storms or floods, all business sectors have become more aware of and attentive to climate and environmental changes. The Ministry of Natural Resources and Environment is currently pushing for a draft of the Climate Change Act to be proposed to the Cabinet in early 2023. This aims to reduce greenhouse gas emissions to mitigate the effects of climate change in Thailand. The issue prompted the government to implement measures to reduce greenhouse gas emissions so that all business operators will soon be required to comply.

The Company realizes the importance of the environment along with business operations, both in terms of preparation for potential natural disasters and the reduction of corporate greenhouse gas emissions. Regarding business operations during a natural disaster or the COVID-19 pandemic, the Company implemented a Business Continuity Plan (BCP) so that employees can immediately work from home if an event prevents them from traveling to any branches or headquarters. The Company prepared equipment and systems to enable employees to work from any location. In addition, all Index Living Mall branches in flood-affected areas are planned to be built in higher-leveled areas. This prevents stores and sales areas from being affected by high floods. However, these impacts product delivery to customers in flooded areas. The Company has postponed the delivery for all customers who suffered from the disaster until their houses have been ready to receive the product.

The Company places importance on the reduction of greenhouse gas emissions through resource reduction mechanisms in business operations such as electricity consumption which is one of the Company's sustainability goals. The Company continues to operate the Solar Rooftop System Project to use clean energy instead of electricity at Index Living Mall branches and factories with the goal of installing solar rooftop system in every branch that is suitable for installation. Currently, the Company has installed 24 solar rooftops and is a participant in the Low

Emission Support Scheme (LESS) Project of the Ministry of Natural Resources and Environment by Thailand Greenhouse Gas Management Organization (Public Organization). The Solar Rooftop Project can reduce greenhouse gas emissions by 6,052.56 tons of carbon dioxide equivalents (tCO₂ eq). The Company also has a waste segregation and recycle program and brings food waste as animal feed which reduces greenhouse gas emissions by 6,356.27 tCO₂ eq, totaling 12,417.83¹ tCO₂ eq

In addition, the Company has participated in the Thailand Voluntary Emission Reduction Program (T-VER) organized by the Thailand Greenhouse Gas Management Organization (Public Organization) from the Ministry of Natural Resources and Environment to demonstrate that the project of Solar Rooftop System of Index Living Mall Public Company Limited has been successfully registered.

Moreover, the Company's new product development plan includes a market research, the procurement of raw materials and environmentally friendly product development, such as upcycling old teak wood into new "real wood" furniture products. The "Eco Friendly" products made from natural materials include woodwork in the home solution category such as baskets, hangers, storage boxes, bins, and shelves. Naturally degradable materials derived from PP plastic, wheat straw, and wood. Kitchen products category included food containers, kitchenware, utensils, etc. These products are available at all Index Living Mall branches and have been good feedback by customers. In addition, the Company also pays attention to new product designs and packaging that is smaller, more compact, and easy to transport in order to reduce the use of plastic wrap, increase storage space to reduce the delivery cycle, and decrease the amount of plastic which is a direct and indirect factor in contributing to greenhouse gas emissions.

- **Compliance Risk**

N/A

Remarks ¹ The amount of greenhouse gas reduction for the year 2022 is in the application process for certification from the TGO.

- **Corporate Governance Risk**

Due to corruption in the public and private sectors becoming a social trend in Thailand, there is a risk to the Company's credibility in the event of an incident involving corruption or any dispute or complaint stemming from inappropriate supervision.

In order for the Company to adhere to good corporate governance, and be reliable, transparent, and free of corruption, the Company has improved its internal control system and operating process to have mechanisms for receiving corruption-related complaints and operating guidelines covering all processes that are at risk of corruption as specified in the Anti-Corruption Policy. In addition, the Company has also been certified as a member of the Thai Private Sector Collective Action Against Corruption (Thai CAC) on September 30, 2022, for the first time after the Company announced its intention to join the Private Sector Collective Action Coalition Against Corruption of Thailand on February 25, 2022, in order to take part in building a strong social network by creating a corporate culture starting at the executive level to all employees in order to instill an awareness of the dangers of corruption and also working with a sense of morality, ethics, and good citizenship.

Financial Risk

- **The Company's Liquidity Risk**

The recovery of the Thai economy in 2022 continued to be hampered by the global economic slowdown. This included severe inflation, fluctuating energy prices, and fluctuating exchange rates throughout the year. This caused business operations and the operators in Thailand to be affected by the cost of goods. The inability to achieve the goals in financial and liquidity management and the operating results can be a risk factor for the inability to pay off interest-bearing debt, both short-term and long-term loans from financial institutions, long-term debentures, and finance lease agreement liabilities which are used as circulating liquidity in business operations.

To reduce liquidity risk in business operations, the Company continues to strictly adhere to liquidity management policy and cost control policy as well as improving work efficiency and inventory management. As a result, the Company has good liquidity and is able to make a prepayment of long-term loans. This resulted in the reduction

of future interest expenses due to consistent loan repayments.

In 2022, the Company maintained efficient liquidity management and continued to pre-pay its long-term loans from financial institutions. As a result, the debt burden from financial institutions decreased by 839.5 million Baht from 1,975.9 million Baht at the end of 2021 to 1,136.5 million Baht at the end of 2022. In 2022, the Company made a prepayment of long-term loans in an amount of 613.0 million Baht, resulting in a decrease in financial costs by 32.1 million Baht from 246.5 million Baht at the end of 2021 to 214.3 million Baht at the end of 2022.

- **Exchange Rate Fluctuation**

In 2022, Thai Baht exchange rate was highly volatile compared to the US dollar. This has a direct impact on the costs of imported goods, imported raw materials and products, revenue from exporting, and the inevitable royalty fee from the sale of franchises.

The Company foresees the risk arising from exchange rate fluctuations that affect the cost of imported products and revenue from overseas. Therefore, there is a strict management of exchange rates. The exchange rate movement has been closely monitored through news and information from banks to evaluate the situation and find ways to prevent potential risks. The Company has made a natural hedge from the transaction of product sale and purchase of the Company's raw materials. This includes revising the pricing of newly imported goods to cover the cost of imports and the potential exchange rate fluctuation risk. The Company was able to maintain its profit margin at an acceptable level. In addition, the Company has a policy to manage exchange rate fluctuation risk by entering into forward exchange contracts to prevent the exchange rate fluctuation risk in certain periods

- **Investment Risks of Securities Holders (2.2.2)**

- **Investment of securities holders.**

None

- **Risks From Foreign Securities Investment (In case the issuer is a foreign company) (2.2.3)**

- **Investment in securities of foreign companies.**

None



3. Driving Business for Sustainability



Due to the commitment to conduct business in accordance with good corporate governance principles and sustainable development under the concept of 'Sustainable Living for Future Lifestyle' which focuses on improving quality of life, society and the environment, the Company is aware of the expectations and impact on its value chain stakeholders and recognizes the significance of sustainable development in all dimensions, which included environmental, social, and governance. Therefore, the Company continues to monitor sustainable development and reviews goals and guidelines to ensure that they cover all dimensions and are in accordance with the established goals. In 2022, the Board of Directors appointed the Sustainable Development Committee as a subcommittee of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee as a result of the resolution of the Board of Directors No. 4/2022, dated August 8, 2022. The committee is responsible for evaluating the performance results of corporate governance and sustainability strategies in addition to environmental, energy, water, garbage, and waste management, greenhouse gas management, human rights management, and equitable treatment of labor. A working group was specifically formed to support each project in order to execute the established plan.

In order to accurately disclose ESG information on economic, social, and environmental dimensions, as well as the Company's performance on sustainable development in 2022 to be in accordance with the standards, the Company studied and prepared a report on the topic of Driving Business for Sustainability in

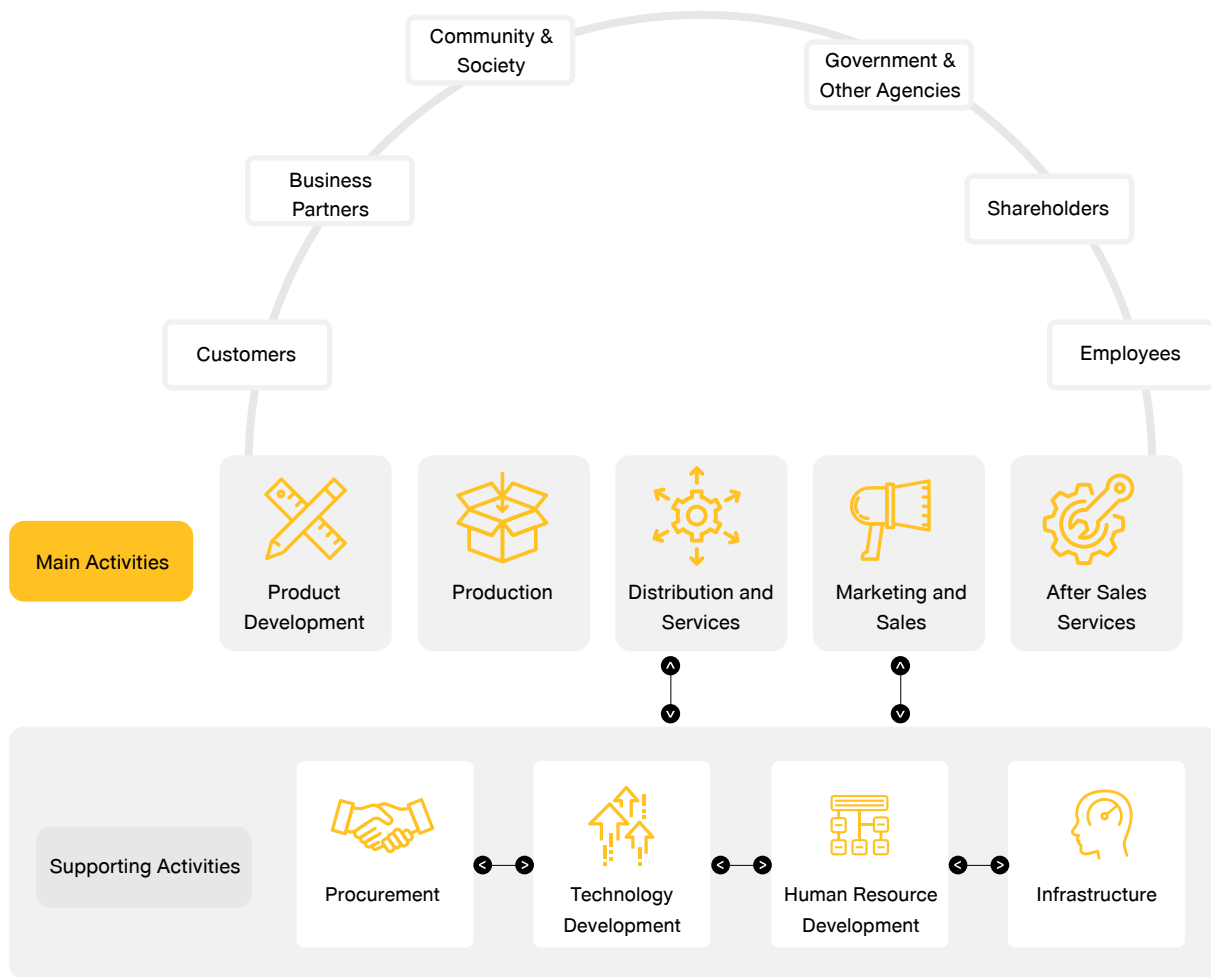
accordance with the Global Reporting Initiative (GRI) standards which were used in the preparation of the Sustainable Development Report (SD Report) and the 56-1 One Report / One Report. The Stock Exchange of Thailand's recommendation on ESG disclosure was used as the reporting structure for the disclosure of information on this topic. As a result, the Company was able to examine material issues in all aspects and adjust sustainability goals to better align with the GRI Standards Indicator. This report solely covers the performance of the Company and its subsidiaries in Thailand, which is the primary business of the Company between January 1, 2022 and December 31, 2022. The economic performance presented in this report is based on the same accounting information system used in the One Report for the year 2022.

3.1 Analysis on Stakeholders in Business Value Chain

● Business Value Chain

The Company operates a retail business that sells furniture and home furnishings which covers upstream to downstream business operations including product design and development, production, distribution, sales, marketing, and after-sales services. The Company is committed to value creation for products and services as well as business activities in order to meet the expectations of each stakeholder group in the business value chain through good corporate governance, transparency, and social and environmental responsibility.

Business Value Chain



● Stakeholders, Expectations and Response





The Company places an emphasis on identifying stakeholders in the business value chain and analyzing expectations and sustainability issues for each stakeholder group in order to understand as well as determine actions and channels to communicate with stakeholders in order to be able to respond promptly and appropriately to the expectations. In 2022, the Company analyzed and reviewed significant issues based on customer survey results. The details are as follows:



Stakeholder Group	Contact Channels	Expectations	Actions
Customers 	<ul style="list-style-type: none"> Online and offline communication channels Product and service safety measures Customer contact center Whistleblowing or feedback channels on the Company's website Customer satisfaction surveys 	<ul style="list-style-type: none"> Quality products and services that meet lifestyles Great shopping experiences Safety services at branches Fair prices Attractive promotions On time Delivery Good after-sales service Personal data privacy 	<ul style="list-style-type: none"> Deliver quality products and services Promote sales and promotions that meet customer needs Safety management from production to services at branches Customer service development On time delivery and installation Use international standards for customer data protection Listen and respond to complaints
Business Partners 	<ul style="list-style-type: none"> Business Code of Conduct Whistleblowing channel on the Company's website Business partner's data protection privacy notice 	<ul style="list-style-type: none"> Fair and transparent business operations Business growth Accurate and on time payments Personal data privacy 	<ul style="list-style-type: none"> Prepare business contracts and procurement processes with transparency and fairness Establish policies and pay promptly and accurately Use international standards for customer data protection
Community and Society 	<ul style="list-style-type: none"> Contact branch manager/head-quarters Customer contact center Whistleblowing channel on the Company's website Participation in community network activities 	<ul style="list-style-type: none"> Activities that are beneficial to the community Operate business with responsibility No environmental problem 	<ul style="list-style-type: none"> Support and promote activities that are beneficial to the community Pay attention to safety and environmental impact Listen and respond to comments and complaints
Government and Other Agencies 	<ul style="list-style-type: none"> Participate in or organize government network activities Human Resource Management Department/ related departments 	<ul style="list-style-type: none"> Legal compliance Promote and Cooperate in numerous projects 	<ul style="list-style-type: none"> Legal and regulatory compliance Cooperate and participate as appropriate in numerous projects
Shareholders 	<ul style="list-style-type: none"> 56-1 One Report Shareholders Meeting Quarterly investor meeting Quarterly analyst meeting Disclosure of information through SET Disclosure of Investor Relations information on the Company's website Investor relations department 	<ul style="list-style-type: none"> Profitable business and sustainability Good corporate governance Transparent management Effective risk management 	<ul style="list-style-type: none"> Conduct business with transparency, verifiable, and in accordance with good corporate governance Effective management Disclosure of transparent information Provide complete and accurate financial information
Employees 	<ul style="list-style-type: none"> Annual Town Hall Meeting Human resource management communication Whistleblowing channel on the Company's website Contact the Welfare Committee in the workplace Contact Safety, Occupational Health and Working Environment Committee 	<ul style="list-style-type: none"> Fair remuneration and welfare Stability and career advancement Knowledge development Workplace safety Organizational Participation by voicing opinions 	<ul style="list-style-type: none"> Allocate fair remuneration and welfare Organize an equal and fair performance evaluation Organize related training courses with job responsibilities Provide safe and healthy working conditions Listen and respond to comments and suggestions for improvement.

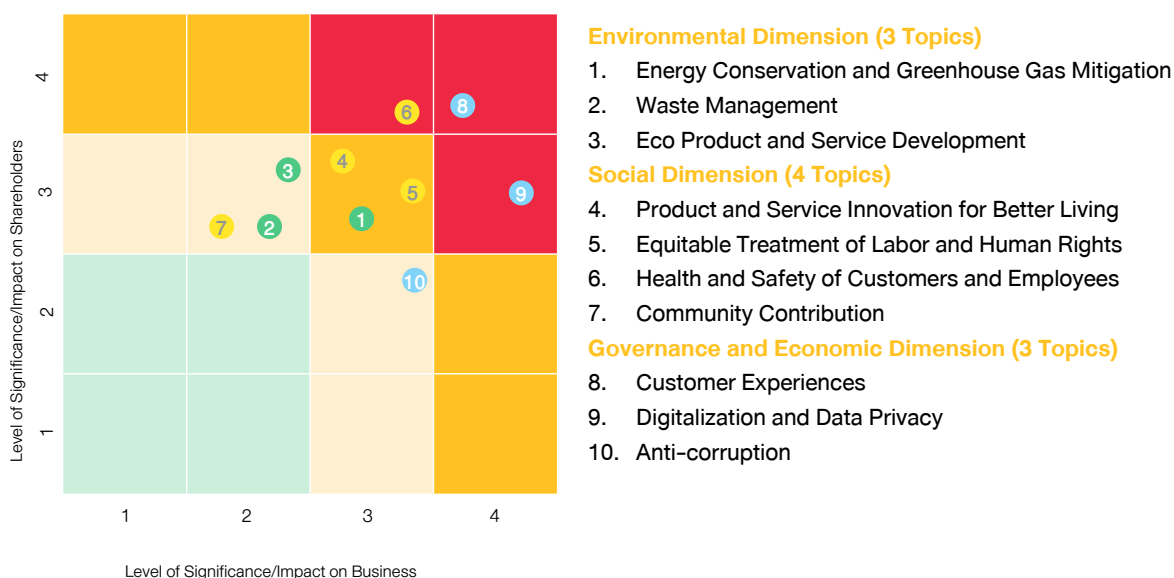
● Materiality Assessment

The Company considers both internal and external factors pertinent to the most significant sustainability issues to the Company's business operations in economic, social, and environmental dimensions. This includes the impact on stakeholders regarding the business operations in order to assess and determine sustainability material topic with the following steps:

	Step 1 Materiality Identification	The Company collects and analyzes sustainability material issues for business operations and its stakeholders, international sustainability standards, comparisons with peer competitors in the same industry, and the Sustainable Development Goals (SDGs) of the United Nations. This year, the material topics were clarified and categorized into all dimensions in accordance with the GRI Standards.
	Step 2 Materiality Prioritization	The Company evaluated and prioritized the collected material topics which include the impact on the stakeholders and the Company.
	Step 3 Materiality Validation	The Company validated the accuracy by presenting all material topics, which were reviewed by the Management Committee that is responsible for sustainable business management. Then, proposed them to the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee for review and approval.
	Step 4 Continuous Improvement	The Company focuses on continuous improvements in sustainability reporting and the review of sustainability policies and goals in order to achieve future objectives and goals.

Materiality Matrix

The Company determined the materiality in sustainability issues and there are 10 material topics as follows:



- Materiality / Extreme Impact on Business and Stakeholders
- Materiality / High Impact on Business and Stakeholders
- Materiality / Moderate Impact on Business and Stakeholders
- Materiality / Low Impact on Business and Stakeholders



3.2 Sustainability Management Policy and Goals

● Sustainability Development Policy

The Company established policies and practice guidelines on sustainability management in order to operate the business in accordance with business practices and corporate strategies. This includes responding to stakeholders in all dimensions of material sustainability issues as follows:

1. Focus on developing and creating quality products and services at fair prices as well as promoting a quality life that is safe and environmentally friendly.
2. Focus on technology development and potential innovations for business operations, services, and communication channels in order to connect and respond to the needs of stakeholders with the Corporate group in a way that is effective, quick, on time, easily accessible, and emphasizes the importance of personal data protection of relevant parties.
3. Focus on developing business processes that are friendly to the community and society in order to improve the quality of life and promote sustainable business growth.
4. Attentive to eco-friendly business operations and be aware of the efficient use of resources and energy, which includes waste management from

the corporate value chain to ensure that it does not create a negative impact on the environment.

5. Respect human rights and ensure that the business of the Corporate group is not directly or indirectly involved in human rights violations, such as sexual harassment, violence, and child labor. Moreover, the Company respects gender equality for all employees.
6. Focus on developing the potential and knowledge of employees, as well as paying attention to safety, occupational health, and the work environment. Provide opportunities for employees to express their opinions to contribute to the development of the organization.
7. Focus on anti-corruption by establishing anti-corruption policies and guidelines to set a business operation framework with transparency and ethics in accordance with good corporate governance principles.

Sustainability Strategy

The Company has formulated a 3G sustainability strategy as a business operation framework in accordance with sustainable development guidelines and set goals to align with material sustainability topics and the United Nations Sustainable Development Goals (SDGs) as well as business practice guidelines and projects related to sustainability in each dimension. The details are as follows:

Sustainable Living for Future Lifestyle



Great Experience

Create a good experience from products and services

Create a good experience with the Company's products and services by emphasizing product and service innovation development and the introduction of new technology, including the significance of data security in the digital age.



Grow Together

Create happiness and a good quality of life growing together with responsibility

Create happiness and a good quality of life together with responsibility. Pay attention to all stakeholders and focus on good cooperation in order to grow together sustainably.







Green Planet

Take care and pass on a sustainable environment to society

Care for the environment and pass it on to society in a sustainable manner. Focus on energy efficiency for energy conservation and waste management in order to be able to pass on a perfect world to the next generation.

● Corporate Sustainability Goals

Sustainability Material Topics	Goals	Consistency with Sustainable Development Goals (SDGs)
Environmental Dimension		
Energy Conservation and Greenhouse Gas Mitigation	<ul style="list-style-type: none"> • Increase the use of renewable energy by 30% per year. • Install solar rooftop systems on every branch by 2027 (only branches with supporting structures and it is financially beneficial to install solar panels). • Reduce electricity consumption at branches by 10% compared to the baseline year of 2022. 	
Waste Management	<ul style="list-style-type: none"> • Zero complaints on regarding garbage and waste management. • The Company is certified for carbon reduction through waste management by the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) every year. 	 
Eco Product and Service Development	<ul style="list-style-type: none"> • Develop new products that use a combination of natural materials to increase to 5% of the new product portfolio by 2022 and increase the proportion of environmentally friendly products. • Increase the proportion of Yunique brand furniture, a resource-efficient customized product, to 10% of total furniture revenue 	
Society Dimension		
Product and Service Innovation for Better Living	<p>Commitment to developing new products and services that improve the quality of life of consumers and society.</p> <ul style="list-style-type: none"> • Health Improvement: Increase the proportion of ergonomically designed products and products that consider the health of customers to 20% of the portfolio of office furniture products by 2025. • Elderly Friendly: Develop a portfolio of new products that are suitable for senior citizens to increase to 10% of the specified product group by 2025. • Social development: Organize a project to develop new product together with the community in order to support and generate income for the community within 2022-2023 	



Sustainability Material Topics	Goals	Consistency with Sustainable Development Goals (SDGs)
Labor Equitable Treatment and Human Rights	<ul style="list-style-type: none"> Zero complaints on human rights and labor issues. 	  
Health and Safety	<p>Reduce workplace accidents.</p> <ul style="list-style-type: none"> Death rate at 0. The number of workplace accidents decreased by 5% compared to the base year of 2020. The number of absence due to accidents decreased by 5% compared to 2020. 	 
Community Contribution	<ul style="list-style-type: none"> The percentage of third parties hired in the Tao Kae Noi project is 70%. Social development: Organize a project to promote products from the community in order to support and generate income for the community within the year 2022-2023. 	
Governance and Economic Dimension		
Customer Experiences	<ul style="list-style-type: none"> The customer satisfaction rating is higher than 90% between 2022 – 2025 and will increase to 93% in 2026. 	
Digitization and Data Privacy	<ul style="list-style-type: none"> Zero complaints on personal data security. 	
Anti-Corruption	<ul style="list-style-type: none"> Participate in the Thai Private Sector Collective Action Against Corruption (CAC) Project by 2022. Zero complaints on corruption. 	

3.3 Environmental Sustainability Management

● Environmental Policies and Practices

The Company pays attention to sustainable business operations on the basis of environmental responsibility, using natural resources, energy, and efficient waste management from the corporate value chain as well as being aware of the impact of greenhouse gas on global climate change to ensure that no environmental impact is created under the practice guidelines of the environmental management policy.



12,689 mWh

Amount of electricity generated by solar rooftop systems



9,070.7 tons

Garbage and waste recycling



18.8%

Increase the use of renewable electricity



10%

Proportion of new products in the portfolio that use natural materials.



12,417.83 tCO₂ eq

Amount of greenhouse gas reduction from renewable electricity and waste management



7.04%

Proportion of Younique brand furniture, a resource-efficient customized product

● Environmental Performance

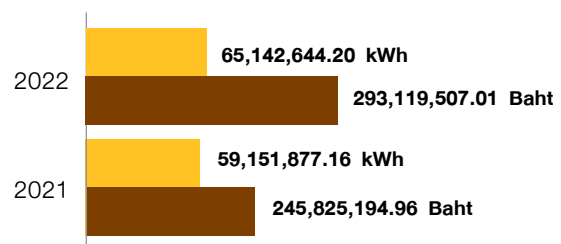
1. Energy Conservation and Greenhouse Gas Mitigation

The Company focuses on energy conservation and promotes the use of natural resources for sustainable energy production by investing in solar rooftop systems at branches and factories. Since 2018, solar rooftop systems have been installed to increase the Company's proportion of clean energy consumption. This includes waste management and fuel management for product transportation and distribution. This is considered a reduction in greenhouse gas emissions when energy consumption from fossil fuels is taken into account, as it contributes to solving the global problem of climate change as well as the improvement of energy efficiency. The Company took significant actions on energy management and greenhouse gas problems as follows:

1.1 Electricity Management

The Company places importance on efficient energy management by improving and maintaining equipment that controls the operations of the relevant electrical

systems and building the awareness of energy saving in employees. In addition, the Company continuously established solar rooftop systems in both Distribution center and Index Living Mall branches. In 2022, the Company's electricity expenses increased from the previous year due to higher FT (variable tariff) and Index Living Mall can resume normal operations after COVID-19 was resolved. In regard to electricity consumption in the factory, there was an increase in electricity consumption as a result of the increased production of goods to support business growth.



■ The Company's Electricity Consumption (kilowatt hours (kWh))
■ The Company's Electricity Expenses (Baht)

Remark : This information includes all branches of ILM, Headquarters, distribution center, The Walk and affiliated factories.



Efficient electricity consumption: The Company has practice guidelines for projects related to electricity management as follows:

● Energy Saving Project

Due to the foreseen sustainable energy savings, the Company implemented the Energy Saving & Efficiency in Retail Stores Project for all branches of Index Living Mall in order to plan for long-term energy management. The Company intends to improve the air conditioning systems and lighting systems by upgrading the machinery and equipment of the air conditioning systems as these systems consume the highest electricity. Switching the electrical systems to automatic systems and installing a new air conditioning system at the Lat Krabang branch of Index Living Mall. This will serve as a model for future branches and instill employee awareness of energy conservation at the branch and the headquarters. the Company has used the electricity consumption data in 2022 to set a goal to reduce the electricity consumption of its branches by 10% from the baseline year of 2022

● Solar Rooftop System Project

Since 2018, the Company has invested in a solar rooftop system project to continuously generate solar power at Index Living Mall stores and IDF factories in order to sustainably save energy. This is clean energy that contributes to the reduction of global warming. By the end of 2022, nine additional solar rooftop systems had been installed (Bang Bon Distribution Center and 8 branches of Index Living Mall). This brings the total number of locations to 24. This is a result of recognizing the opportunity to reduce electricity consumption at branches, the Company intends to continuously increase the number of solar rooftop systems in the future. In 2022, the solar rooftop system project can produce 12,688.80 mWh of electricity,

an increase of 18.84% from the previous year. It can also reduce greenhouse gas emissions by 6,052.56 tons of carbon dioxide equivalent (tCO₂ eq).



Amount of Electricity Produced from a Solar Rooftop

Year	2018	2019	2020	2021	2022
Amount of Electricity Generation (mWh)	4,561.06	6,133.158	8,064.40	10,677.05	12,688.80
Percentage of Increased Energy Generation Compared to the Previous Year	0%	34%	30%	32%	18.84%
The Amount of Greenhouse Gas Reduction/1 (Ton CO ₂ equivalent: tCO ₂ eq)	998.42	2,986.85	3,927.36	4,994.51 ¹	6,052.56 ²
Number of sites	5	11	11	15	24

Remarks : ¹ Based on the amount of greenhouse gas reduction certified by the TGO in 2021 at 4,994.51 tCO₂ eq.

² The amount of greenhouse gas reduction for 2022 is in the application process for certification from the TGO.

The Company also joined the Thailand Voluntary Emission Reduction Program (T-VER) from Thailand Greenhouse Gas Management Organization (Public Organization) of the Ministry of Natural Resources and Environment to demonstrate that the Solar Rooftop System of Index Living Mall Public Company Limited has been successfully registered. It has been certified for sub-project group 1 (CPA-01) for 7 branches with the amount of 1,571 tons of carbon dioxide equivalent per year (tCO₂ eq/year) and registered projects cover current and future branches.

1.2 Greenhouse Gas Management

The Company places importance on greenhouse gas mitigation in accordance with sustainability policies and strategies by expanding the solar rooftop system to produce renewable electricity at branches, affiliated factories, and the Company's distribution centers. In addition, the Company implemented waste management at the branches and distribution centers that have sufficient amounts of waste for recycling and gathered information for certification of greenhouse gas reduction from the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) under the project "Low Emission Support Scheme" (LESS). In 2022, the Company reduced greenhouse gas emissions through all projects by a total amount of 12,417.83 tCO₂ eq.

Greenhouse Gas Mitigation Amount (tCO ₂ eq)	2021	2022 ¹
Solar Rooftop Installation Project	4,994.51	6,052.56
Waste Segregation Project for Recycling and Feeding Animals with Organic Waste from Food Scraps	3,344.99	6,356.27
Total	8,339.50	12,417.83

Remarks : ¹ The greenhouse gas reduction amount for 2022 is in the application process for certification from the TGO.

In addition, the Company is in the process of studying the calculation of greenhouse gas emissions and assessments in accordance with the guidelines of the Thailand Greenhouse Gas Management Organization (TGO) in order to accurately disclose information regarding corporate greenhouse gas emissions in accordance with international standards in the future.

1.3 Fuel Management

Since the Company offers delivery and installation services for furniture and home furnishing products to customers all over Thailand, efficient fuel management from upstream transportation has been planned to reduce fuel costs. This includes the reduction of greenhouse gas pollution from fuel vehicles. The Company adjusted fuel consumption from the fleet card system to the installation of fuel bunkers in distribution centers. This enables more

efficient monitoring and control of oil consumption.

In addition, the Company is currently in the process of developing a system to optimize the arrangement of bus routes in order to maximize the efficiency of every delivery and transportation trip. The Company plans to convert freight vehicles to electric trains by 2023 to reduce air pollution and greenhouse gas emissions from fuel combustion.

The Company's fuel consumption covers the Index Living Mall delivery process, including the delivery transportation of vendors (Tao Kae Noi), the delivery transportation of affiliated factories, and office cars used in the Company's business activities. In 2022, the amount of fuel consumption increased compared to the previous year as a result of increased sales. The details are as follows:

Oil and Fuel Consumption	2021	2022
Fuel Consumption (liters)	1,607,959.60	1,888,007.69
Diesel Fuel	1,501,556.02	1,723,607.89
Gasoline	106,403.58	164,399.80
Fuel Expenses (Baht)	42,996,743.85	60,986,791.98



1.4 Water Management

The Company manages water consumption by having a maintenance plan and inspecting the water distribution system within the building at the headquarters of Index Living Mall, all branches, and affiliated factories in order to continually achieve water conservation standards by communicating with employees. In 2022, the Company's total water consumption was 25,871,604 cubic meters, a decrease of 9% compared to the previous year.

Water Consumption ¹	2021	2022
Water Consumption (m ³)	28,520,586.84	25,871,604.00
Water Expenses (Baht)	10,303,757.72	11,223,697.32

Remarks : ¹ The Company's total water expenses

The Company has continuously developed the wastewater treatment system to ensure that the effluent quality meets the standard. The Ratchaphruek Branch of the Walk Shopping Center received a certificate of appreciation from the Governor of Nonthaburi Province to demonstrate that the Ratchaphruek Branch of the Walk Shopping Center is an outstanding wastewater management model. For the fiscal year 2022, the Ratchaphruek Branch of the Walk Shopping Center implemented the Moving Bed Biofilm Reactor (MBBR) and Membrane Bio Reactor (MBR) systems to treat wastewater. The project began on May 18, 2021 until April 24, 2022, with a total budget of 6,400,000 Baht. The Moving Bed Biofilm Reactor (MBBR) system added a specially designed plastic medium to increase microbial adhesion surface area. The Membrane Bio Reactor (MBR) system is a combination of microbial technology for the removal of dissolved waste and filtration through a micro-porous membrane. It functions as a filter to treat discharged water. This is a form of activated sludge process. The wastewater technology is being used to develop the Walk shopping mall's wastewater at the Kaset Nawamin Branch, which is expected to be completed by 2023.



2. Waste Management

The Company places an emphasis on waste management by focusing on the reduction and waste control from the value chain from upstream to downstream destination. The Company adopted the concept of 3Rs, Reduce, Reuse, and Recycle in order to have efficient garbage and waste management. Waste from business activities, products, and services that cannot apply the 3Rs concept must be properly treated and disposed of in accordance with applicable regulations and laws.

3Rs Waste Management Guidelines



Reduce



Reuse



Recycle

The Company established measures and controls for waste management, and unused materials resulting from the proper production process that complies with the law, whether in the process of storage, transportation, or destruction, in order to prevent waste, unused materials, and hazardous waste from negatively impacting the environment and surrounding communities. The Company categorized the types of waste into 4 categories as described below.

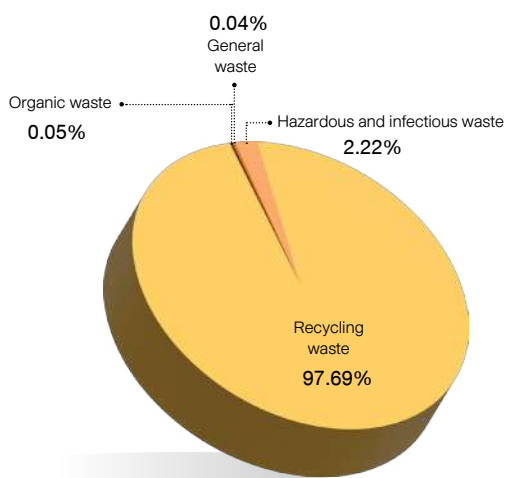
1. **Recyclable Waste:** such as particle board, paper boxes, etc. The Company sells them to business partners in order to be reused.
2. **Organic Waste:** such as food scraps, etc. The Company arranged a wet waste room and installed air conditioners to control the temperature in order to slow down the growth of bacteria and control odors. The city municipality collects everyday. Additionally, food scraps are distributed to nearby farmers for use as animal feed.
3. **General Waste:** such as general garbage which is disposed of or utilized by the city municipality in accordance with sanitary principles.
4. **Hazardous Waste and Infectious Waste:** Hazardous waste includes contaminated waste and paint waste. This is properly disposed of in accordance with the standards of companies authorized by the Department of Industrial Works by being converted into fuel, safely buried in landfills, wastewater treatment by physicochemical methods, incineration

in a designated incinerator, etc. In regard to infectious waste, the Company segregates waste for contract parties or the city municipality to dispose of properly, such as waste from the Company's nurse office.





The Company has implemented projects to manage waste from product deliveries and installation such as cardboard boxes, plastic, or foam in the packaging boxes. In the past, customers were responsible for its care and disposal. The Company established a policy requiring installation staff to collect trash, clean the area where customer products were installed, and bring the waste back to the Company's designated area for management in order to reduce the burden on customers and recycle waste for the benefit of the Company. The Company has vendors who purchase and segregate waste and the sale of such waste generates additional revenue for the Company. The Company has participated in activities at the headquarters to segregate waste for recycling and proper disposal in accordance with the specified standards. The waste recycling data is collected for the assessment of greenhouse gas reduction in the annual LESS project of the TGO as well.

Waste Management Performance

In 2022, the Company's waste was recycled/sold/reused equal to 97.69% of the total waste. The waste is categorized as follows:



Amount of waste in 2022 (kg)

	Recycling waste	97.69%	8,887,574
	Organic waste	0.05%	4,380
	General waste	0.04%	3,600
	Hazardous waste and infection waste	2.22%	202,068
Total			9,097,622



The Company pays attention to waste recycling for recyclable waste and organic waste due to its large volume. This represents 97.7% of the total amount of waste. It is sold to business partners to be reused. Organic waste in the form of food scraps is used for animal feed. As for the hazardous waste generated from the production process, it will be properly disposed of in accordance with the standards. They are recycled by making fuel (88.46%), safely buried in landfills (6.40%), physicochemical treatment of wastewater (5.12%), and incineration (0.02%). In 2022, the combined weight of recyclable hazardous and nonhazardous waste was 9,070,694 kilograms.

Waste Management (kilogram)	2021	2022
The Amount of Garbage and Waste of the Company	8,654,608.00	9,097,622.10
The Amount of Garbage and Non-Hazardous Waste	8,430,115.00	8,895,554.10
Total Amount of Garbage and Hazardous Waste	224,493.00	202,068.00
The Amount of Garbage and Waste that Can be Reused/Recycled	8,622,663.00	9,070,694.00
The Amount of Garbage and Non-Hazardous Waste that Can be Reused/Recycled	8,429,859.00	8,891,954.00
The Amount of Garbage and Hazardous Waste that Can be Reused/Recycled	192,804.00	178,740.00

In order to display the responsibility for the local level of waste management, the Phitsanulok Branch of Index Living Mall participated in the Phitsanulok Recycle City Project that segregated the solid waste from the upstream destination of department stores. This project is organized by the Pollution Control Department under the operation of the Phitsanulok Project and the Environment Office Region 3 by separating general waste as dry waste to produce Refuse Derived Fuel - RDF. The Company has participated in the project since March 2021 and it received an honor plaque from the Director General of the Pollution Control Department.



The Company collaborated with AIS to manage E-waste and become one of Hub of E-Waste for collecting electrical and electronic equipment waste from customers, business partners, employees and people in order to deliver to AIS to manage all E-waste into standard recycle process. Moreover, the Company realizes the importance of dangerous waste management, so the Company has jointly announced the intention to cooperate with the government and the private sector in collecting hazardous waste from the community with Pollution Control Department.

In addition, the Company places great importance on conducting business in compliance with laws, regulations, requirements, and international environmental standards related to the Company, as well as continuously monitoring, inspecting, and evaluating operations. In 2022, the Company did not receive any complaints regarding violations of laws or environmental regulations.

3. Eco Product, Packaging and Service Development

The Company believes that product design and development and sustainable management of raw materials in production are considered to be the upstream environmental management that helps reduce waste from the source. The Company prioritizes environmentally friendly product development and packaging policies and promotes the use of plastic with social and environmental responsibility in order to increase the proportion of environmentally friendly products for the furniture and home furnishings market.

Additionally, this is an indirect support of consumption responsibility. In 2022, the Company implemented the relevant projects as follows:

- **Development of Product Design with Natural Materials**

To increase the percentage of environmentally friendly products in the Company's new product portfolio, the Company began developing and designing furniture and home furnishings products made from natural materials that are biodegradable and easy to find materials in Thailand in order to distribute income to the community in an alternative manner.



Furniture: The Company focuses on developing new furniture products that are compatible with natural materials and have market potential. This includes dining table sets, outdoor furniture, and bedroom sets with the design and selection of real wood materials as the primary material, as well as upcycling old wood to create new furniture, especially old teak



wood that has an elegant appearance but durable quality. Old wood materials can be repurposed into new pieces of furniture in a variety of styles, increasing the value of old wood that is available and popular on the market. In 2022, 8% of the Company's newly developed products consisted

of furniture made from natural materials. In addition, the Company developed online Assemble Instruction manual for all furniture produced by the affiliate factories. The manual is easy to access online for installers by either scanning QR code on product packages or inputting SKU number of product on website, the installers can see the assemble process of each furniture step by step online from anywhere and anytime. This reduces paper consumption in producing Assemble Instruction manual for 100%

Home Furnishings: Eco-friendly products made from natural materials included Home solution wood products which are baskets, hangers, storage boxes, bins, shelves, and materials from PP plastic, wheat straw, and biodegradable materials. The Kitchenware products are food boxes, utensils, kitchen equipment, baskets, etc.

In 2022, the Company developed new products made from natural materials, including furniture and home furnishings. This represented 10% of the total number of newly developed products in the category. These products were available for sale at all Index Living Malls and received excellent feedback from customers. The Company has a road map to design and develop products made from natural materials, with the expectation to extend natural materials to other product categories in the future.

- **Environmentally Friendly Design**

The products in the category of mattresses are large and require a significant quantity of packaging materials. As a result, the Company has modified the packaging format for mattresses by implementing the Compress Rolling innovation, which rolls the mattress into a smaller, more transportable size, allowing up to five times as many mattresses to be stored in a container. It also reduces the amount of storage space required for products in the warehouse or during delivery. This decreases the number of delivery cycles, which contributes directly and indirectly to greenhouse gas emissions. In 2022, the Company increased mattress packaging with the Compress Rolling system to 39% of all House Brands mattresses. The goal is to have 50% of all House Brand mattresses manufactured using Compress Rolling by 2023.

For home furnishings, the Company reduces the use of plastic packaging by changing the packaging of Textile product category to be recycled paper or cloth bags instead of plastic and designing smaller packaging. For some products in needs of plastic packaging such as blankets, the Company designs the package with minimum amount of plastic used. The Company plans to expand



this program to other home decorative product groups in the future in order to meet the goal of reduction in plastic usage which the Company had announced the policy to stop using plastic bags in every branches of Index Living Mall since 2019. In addition, the Company develops energy saving products such as Cooling Pillow & Blanket and stain resistant curtain which is no need to clean often.

● Develop Customized Products to Increase the Efficiency of Natural Resources

Younique brand furniture is customized furniture that can be manufactured according to a custom design (More information is available at: <https://www.youniquedesign.com/about-younique>). There is a system for designing and calculating the cost-effective use of wood and components, which conserves raw materials and improves

the efficiency of natural resource utilization.

The Company has collaborated with domestic and international business partners to order raw materials and fittings without maintaining a large inventory. There is a plan to increase the recruitment of business partners who are able to collaborate under this condition. In addition, the Company has developed and designed components and fittings as common parts that can be used in a variety of furniture models to reduce the number of components used in product manufacturing.

In 2022, Younique brand furniture, which is customized furniture, contributed to the sustainable use of resources. The proportion of total income compared to the total sales of furniture products is 7.04%.

3.4 Sustainability Management in Social Dimension

● Social Policies and Practices

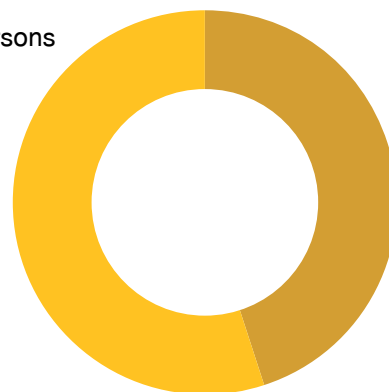
The Company recognizes the importance of conducting business with corporate social responsibility (CSR) under ethical principles to achieve fairness for all stakeholders, as well as applying good corporate governance principles as a guideline to maintain operational balance in terms of economy, community, society, and the environment so that external stakeholders which include customers, suppliers, communities, and the society can grow together and have a better living in tandem with the business operations. The Company has a policy to respect human rights, child labor, and women labor by emphasizing labor practices, respect for human rights, child labor, and women labor, as well as equality in all forms of labor in order to create a happy working environment where employees at all levels accept and treat one another as family.

All Employees **4,107** persons



Male 2,252 persons

54.8%



Female 1,855 persons

45.2%

Proportion of Ages

< 30 years old 1,035 persons

25.2%

30 – 50 years old 2,731 persons **66.5%**

>50 years old 341 persons **8.3%**



- Outstanding Award Support Organization for Persons with Disabilities for 3 consecutive years (2020–2022).
- Outstanding Award Model Organization for Sustainability in the Thai Capital Market Support for people with disabilities for the year 2022.
- Outstanding Award in Labor Relations and Labor Welfare for 13 branches in 2022



Complaints about human rights and labor issue

= 0



Proportion of third parties hired in the Tao Kae Noi Project

= 69%

● Social Performance

4 sustainability material topics in the social dimension have been managed as follows:

1. Product Innovation and Service Development for Better Living

The Company has established and complied with the product and service development policy that is committed and attentive to product development, both in regards to furniture and home furnishings under the Index brand and affiliated House Brands in order to meet the diverse needs of each customer group and improve the quality of life of customers in accordance with their lifestyles as a result of using the Company's products and services. The details of product and service innovation development activities are as follows:

- **Develop Product to Improve Quality of Life and Work Efficiency.**

The Company is committed to developing and sourcing products in the Office Furniture group, especially ergonomic furniture, which is the science of designing and arranging tools for the benefit of users in accordance with ergonomic principles, in order to have quality products with functions that are suitable for all working and school-aged groups. In addition, the Company increased the sales proportion of this product category in Index Living Mall at an affordable price and accessible to customers with health issues or office syndrome as well as health-conscious consumers, particularly the office desk products, adjustable office desks, chairs, etc.

In 2022, the Company developed new ergonomic office desk and chair products which include low to medium priced electric adjustable office desks and ergonomic chairs. The proportion of new product designs with ergonomic principles accounted for 3.75% of total new Office Furniture product portfolio. The Company continues to develop products based on ergonomic principles, such as ergonomic products for school-aged children aged 3 to 12 years to achieve the 20% goal by 2024.



In addition, the Company developed a hybrid pillow under the brand DREAMIA in collaboration with Mr. Woody Wutithorn by using the experience of real users to search for products that meet the needs of people who have sleep disorders, such as office syndrome or internal systems imbalances problems. This pillow product is manufactured with U.S. innovation to support the health product market, especially for sleep disorders which are a significant factor affecting overall health. It was discovered that 96.5% of the major causes of insomnia are mattresses and pillows. The Company intends to develop other product groups to support the health product market which continues to have a higher demand in order to meet the needs for a better living for Thai people in the future.

- **Functionality for All Age Group**

The Company started developing and selling functional products for the elderly group which includes electronic recliners, massage chairs, adjustable beds, and recliners with the function to assist the elderly and those who have difficulty sitting and lying down independently. Previously, the Company's functional products for the elderly only included recliners and massage chairs. In 2022, the Company developed more functional products for the elderly group by creating lifting chairs to assist the elderly in standing up, resulting in a 5% increase in the proportion of new furniture products tailored toward the elderly. More new products for the elderly will be developed in the adjustable bed group or other product groups to achieve the 10% goal by 2025.

- **Develop Product as Innovation in Health Improvement**

The Company brings new textile innovation 'Easy to Clean' textile which is hygienic fabric with germ and stain repellent to apply with furniture and home furnishings into new product, especially product groups that users have to touch on a daily basis, in order to meet the needs of customer's safety and health. Presently the Company develops 'Easy to Clean Fabric Sofa' as new product for 'Sofa Studio' category with great benefit points such as easy to wipe clean, non-irritate to skin, free from toxic chemicals according to international standards, and assisting dirt and germs protection. In 2022, the proportion of new product in Easy to Clean Fabric Sofa reached 80% of total number of new sofa products. For home furnishings, the Company designed new product using Sanitized Fabric technology to create stain-resistant curtain which is clean, safe, and anti-bacteria and dust mites in fabric according to international standards from Switzerland.



- **Develop Community Products to Promote Social Development**

In 2022, the Company organized a project to promote community products in each region in an effort to support and generate income for the community. This began with the Southern community tie-dye products, for which the Company collaborated with the leaf group, a selected provincial handicraft group. The Company co-developed furniture and home furnishing products together with the community groups and plans to launch the products in 2023. In addition, the Company continues to execute product development plans with the community groups in order to generate income for communities in other regions in the coming year.

2. Labor Practices and Respect for Human Rights

- **Human Rights Operations**

The Company places great importance on respect for human rights, child labor, and women labor to create equality and fairness with all forms of labor in order to create a happy working environment where employees at all levels treat one another as family.

There is no direct or indirect exploitation. Promoting equality treatment with fairness on the basis of human dignity with no discrimination based on place of origin, race, gender, age, skin color, physical condition, status, ancestry, or any other status indirectly related to work performance. The Company also promotes the monitoring of human rights compliance within the organization.

Human Rights Performance

The Company received no complaints regarding human rights, child labor, women labor or labor issue in 2022.

- **Personnel Development**

The Company focuses on personnel development by establishing a policy that requires personnel training and development to be aligned with the Company's business needs, strategy, and vision along with a plan for continuous improvement and development. This includes providing support in terms of budget, resources, time, personnel training, and development in the organization as well as organizing training plans and an annual training plan. The In-House training programs included skills programs, short courses, on-the-job training, coaching, mentoring, and blended learning. The Company provides opportunities for employees to participate in various training courses with external institutions and organizations.

Performance

In addition to functional skill training, there are required courses for various positions to ensure that all employees work effectively and meet the same standard. The Company enhanced soft skills and added specifically designed courses for each position or department in order to provide employees with specific development and skills applicable to work and long-term living such as negotiation techniques for interior designers and communication for sales, etc.

In 2022, the Company provided training and knowledge assessment for employees for 79 courses, of which 71 were In-House training courses, 9 were In-House training courses by external speakers and 3 were Outsourced Training by external speakers, for a total of 2,218 training.

Training and Development	2020	2021	2022
Average Training Hours of Employees (number of training hours/person/year)	2.22	0.93	3.31
Number of Management Training Hours	0.524	0.215	6.75
Number of Supervisory Level Training Hours	8.125	0.509	15.76
Number of Operational Level Training Hours	0.558	1.637	0.62
Expenses for Staff Training and Development (Baht)	748,862.31	442,955.54	1,804,664.37

- **Employee Relations Management**

The Company recognizes the significance of employees as a key factor in driving sustainable business growth. Therefore, the Company has a policy that promotes a happy working environment, mutual acceptance, equal treatment of employees at all levels, career advancement opportunities for all employees, and employee participation in business operations.

Performance

In 2022, there were no significant labor disputes and no complaints regarding violations of laws or social regulations. The Company has returned to conduct employee engagement surveys, after refraining during the year 2019-2021 due to the spread of COVID-19, in order to provide opportunities to listen to the opinions of employees at all levels and use the information for labor relations development, welfare, and working conditions in order to support the expectations of employees and create a safe and happy workplace. The employee engagement assessment result for 2022 was 71% and set goal to reach 75% in 2025.

In 2022, the Company received labor relations awards at the national and enterprise level. This reflects the Company's dedication to fair treatment of employees, welfare, and safety in the workplace.

- "2022 Outstanding Labor Relations and Welfare Award" from the Department of Labor Protection and Welfare, Ministry of Labor, at the national level for 13 branches (Headquarters, Rama II, Kaset Nawamin, Phuket, Hua Hin, Khon Kaen, Bang Na, Ratchaphruek, Nakhon Ratchasima, Udon Thani, Rayong, Phitsanulok, Chiang Mai) of which 10 branches received this award for the second consecutive year.
- "Thai Labor Standard Award" from the Department of Labor Protection and Welfare for 3 branches (Headquarters, Rama II, Kaset Nawamin).

3. Occupational Health and Safety of Customers and Employees

The Company is committed to utilizing quality and safe products that comply with international standards, safety regulations, and legal requirements. This includes designing, creating, and developing innovative safety products so that

customers can have confidence in the standard quality and safety of the Company's products. The Company established a customer relations system to facilitate communication with customers and a complaint channel for product and service quality. Information is analyzed in order to continuously improve and develop the Company's products and services. This includes customer safety at Index Living Mall and The Walk, particularly during the COVID-19 pandemic. At Index Living Mall, the Company has safety measures that include product delivery and installation at the customer's residence. In addition, the Company prioritizes the occupational health and safety of its employees, who are an essential resource for moving the business forward with sustainability.

- **Safety, Occupational Health, and Working Environment**

The Company intends for all employees to be in good health and free from occupational illnesses. Therefore, the Company aims to continually promote and support various activities and operations on safety, occupational health, and the working environment in order to achieve the framework and objectives of the Company. Safety, occupational health, and the working environment are duties and responsibilities of employees at all levels. Therefore, they must always be prioritized. The Company educates its employees through training and encourages them to maintain a healthy lifestyle and avoid activities that could harm their health. This includes maintaining a hygienic and safe workplace at all times.

Performance

In 2022, the number of absences due to work accidents decreased by 33.7% compared to the base year of 2020 and there were no fatalities. The number of work accidents increased by 31.34% compared to the base year 2020. The majority of these were minor, non-serious incidents for which employees received first aid at the Company's nurse's office and did not request a leave of absence. In order to improve employee safety, the Company investigated the causes of accidents in depth to prevent recurrences. The Company increased preventive measures and monitored and controlled work accidents to reduce the risk for the likelihood of accidental occurrences and the severity of accidents. Employees at all levels strictly cooperated in creating a safe workplace in accordance with sustainable goals.



Safety Performance Occupational Health and Work Environment

	2021	2022
 The Number of Injuries or Work Accidents that Require Leave of Absences (times)	26	79
 The Number of Employees Injured from Work Resulting in Leave of Absence More than 1 Day (person)	19	50
 The Number of Work Accidents Decreased by 5% Compared to the Base Year of 2020. (%)	19.90%	-31.34%
 The Number of Leave of Absences Due to Accidents Decreased by 5% Compared to 2020 (%)	31.36%	33.69%
 The Number of Work Related Death (person)	0	0



The Number of Work Hours

2022

8,150,185.71 hours

2021

8,790,745.96 hours

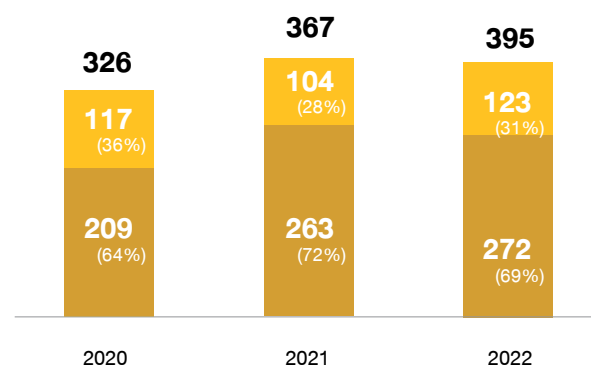
4. Community Contribution

The Company recognizes the significance of sustainable growth under social responsibility by focusing on operating the business with consideration for the community and society in order to improve the lives of people in society to grow alongside with the Company. For example, employment in the community as a result of the expansion of new branches or product development in collaboration with the community and numerous projects. The Company considers the suitability and benefits of the community and society.

• Tao Kae Noi Project

Previously, the Company set up the Tao Kae Noi Project in order to provide delivery and installation services as quickly as possible to meet customer needs and to ensure the long-term sustainability of delivery and installation services management. The Company organized the Tao Kae Noi Project in order to collaborate with third parties to provide delivery and installation services as well as expand the services of the Company and alleviate the shortage of skilled workers. This project also created numerous jobs and income opportunities for Tao Kae Noi technicians and provided the opportunity to be their own boss.

The Company's distribution center (DC) provides product installation training to Tao Kae Noi artisans in order to provide services to customers with the Company's standards so that Tao Kae Noi technicians could have the opportunity to be trained and increase their knowledge. There is training available to impart knowledge regarding furniture assembly and installation as well as service standards training so that customer services can be



Remarks : The number of technicians increased due to data merging with the Bangkok distribution center.

■ Number of Tao Kae Noi ■ Number of technicians an ILM

provided in accordance with the Company's standards. The proportion of technicians in the Tao Kae Noi Project in comparison to the Company's delivery and installation technicians is 69%.

• Employment of People with Disabilities, Senior Citizens, etc.

The Company promoted the recruitment and employment of people with disabilities/senior citizens and also provided care for this group of employees equivalent to general employees. This includes promoting employment in conjunction with government projects. The important details of the operations are as follows:

• Providing Employment Opportunities for People with Disabilities

The Company continually operates corporate social responsibilities by promoting the employment of

people with disabilities in Index Living Mall and factories of affiliated companies in order to support sustainable self-reliance. The Company continues to employ people with disabilities, both in the form of employment in Section 33 (as employment) and providing support for people with disabilities in Section 35 (supporting people with disabilities to have a career).

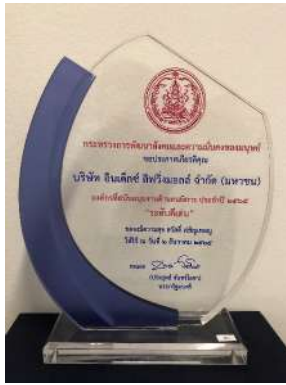
Section 33 Employment



Section 35 Subcontract or contract employment (projects to promote careers for people with disabilities



The Company received the Outstanding Organization in Supporting Persons With Disabilities Award For the Year 2022 as a result of its commitment to providing people with disabilities with continued employment opportunities for the third consecutive year (2020-2022) from the Ministry of Social Development and Human Security. The Company also received Outstanding Sustainability Model Organization in the Thai Capital Market for Persons with Disabilities Award for the year 2022 as a listed Company that jointly supports employment with people with disabilities organized by the Securities and Exchange Commission (SEC) in collaboration with the Ministry of Labor, Department of Skill Development, Department of Employment, Department of Empowerment and Development of the Life of Persons with Disabilities, Thai Listed Companies Association and the Association of Disabled Persons Council of Thailand.



Outstanding Organization in Supporting Persons With Disabilities Award For the Year 2022



Outstanding Sustainability Model Organization in the Thai Capital Market For Persons with Disabilities Award For the year 2022



• Promoting Employment for Senior Citizens

The Company cooperates with the Ministry of Labor to employ senior citizens in accordance with the government policy to promote employment for senior citizens in Index Living Mall. The Company has continued the employment of senior citizens.

In 2022, the Company employed a total of 44 people with disabilities and senior citizens. The Company continues to recruit senior citizens and people with disabilities to replace employees who request the termination of employment during COVID-19.

Number (person)	2020	2021	2022
Employees with Disabilities	49	46	42
• Employees with Disabilities – Section 33	19	15	14
• Employees with Disabilities – Section 35	30	31	28
Senior Citizen Employees	5	6	2
Total	54	52	44

Sustainability Management Performance in the Social Dimension

An overview sustainability management in social dimension in regards to the treatment of employees in 2022.

Employee Data	2022		
	Male	Female	Total
Number of Employees (person)	2,252	1,855	4,107
Number of Employees Classified by Age (person)			
Number of Employees Under Age 30	604	431	1,035
Number of Employees Between Age 30-50	1,460	1,271	2,731
Number of Employees Over Age 50	188	153	341
Number of Employees Classified by Position (person)			
Number of Employees at Operational Level	2,140	1,789	3,929
Number of Employees at Management Level	106	59	165
Number of Employees in Senior Executive Level	6	7	13
Total Remuneration (Baht)	756,143,193	639,046,807	1,395,190,000
Total Number of Employees who Voluntarily Resigned (person)	595	475	1,070
Employee Provident Fund			
Number of Employees who are Members of the Provident Fund (person)		1,241	
Amount of Money Contributed by the Company to the Provident Fund (Baht)		6,381,030.35	

3.5 Sustainability Management in Governance and Economic Dimensions

• Policies and Guidelines on Corporate Governance and the Economy

The Company gives importance to the economy by creating good customer experiences through the products and services. Therefore, the Company continues to develop new products for quality and standards that satisfy the needs of customers with diverse lifestyles. The Company is aware of the significance of good corporate governance, the code of conduct, transparency, and anti-corruption in business operations. This includes the personal data protection of the Company's stakeholders.



0 Personal Data Complaints



92.33%

Customer Satisfaction



0 Corruption Complaints

• Corporate Governance and Economic Performance

1. Customer Experience

The Company has a customer responsibility policy in compliance with relevant laws and standards. The Company takes into account health, safety, fairness, customer data protection, after-sales service throughout the product and service life cycle, as well as customer satisfaction surveys in order to develop and improve products and services. The advertisements, public relations, and promotions were conducted with responsibility without misleading or taking advantage of customers' misunderstandings. The Company developed "personalized" products that allow customers to select the size, material, and function of the furniture, in order to meet the growing needs of individuals today. In addition to providing customers with the option to find products that match their lifestyle, the Company also assists customers with specific needs that cannot be met by standard products.



The Company developed a customer experience platform system to assess customer touchpoints, beginning with the selection of products and services at branches, shopping at branches or online channels, up until the delivery and installation of products. An AI system was used to analyze customer feedback so that the Company can understand customer data in depth in an effort to enhance and develop its products, services, marketing, distribution, and installation. Moreover, the Company assists in relaying customer feedback or issues to employees or relevant departments so that problems can be resolved quickly and effectively. In 2022, the Company reevaluated the customer satisfaction evaluation criteria and set new goals after using the customer experience system to collect and analyze customer feedback data across all channels in order to more accurately reflect the opinions and experiences of our customers in relation to the operations of the Company.

Customer Experience Performance

In 2022, the Company modified the evaluation criteria and calculation methods in accordance with the new system. This caused this year's score to be different from the previous year. The Company will use this year's customer satisfaction score as a benchmark for future customer experience improvements and set customer satisfaction for the organization at 90% in 2022-2025 and will increase it to 93% in 2026.

Year	2020	2021	2022 ¹
Customer Satisfaction	98.00%	96.70%	92.33%

Remarks ¹The Company has new criteria in customer satisfaction according to new evaluation system.

2. Digitalization and Data Privacy

The Company places great emphasis on personal data rights and protection with the awareness that the owner of personal data always desires privacy and security when using a service. The Company can identify the data owner based on the personal information it receives. It is complete, precise, current, and high-quality information, and will only be used in accordance with the Company's operational goals. The policy can be viewed at <https://www.indexlivingmall.com/privacy-policy>.

Personal Data Protection Performance

The Company conducts personal data protection by improving the storage system and the data access protection system with notifications in the event of a



data breach. The Company requires that the system and IT infrastructure be audited according to the specified cycle along with staff in the control system to solve problems that may arise at any time. This includes searching for and developing up-to-date hardware and software systems to combat new forms of cybercrime and prevent unauthorized access to data. Projects implemented in 2022 were as follows:

- **Firewall Bundle EDR (Endpoint Detection and Respond):** The Company installed a new firewall model with EDR software on all computers of the Company.
- **Backup Solution:** The Company increased the capacity and speed of the main backup system as well as the retention of important data and provided external NAS storage to back up each branch's data. Previously, it was installed within the device but now it is stored externally in order to reduce the risk in the event that the device is damaged.
- **PenTesting & Cyber Resilience Policy:** The Company is in the process of reviewing and updating its security

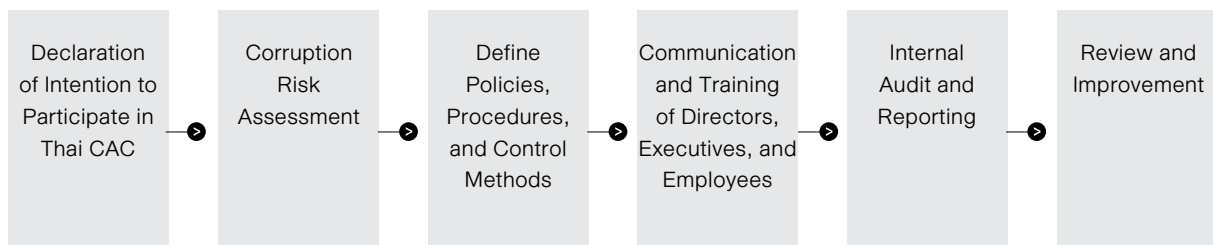
policy for IT systems and data privacy in all dimensions, as well as developing testing guidelines for its systems to prevent future cyber attacks.

In 2022, the Company did not receive any complaints regarding personal data privacy.

3. Anti-Corruption

Index Living Mall Public Company Limited has consistently demonstrated its intention to combat all forms of corruption by defining anti-corruption policy as a practical guideline to prevent and fight against corruption for the Company and its subsidiaries (More information is available at: <http://investor.indexlivingmall.com/storage/download/cg/anti-corruption-policy-th.pdf>). The Company also declared its intention to be a member of the Private Sector Collective Action Against Corruption (CAC) on February 25, 2022.

The Company modified the internal management process, assessed risks that may cause corruption, and established risk control measures and processes in accordance with the anti-corruption policy and the standards of Private Sector Collective Action Against Corruption (CAC) as follows:



The Company determined the whistleblowing and complaint measures, investigation period, investigation procedures, penalties, confidentiality, and protection of complainants or whistleblowers (More information is available at: <http://investor.indexlivingmall.com/storage/download/cg/csr-policy-th.pdf>).

Anti-Corruption Performance

The Company declared its intention to join the Private Sector Collective Action Against Corruption (CAC) and become a member of the Thai Private Sector Collective Action Against Corruption (CAC) on September 30, 2022 for the first time



The certification is valid for three years, and the internal audit plan for corruption is scheduled annually. In 2022, the Company did not discover any reports or misconduct related to corruption.

Management Discussion and Analysis: MD&A

1. Operating Results and Financial Position

1.1 2022 Highlights

Operating Highlights (million Baht)	2021	2022	%Change YoY
Revenue from sale of goods	7,838.0	8,250.9	+5.3%
Revenue from rental and rendering of services	479.2	638.0	+33.2%
Operating revenue	8,317.1	8,888.9	+6.9%
Gross profit	3,593.1	4,011.4	+11.6%
SG&A	2,914.3	3,136.2	+7.6%
EBITDA	1,647.6	1,826.0	+10.8%
Net profit (loss)	453.2	659.1	+45.4%
Gross profit margin (%)	43.2%	45.1%	+1.9%
SG&A to operating revenue (%)	35.0%	35.3%	+0.2%
EBITDA margin (%)	19.6%	20.3%	+0.7%
Net profit margin (%)	5.4%	7.3%	+1.9%

In 2022, the Company recorded a net profit of Baht 659.1 million, increased by 45.4% YoY. The profit made a record high since establishment in 1994, with the following key matters:

- Increased sales by 5.3% YoY, mainly supported by improved purchasing power and no lockdown as occurred in the previous year, despite the termination of the home electric sale under the brand of Power One since the beginning of 2022.
- Revenue from rental and rendering of services expanded by 33.2% YoY, supported by increased and diversified tenants since the beginning of 2022. Also, the Company no longer gives rental discounts to tenants, as occurred during the lockdown period last year.
- Improved %GPM from sales by 1.5% YoY, supported by 1) increased sales proportion of high gross profit margin products; 2) increased selling prices to compensate for the cost hike; 3) termination of the home electric sale since the beginning of 2022; and 4) no allowance for diminution in value of home electric inventories as occurred in the previous year.
- Improved %GPM from rental and rendering of services by 7.0% YoY, supported by the Company's increased and diversified tenants as well as effective cost management. Also, the Company no longer gives rental discounts to tenants, as occurred during the lockdown period last year.
- Higher SG&A by 7.6% YoY mainly due to 1) increased salary and employee benefits; 2) higher sales promotion expenses from increased sales and new store openings of Index Living Mall and Little Walk — Lat Krabang; 3) higher utilities expenses from rising Ft; and 4) elevated delivery costs resulting from increased sales and higher oil prices.
- Decreased finance costs by 13.0% YoY despite the increased interest rates, supported by continuous long-term loan prepayment.
- Total borrowings at the end of 2022 were Baht 1,136.5 million, reduced by Baht 839.5 million or 42.5% from Baht 1,975.9 million at the end of 2021, with the long-term loan prepayment of Baht 613.0 million.
- The Company utilized tax incentives received from the Office of the Board of Investment (BOI) of Baht 24.2 million, increased from Baht 18.4 million in 2021.
- From the beginning of 2021 until the end of 2022, the Company has utilized tax incentives of Baht 42.6 million out of total tax incentives of Baht 71.1 million for investment in new machinery to utilize by the end of 2023.



1.2 Significant Events in 2022

- 2022 Net Profit Made A Record High Since Establishment in 1994**

The Company recorded 2022 net profit of Baht 659.1 million, a historical high since establishment in 1994. Net profit in Q4/2022 was Baht 183.5 million, a new quarterly high in 16 quarters since Q4/2018 and since being listed on the Stock Exchange of Thailand in Q3/2019. Supporting factors included the Company's continuously adjusting sales strategies and introducing new products to match the behavior of consumers and effective cost management.

- New Store Openings of Index Living Mall and Little Walk - Lat Krabang**

The Company already opened Index Living Mall and Little Walk - Lat Krabang on 16 December 2022. Both received good feedback, with sales of Index Living Mall reaching the target and Little Walk having a 100% occupancy rate, consisting of supermarkets, restaurants, shops, service businesses, etc. Together will help drive both sales and rental and rendering of services to further grow and stable in the future.

- Opened the fourth Index Living Mall franchise store in Vietnam**

The Company opened the 4th Index Living Mall franchise store in Vietnam in October 2022, after the success of the first 3 stores in the past three years, despite facing the COVID-19 outbreak.

- Closure of Index Furniture Center - The Mall Bangkai**

Due to the expiration of the lease agreement of Index Furniture Center — The Mall Bangkai, the Company closed the store in July 2022. However, the Company will consider opening a new store in the future.

- Approved an Entering into a Joint Venture Agreement with Flash Express**

The Company's Board of Directors approved the Company to enter into a joint venture agreement with Flash Express Co., Ltd., the integrated E-Commerce service provider, to set up a new joint venture company providing delivery, assembling, and installation services of furniture and bulky products in Thailand. The new joint venture's company registration is expected to complete by Q2/2023.

1.3 Operating Results

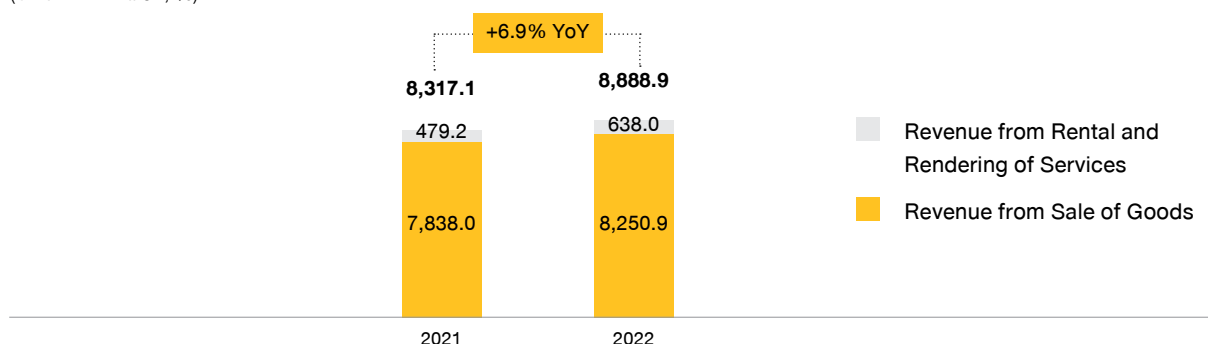
Operating Results (Unit: THB million)	2021	2022	%Change YoY
Revenue from sale of goods	7,838.0	8,250.9	+5.3%
Revenue from rental and rendering of services	479.2	638.0	+33.2%
Operating revenue	8,317.1	8,888.9	+6.9%
Cost of sale of goods	4,456.5	4,565.8	+2.5%
Cost of rental and rendering of services	267.5	311.7	+16.5%
Cost of sales and services	4,724.0	4,877.5	+3.2%
Gross profit	3,593.1	4,011.4	+11.6%
Other income	97.0	120.1	+23.9%
Selling and distribution expenses	1,951.2	2,097.3	+7.5%
Administrative expenses	963.1	1,038.8	+7.9%
Finance costs	246.5	214.3	-13.0%
Profit before income tax expenses	529.4	781.0	+47.5%
Tax expenses	76.2	122.0	+60.0%
Net profit	453.2	659.1	+45.4%

Revenue Structure

Revenue (Unit: THB million)	2021	2022	%Change YoY
A. Revenue from sale of goods			
Domestic sales			
1.1 Retail stores	5,885.6	6,229.5	+5.8%
1.2 Projects	588.3	773.1	+31.4%
1.3 Dealers	79.6	92.7	+16.5%
1.4 Online	1,000.7	902.8	-9.8%
Total revenue from domestic sales	7,554.2	7,998.1	+5.9%
Overseas sales	283.8	252.8	-10.9%
Total revenue from sale of goods	7,838.0	8,250.9	+5.3%
B. Revenue from rental and rendering of services	479.2	638.0	+33.2%
Total operating revenue	8,317.1	8,888.9	+6.9%
Other income	97.0	120.1	+23.9%
Total revenue	8,414.1	9,009.0	+7.1%

Operating Revenue

(Unit: THB million, %)

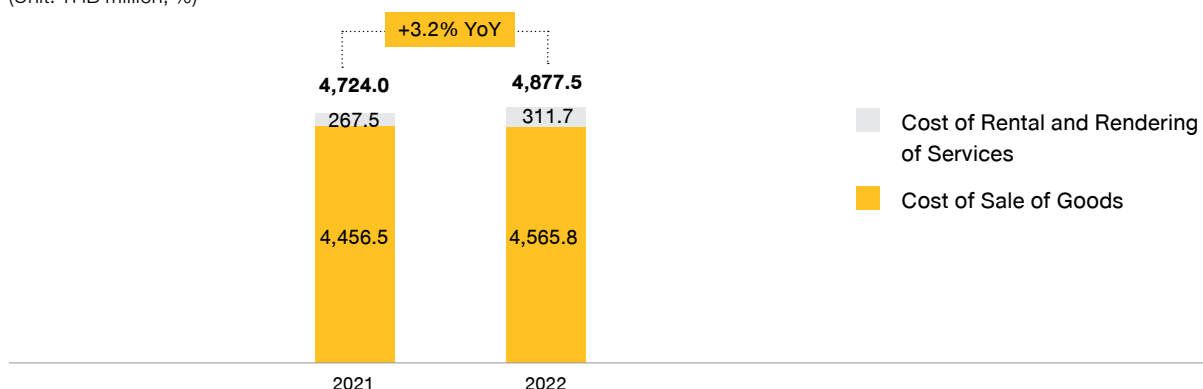


- In 2022, the Company recorded total operating revenue of Baht 8,888.9 million, increased by Baht 571.7 million or 6.9% YoY. Details were as follows:
 - Revenue from sale of goods** was Baht 8,250.9 million, increased by Baht 412.9 million or 5.3% YoY, mainly supported by improved purchasing power and no lockdown measures as occurred in the previous year, despite the Company's termination of home electric sale under the brand of Power One since the beginning of 2022 and changing the sales area of Power One to be the rental spaces to COM7. Sales growth came from retail sales, which grew by 5.8% YoY; domestic project sales, which grew by 31.4% YoY; domestic dealer sales, which grew by 16.5% YoY; and overseas franchise sales, which grew by 10.3% YoY. If excluding home electric sales that the Company has terminated the business, the Company's total sale in 2022 will increase by 10.9% YoY; and retail sales will increase by 12.8% YoY. However, online sales will still decrease by 3.9% YoY since the lockdown measures in 2021 boosted exceptionally high online sales growth during the year. Another reason for the drop in online sales was the change of strategies from building sales growth to focusing on profitability.
 - Revenue from rental and rendering of services** was Baht 638.0 million, increased by Baht 158.9 million or 33.2% YoY, mainly supported by the Company's increased and diversified tenants. Also, the Company no longer gives rental discounts to tenants, as occurred during the lockdown period last year.



Cost of Sales and Services

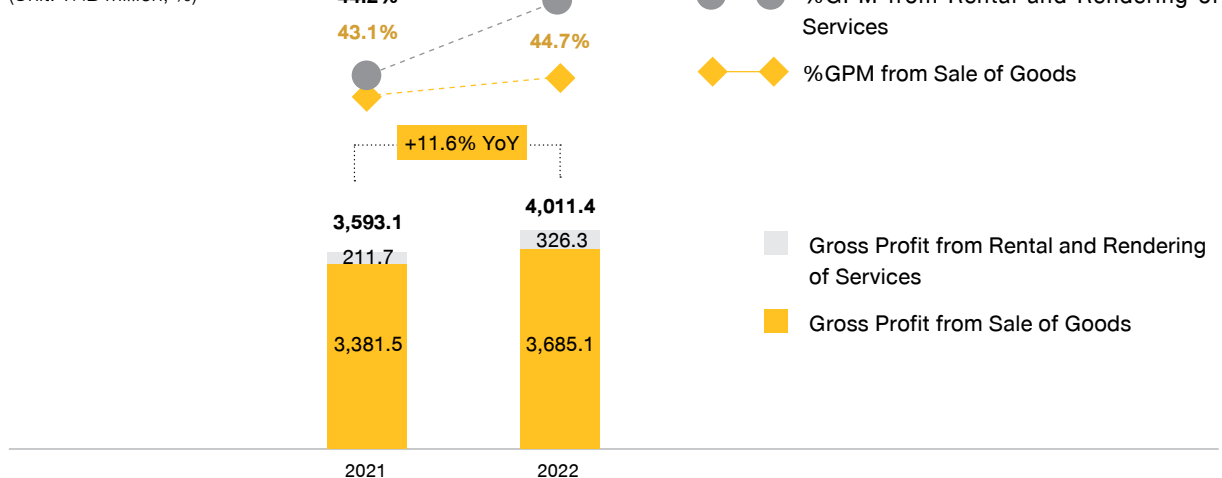
(Unit: THB million, %)



- In 2022, the Company recorded cost of sales and services of Baht 4,877.5 million, increased by Baht 153.4 million or 3.2% YoY. Details were as follows:
 - Cost of sale of goods** was Baht 4,565.8 million, increased by Baht 109.2 million or 2.5% YoY, following the higher sales, the increased sales and higher cost of particle board, which is a major raw material for furniture production, and the extensive depreciation of average Thai baht (THB) in 2022 against the US dollar (USD), which caused the higher cost of imported products.
 - Cost of rental and rendering of services** was Baht 311.7 million, increased by Baht 44.2 million or 16.5% YoY, following the higher revenue from rental and rendering of services.

Gross Profit

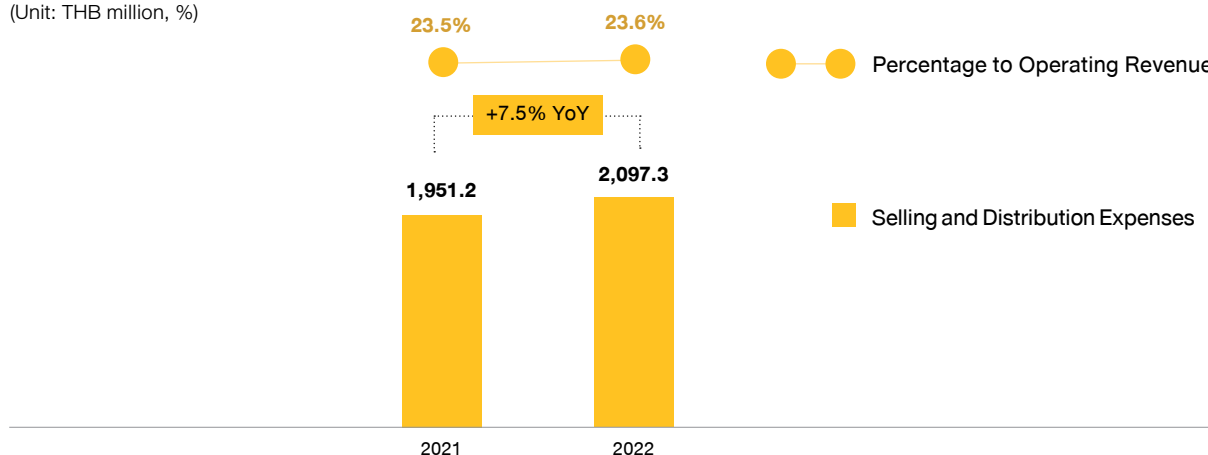
(Unit: THB million, %)



- In 2022, the Company recorded gross profit of 4,011.4 million, increased by Baht 418.3 million or 11.6% YoY. Details were as follows:
 - Gross profit from sale of goods** was Baht 3,685.1 million, increased by Baht 303.6 million or 9.0% YoY, following the higher sales and improved gross profit margin from sales supported by increased sales proportion of high gross profit margin products, increased selling prices to compensate for the cost hike, termination of the home electric sale since the beginning of 2022, and no allowance for diminution in value of home electric inventories as occurred in the previous year.
 - Gross profit from rental and rendering of services** was Baht of 326.3 million, increased by Baht 114.7 million or 54.2% YoY, following the higher revenue and gross profit margin from rental and rendering of services supported by increased and diversified tenants and effective cost management. Also, the Company no longer gives rental discounts to tenants, as occurred during the lockdown period last year.

Selling and Distribution Expenses

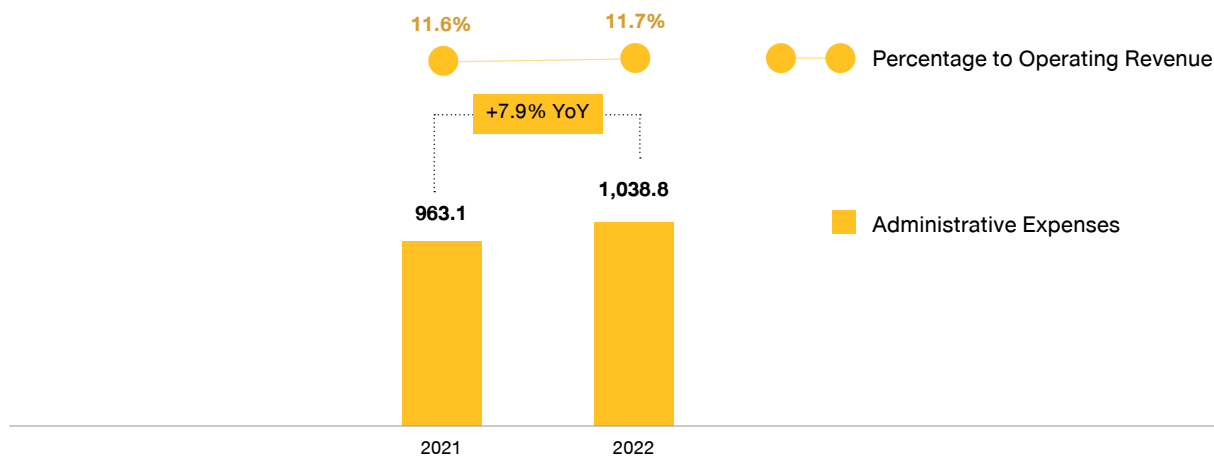
(Unit: THB million, %)



- In 2022, the Company recorded selling and distribution expenses of Baht 2,097.3 million, increased by Baht 146.2 million or 7.5% YoY, following the higher operating revenue. The increased expenses were mainly due to the increased salary and employee benefits, elevated delivery costs resulting from increased sales and oil prices, higher utilities expenses from rising Ft, and increased sales promotion expenses from higher sales and new store openings of Index Living Mall and Little Walk — Lat Krabang.
- The percentage of selling and distribution expenses to operating revenue slightly increased YoY, due to the increased expenses, despite effective cost management.

Administrative Expenses

(Unit: THB million, %)

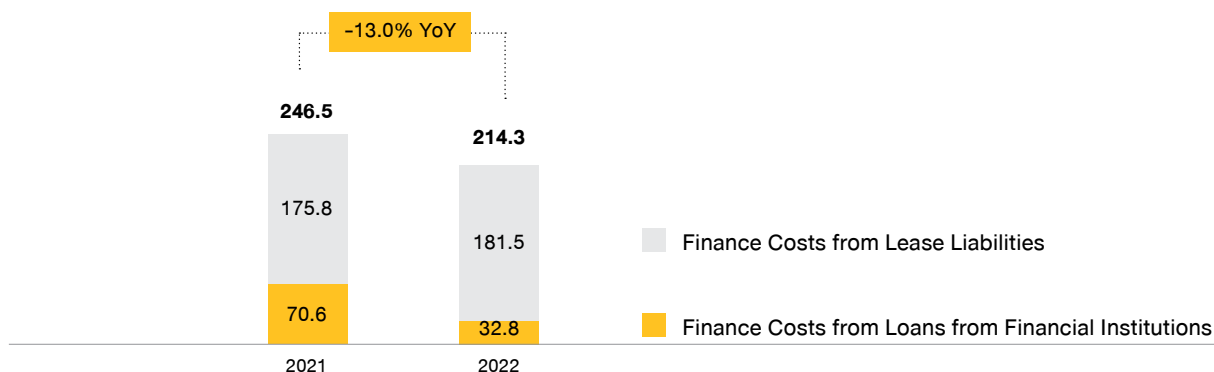


- In 2022, the Company recorded administrative expenses of Baht 1,038.8 million, increased by Baht 75.7 million or 7.9% YoY. The increase was mainly due to the increased salary and employee benefits, elevated delivery costs resulting from increased sales and oil prices, and higher utilities expenses from rising Ft.
- The percentage of administrative expenses to operating revenue slightly increased YoY, due to the increased expenses despite effective cost management.



Finance Costs

(Unit: THB million, %)

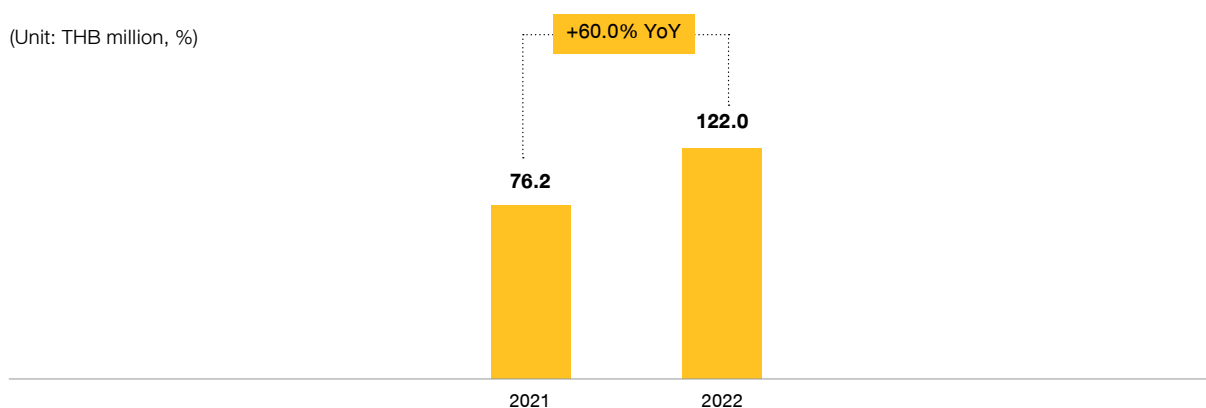


- In 2022, the Company recorded finance costs of Baht 214.3 million, decreased by Baht 32.1 million or 13.0% YoY. Details were as follows:
 - Finance costs from loans from financial institutions of Baht 32.8 million, decreased by Baht 37.8 million or 53.5% YoY, despite the increased interest rates mainly, supported by the Company's continuous long-term loan prepayment of Baht 613.0 million during 2022.
 - Finance costs from lease liabilities of Baht 181.5 million, increased by Baht 5.7 million or 3.2% YoY, resulting from higher interest expense amortized from lease liabilities.

The Company's total borrowings from financial institutions at the end of 2022 were Baht 1,136.5 million, decreased by Baht 839.5 million or 42.5% from Baht 1,975.9 million at the end of 2021. The decrease was supported by the Company's continuous long-term loan prepayment.

Tax Expenses

(Unit: THB million, %)

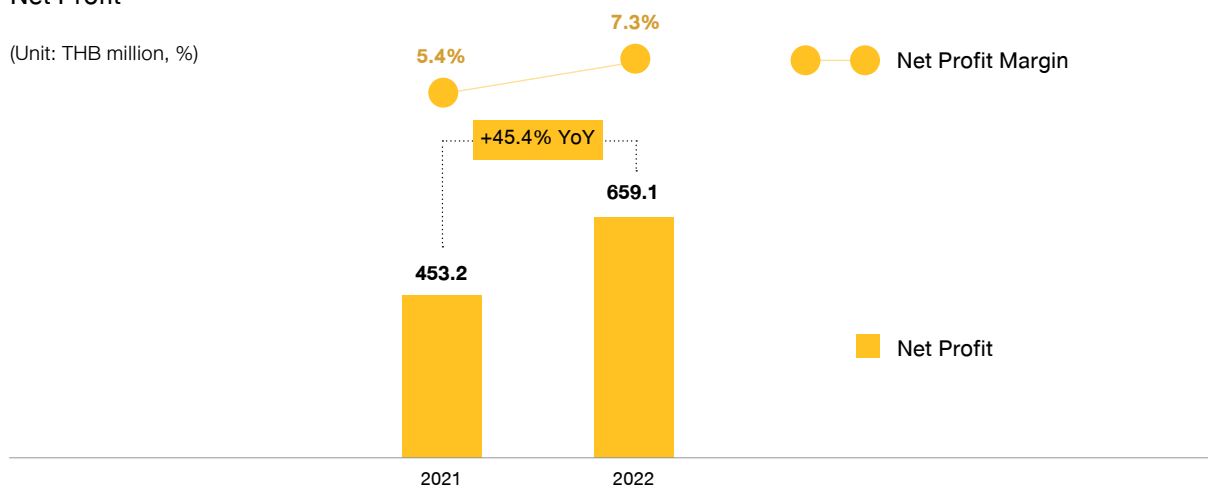


- In 2022, the Company recorded tax expenses of Baht 122.0 million, increased by Baht 45.7 million or 60.0% YoY mainly due to higher earnings before tax. The Company utilized tax incentives in 2022 of Baht 24.2 million, increased from Baht 18.4 million in 2021.

The Company utilized tax incentives from the beginning of 2021 until the end of 2022 of Baht 42.6 million out of total tax incentives of Baht 71.1 million received for investment in new machinery to utilize by the end of 2023.

Net Profit

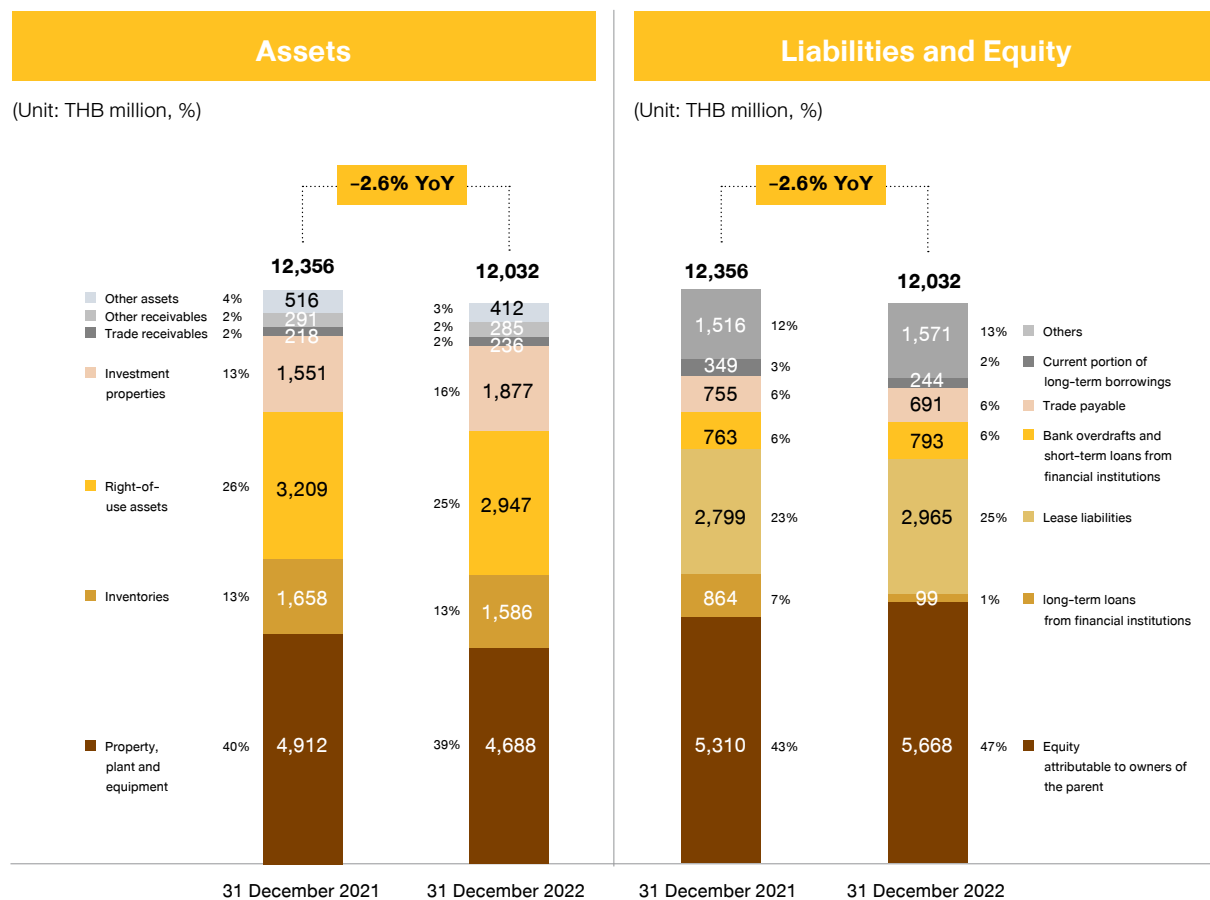
(Unit: THB million, %)



- In 2022, the Company recorded a net profit of Baht 659.1 million, increased by Baht 205.9 million or 45.4% YoY. Net profit made a record high since the Company's establishment in 1994. Key reasons for the increase were as follows:
 - Higher revenue both from sales and from rental and rendering of services, mainly supported by improved purchasing power and no lockdown measures as occurred in the previous year, despite the termination of the home electric sale under the brand of Power One since the beginning of 2022.
 - Improved gross profit margin from sales, supported by increased sales proportion of high gross profit margin products, increased selling prices to compensate for the cost hike, termination of the home electric sale since the beginning of 2022, and no allowance for diminution in value of home electric inventories as occurred in the previous year.
 - Improved gross profit margin from rental and rendering of services, supported by the Company's increased and diversified tenants as well as effective cost management. Also, the Company no longer gives rental discounts to tenants, as occurred during the lockdown period last year.
 - Lower finance costs despite the increased interest rates, supported by continuous long-term loan prepayment
 - The Company utilized tax incentives of Baht 24.2 million, increased from Baht 18.4 million in 2021.
 - The Company utilized tax incentives from the beginning of 2021 until the end of 2022 of Baht 42.6 million out of total tax incentives of Baht 71.1 million received from investment in machinery to utilize by the end of 2023.



1.4 Statement of Financial Position



Assets

- As at 31 December 2022, the Company had total assets of Baht 12,031.5 million, decreased by Baht 324.4 million or 2.6% from Baht 12,356.0 million at the end of 2021. The key matters were as follows: 1) decreased right-of-use assets by Baht 262.8 million or 8.2% from Baht 3,209.4 million at the end of 2021; 2) decreased property, plant and equipment by Baht 224.4 million or 4.6% from Baht 4,912.3 million at the end of 2021; and 3) decreased inventories by Baht 71.5 million or 4.3% from Baht 1,657.8 million at the end of 2021.

On the other hand, investment properties increased by Baht 325.5 million or 21.0% from Baht 1,551.3 million at the end of 2021.

Liabilities

- As at 31 December 2022, the Company had total liabilities of Baht 6,363.6 million, decreased by Baht 681.3 million or 9.7% from Baht 7,044.9 million at the end of 2021. The decrease was mainly due to reduced loans from financial institutions by Baht 839.5 million or 42.5% from Baht 1,975.9 million at the end of 2021 to Baht 1,136.5 million at the end of 2022 after the Company has been repaying loans from financial institutions continuously, with long-term loan prepayment of Baht 613.0 million. Trade accounts payable also decreased by Baht 63.9 million or 8.5% from Baht 755.2 million at the end of 2021.

Equity

- As at 31 December 2022, the Company had equity attributable to owners of the parent of Baht 5,668.0 million, increased by Baht 358.2 million or 6.7% from Baht 5,309.8 million at the end of 2021, mainly resulting from the Company's 2022 net profit of Baht 659.1 million, deducted by a cash dividend of Baht 202.0 million for the 2021 operating results, the amount of which the remaining after paying the interim dividend of Baht 75.8 million and a cash dividend of Baht 101.0 million for the 6M/2022 operating results paid to shareholders.

1.5 Statement of Cash Flows

Statement of Cash Flows (Unit: THB million)	2021	2022	%Change YoY
Net cash from operating activities before changes in operating assets and liabilities	1,731.7	1,861.8	+7.5%
Net cash from changes in operating assets and liabilities	77.2	(84.0)	-208.9%
Net cash from operating activities	1,808.8	1,777.7	-1.7%
Acquisition of property, plant and equipment	(93.1)	(254.3)	-173.1%
Acquisition of investment properties	(26.6)	(61.2)	-130.0%
Acquisition of right-of-use assets	(35.2)	(100.0)	-184.3%
Acquisition of intangible assets	(4.9)	(16.7)	-241.4%
Net cash from other operating activities	10.1	32.1	+218.7%
Net cash used in from investing activities	(149.7)	(400.2)	-167.2%
Proceeds from short-term loans from financial institutions	6,719.0	8,692.5	+29.4%
Repayment of short-term loans from financial institutions	(6,343.0)	(8,662.5)	-36.6%
Repayment of long-term loans from financial institutions	(1,533.5)	(869.5)	+43.3%
Payment of lease liabilities	(42.2)	(53.1)	-25.8%
Dividends paid to owners of the Company	(212.1)	(303.0)	-42.8%
Interest paid	(246.6)	(214.4)	+13.1%
Net cash used in financing activities	(1,658.4)	(1,409.9)	+15.0%
Effect of exchange rate changes on cash and cash equivalents	(0.001)	(0.006)	-1007.9%
Net increase (decrease) in cash and cash equivalents	0.6	(32.3)	-5119.2%
Cash and cash equivalents at 1 January	106.4	107.1	+0.6%
Cash and cash equivalents at 31 December	107.1	74.8	-30.2%

At the end of 2022, the Company recorded ending cash and cash equivalents of Baht 74.8 million, a decrease of Baht 32.3 million from Baht 107.1 million at the end of 2021, with details as follows:

- Net cash received from operating activities of Baht 1,777.7 million, consisting of (1) cash inflows from operating activities before changes in operating assets and liabilities of Baht 1,861.8 million; and (2) cash outflows from net change in working capital of Baht 84.0 million, mainly due to the increase in trade accounts receivable as well as the decrease in trade accounts payable, other current payables, and provisions for employee benefits.
- Net cash used in investing activities of Baht 400.2 million, comprising of (1) cash outflows for acquisition of property, plant and equipment of Baht 254.3 million; (2) cash outflows from acquisition of investment properties of Baht 61.2 million; (3) cash outflows from acquisition of right-of-use assets of Baht 100.0 million; (4) cash outflows from acquisition of intangible assets of Baht 16.7 million; and (5) cash inflows from other investing activities of Baht 32.1 million.
- Net cash used in financing activities of Baht 1,409.9 million, consisting of (1) cash inflows from proceeds from bank overdraft and short-term loans from financial institutions of Baht 8,692.5 million; (2) cash outflows for repayment of short-term loans from financial institutions of Baht 8,662.5 million; (3) cash outflows for repayment of long-term loans from financial institutions of Baht 869.5 million; (4) cash outflows for payment of lease liabilities of Baht 53.1 million; (5) dividends paid to owners of the Company of Baht 303.0 million; and (6) cash outflows for interest paid of Baht 214.4 million.



1.6 Future Projects

Although the global economy tends to slow down in 2023, the Thai economy in 2023 is likely to continue to expand. The main supporting factors include the government's stimulus measures and significant recovery of foreign tourists, especially after China reopened the country on 8 January 2023, while domestic investment tends to increase decently. Several positive economic outlook indicators will help boost consumer confidence and increase domestic consumption. Meanwhile, the Company is committed to driving its future performance to grow continuously through its key sales channels, both online and offline. The Company's store expansion plan includes a new community mall, Little Walk - Krungthep Kreetha, in Q3/2023 and 3 new stores of Index Living Mall during 2023 - 2024, which will help drive the Company's operating results to continue to increase in the future.

- **Three New Stores of Index Living Mall Opening Plan**

After the ease of COVID-19 outbreak, the Company started to plan for the new store opening continuously. The Company recently opened Index Living Mall - Lat Krabang in December 2022 and has 3 new stores in the pipeline during 2023 -2024 to help drive the Company's sales growth in the future.

- **The Fourth Little Walk Opening Plan**

The Company plans to open Little Walk - Krungthep Kreetha, the fourth Little Walk after Bangna, Pattaya, and Lat Krabang. Little Walk - Krungthep Kreetha is a small-sized community mall, expected to open around Q3/2023 to enhance revenue from rental and rendering of services to grow continuously.

- **Growth Target in 2023**

The Company targets its operating revenue to continue to expand in 2023, both revenue from sales and from rental and rendering of services. Meanwhile, the Company is aware of the tendency of cost increase and well prepared to minimize the impact, e.g., using robots and automated machinery in the production process to increase the efficiency and accuracy of work while reducing the cost of production; building fuel bunker to reduce the cost of diesel for goods delivery; installing solar rooftop at the factory, Index Living Mall stores, and a distribution center to reduce electricity costs and also helps reduce the environmental impact; adjusting the sales promotion optimally and effectively following the rapid change of cost during each period; and continuously repaying loans to reduce finance costs. Therefore, the Company is confident that it will be able to manage costs and expenses effectively and continue to maintain the optimal profit in 2023.

2. Sustainable Development Operations

The Company operates the business under sustainable development guidelines covering the dimensions of corporate governance and economy, social, and environmental. The Company formulates the 3G sustainability strategy as a framework, consisting of Great Experience (creating good experiences from products and services), Grow Together (creating happiness and good quality of life together with responsibility), and Green Planet (caring and passing on the sustainable environment to society) and set the goals that are consistent with the Sustainable Development Goals (SDGs) of the United Nations aiming to a sustainable organization. The major sustainable development operations in 2022 are as follows:

2.1 Environmental

- The Company installed solar rooftop at another 4 Index Living Mall stores and 1 distribution center. At the end of 2022, the Company has installed solar rooftop at 24 sites including 1 plant, 1 distribution center, and 22 out of 32 Index Living Mall stores. The Company produced electricity from the solar rooftop in 2022 of 12,689 mWh, an increase of 18.84% from 2021.
- The Company reduced greenhouse gas emissions through the solar rooftop and waste separation project by 12,417.83 tonnes of carbon dioxide equivalent (tCO₂ eq), an increase of 48.9% from 2021, which is in the process of applying for certification from Thailand Greenhouse Gas Management Organization (Public Organization).
- New environmentally friendly products accounted for 10% of the total new products, with a target of 5% in 2025.
- Sales contribution of Younique Customized Furniture to total furniture, the product saving resources in the production process, increased from 6.1% in 2020, 7.0% in 2021, and 7.0% in 2022, with a target of 10% in 2025.
- The Company's recycled/ sold/ used waste was 97.69% of total waste, an increase from 97.33% in 2021.
- There was no complaint regarding waste.

2.2 Social

- New products designed according to ergonomic principles and new products focusing on the health of customers accounted for 3.75% of the total number of new products under the category of office furniture, with a target of 20% in 2025.
- New age-friendly products accounted for 5% of the total new furniture products that are friendly to the elderly, with a target of 10% in 2025.
- There was no death from workplace accidents.
- The number of days absent due to workplace accidents decreased by 33.69% compared to the base year in 2020.
- There was no complaint regarding human rights and labor.

2.3 Governance and Economic

- Customer satisfaction was 92.33%, with a target of 90% during 2022-2025 and an increased target to 93% in 2026.
- There was no complaint regarding the security of personal data.
- There was no complaint regarding corruption.
- The Company was certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) by the CAC Council on 30 September 2022.



3. Financial Highlights

Statement of financial position	Financial statements for the year ended 31 December					
	2020		2021		2022	
	THB million	%	THB million	%	THB million	%
Assets						
<u>Current assets</u>						
Cash and cash equivalents	106.4	0.8	107.1	0.9	74.8	0.6
Trade accounts receivable	199.3	1.5	218.4	1.8	236.2	2.0
Other receivables	226.6	1.7	291.1	2.4	285.5	2.4
Inventories	1,757.0	13.6	1,657.8	13.4	1,586.3	13.2
Other non-current assets	12.5	0.1	12.5	0.1	13.7	0.1
Total current assets	2,301.9	17.8	2,286.9	18.5	2,196.5	18.3
<u>Non-current assets</u>						
Other non-current financial assets (2020: Other long-term investments)	13.7	0.1	15.6	0.1	17.5	0.1
Investment properties	1,525.8	11.8	1,551.3	12.6	1,876.8	15.6
Property, plant and equipment	5,410.0	41.8	4,912.3	39.8	4,687.8	39.0
Right-of-use assets (2020: Leasehold rights)	3,322.8	25.7	3,209.4	26.0	2,946.5	24.5
Other intangible assets	58.5	0.5	35.0	0.3	32.5	0.3
Deferred tax assets	196.7	1.5	212.2	1.7	160.6	1.3
Other non-current assets	121.6	0.9	133.5	1.1	113.2	0.9
Total non-current assets	10,649.1	82.2	10,069.1	81.5	9,835.0	81.7
Total assets	12,951.0	100.0	12,356.0	100.0	12,031.5	100.0
Liabilities and equity						
<u>Current liabilities</u>						
Bank overdrafts and short-term loans from financial institutions	387.0	3.0	763.0	6.2	793.0	6.6
Trade accounts payable	615.5	4.8	755.2	6.1	691.3	5.7
Other payables	710.1	5.5	874.4	7.1	899.2	7.5
Current portion of long-term borrowings	419.0	3.2	348.6	2.8	244.4	2.0
Current portion of lease liabilities (2020: Current portion of finance lease liabilities)	57.1	0.4	60.7	0.5	34.8	0.3
Current tax payable	39.7	0.3	28.2	0.2	24.2	0.2
Other current liabilities	38.2	0.3	24.6	0.2	32.6	0.3
Total current liabilities	2,266.5	17.5	2,854.7	23.1	2,719.4	22.6
<u>Non-current liabilities</u>						
Long-term loans from financial institutions	2,327.5	18.0	864.3	7.0	99.1	0.8
Lease liabilities (2020: Finance lease liabilities)	2,688.7	20.8	2,738.4	22.2	2,929.7	24.4
Non-current provisions for employee benefits	234.8	1.8	243.1	2.0	265.5	2.2

Statement of financial position	Financial statements for the year ended 31 December					
	2020		2021		2022	
	THB million	%	THB million	%	THB million	%
Other non-current liabilities	353.9	2.7	344.4	2.8	349.8	2.9
Total non-current liabilities	5,604.9	43.3	4,190.2	33.9	3,644.2	30.3
Total liabilities	7,871.4	60.8	7,044.9	57.0	6,363.6	52.9
Equity						
Share capital:						
Authorized share capital	2,525.0	19.5	2,525.0	20.4	2,525.0	21.0
Issued and paid-up share capital	2,525.0	19.5	2,525.0	20.4	2,525.0	21.0
Share premium	1,741.1	13.4	1,741.1	14.1	1,741.1	14.5
Retained earnings						
Appropriated legal reserve	227.1	1.8	243.6	2.0	252.5	2.1
Unappropriated	587.2	4.5	802.2	6.5	1,149.4	9.6
Other components of equity	(2.1)	(0.0)	(2.1)	(0.0)	-	-
Equity attributable to owners of the parent	5,078.3	39.2	5,309.8	43.0	5,668.0	47.1
Non-controlling interests	1.3	0.0	1.3	0.0	0.0	0.0
Total equity	5,079.6	39.2	5,311.1	43.0	5,668.0	47.1
Total liabilities and equity	12,951.0	100.0	12,356.0	100.0	12,031.5	100.0

Statement of comprehensive income	Financial statements for the year ended 31 December					
	2020		2021		2022	
	THB million	%	THB million	%	THB million	%
Revenue						
Revenue from sale of goods	7,657.1	93.4	7,838.0	93.2	8,250.9	91.6
Revenue from rental and rendering of services	462.4	5.6	479.2	5.7	638.0	7.1
Dividend income	0.4	0.0	0.3	0.0	0.7	0.0
Interest income	3.8	0.0	0.3	0.0	0.3	0.0
Other income	68.9	0.8	92.8	1.1	106.2	1.2
Net foreign exchange gain	5.1	0.1	3.6	0.0	13.0	0.1
Total revenue	8,197.7	100.0	8,414.1	100.0	9,009.0	100.0
Expenses						
Cost of sale of goods	4,132.2	50.4	4,456.5	53.0	4,565.8	50.7
Cost of rental and rendering of services	274.4	3.3	267.5	3.2	311.7	3.5
Selling and distribution expenses	1,980.5	24.2	1,951.2	23.2	2,097.3	23.3
Administrative expenses	1,032.6	12.6	963.1	11.4	1,038.8	11.5
Finance costs	295.9	3.6	246.5	2.9	214.3	2.4
Total expenses	7,715.6	94.1	7,884.8	93.7	8,228.0	91.3
Profit before income tax expense	482.1	5.9	529.4	6.3	781.0	8.7
Tax expense	60.9	0.7	76.2	0.9	122.0	1.4
Profit for the year	421.2	5.1	453.2	5.4	659.1	7.3



Statement of comprehensive income	Financial statements for the year ended 31 December		
	2020	2021	2022
	THB million	THB million	THB million
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Losses on remeasurements of defined benefit plans	-	(12.0)	-
Income tax relating to items that will not be reclassified	-	2.4	-
Total items that will not be reclassified to profit or loss	-	(9.6)	-
Other comprehensive income for the year, net of tax	-	(9.6)	-
Total comprehensive income for the year	421.2	443.6	659.1
Profit (loss) attributable to:			
Owners of the parent	421.2	453.2	659.1
Non-controlling interests	0.0	0.0	0.0
Profit for the year	421.2	453.2	659.1
Total comprehensive income attributable to:			
Owners of the parent	421.2	443.6	659.1
Non-controlling interests	0.0	0.0	0.0
Total comprehensive income for the year	421.2	443.6	659.1
Basic earnings per share (Baht)	0.83	0.90	1.31

Statement of cash flows	Financial statements for the year ended 31 December		
	2020	2021	2022
	THB million	THB million	THB million
Cash flows from operating activities			
Profit for the year	421.2	453.2	659.1
Adjustments to reconcile profit to cash receipts (payments)			
Tax expense	60.9	76.2	122.0
Finance costs	295.9	246.5	214.3
Depreciation and amortization	883.4	871.8	830.6
Differences from rent concession as a result of COVID-19 outbreak	2.5	0.4	-
Provisions for employee benefit	20.2	25.2	26.5
Provision for customer royalty program	16.7	23.3	4.3
Unrealized losses on exchange rate	(0.1)	0.5	0.4
(Reversal of) expected credit loss	1.4	10.9	0.1
Loss on inventories devaluation	15.1	50.8	6.7
Reversal of impairment loss on investment in subsidiary	-	-	(6.4)
Gain on disposal of property, plant and equipment	(7.0)	(7.0)	(10.6)
Gain on disposal of property, plant and equipment	3.1	1.0	14.3
Loss on write-off of property, plant and equipment	-	0.02	0.4

Statement of cash flows	Financial statements for the year ended 31 December		
	2020	2021	2022
	THB million	THB million	THB million
Gain on termination of right-of-use assets	(5.6)	-	(4.8)
Loss on disposal of intangible assets	0.3	-	0.1
Gain on write-off of right-of-use assets	-	(0.04)	(2.4)
Amortization leasehold rights income	(9.5)	(9.1)	(9.0)
Reversal of product repairment provision	-	(6.3)	(0.3)
Reversal of decommissioning provision	-	(0.9)	-
Provision for impairment of property, plant and equipment	-	-	8.4
Provision for impairment of investment properties	-	-	1.0
Reversal of lawsuit provision	-	(2.5)	-
Loss on exchange rate from liquidation of subsidiary	-	-	5.2
Interest income	(3.8)	(0.3)	(0.3)
Dividend income	(0.4)	(0.3)	(0.7)
(Gain) loss on fair value adjustment	(0.5)	(1.9)	3.0
	1,693.7	1,731.7	1,861.8
<i>Changes in operating assets and liabilities</i>			
Trade accounts receivable	95.6	(30.6)	(18.3)
Other receivables	170.9	(53.4)	18.2
Inventories	485.3	48.4	64.8
Other current assets	3.6	0.1	(1.3)
Other non-current assets	(26.2)	(11.9)	20.3
Trade accounts payable	(127.8)	139.8	(63.9)
Other current payables	(132.2)	132.4	(35.7)
Other current liabilities	(17.1)	(7.3)	8.0
Provision for employee benefits	(10.3)	(28.9)	(4.1)
Other non-current liabilities	16.0	0.4	14.8
Net cash generated from operating activities	2,151.4	1,920.6	1,864.6
Taxes paid	(66.0)	(111.7)	(86.9)
Net cash from operating activities	2,085.4	1,808.8	1,777.7
Cash flows from investing activities			
Proceeds from liquidation of subsidiary	-	-	2.1
Acquisition of property, plant and equipment	(289.2)	(93.1)	(254.3)
Proceeds from sale of property, plant and equipment	8.8	9.5	14.2
Acquisition of investment properties	(36.7)	(26.6)	(61.2)
Acquisition of rights-of-use (2020: leasehold rights)	(0.2)	(35.2)	(100.0)
Proceeds from sale of right-of-use assets	-	-	15.1



Statement of cash flows	Financial statements for the year ended 31 December		
	2020	2021	2022
	THB million	THB million	THB million
Acquisition of intangible assets	(18.5)	(4.9)	(16.7)
Proceeds from sale of intangible assets	0.02	-	-
Interest received	2.8	0.2	0.1
Dividends received	0.4	0.3	0.7
Net cash (used in) from investing activities	(332.6)	(149.7)	(400.2)
Cash flows from financing activities			
Proceeds from short-term borrowings-financial institutions	5,571.5	6,719.0	8,692.5
Repayment of short-term borrowings-financial institutions	(5,600.5)	(6,343.0)	(8,662.5)
Repayment of long-term borrowings-financial institutions	(1,502.3)	(1,533.5)	(869.5)
Payment of lease liabilities (2020: Payment by a lessee for reduction of the outstanding liability relating to a finance lease)	(37.4)	(42.2)	(53.1)
Dividends paid to owners of the Company	(308.0)	(212.1)	(303.0)
Dividends paid to non-controlling interests	(0.0)	(0.0)	-
Interest paid	(294.7)	(246.6)	(214.4)
Net cash used in financing activities	(2,171.3)	(1,658.4)	(1,409.9)
Net (decrease) increase in cash and cash equivalents before effect of exchange rates	(418.5)	0.6	(32.3)
Effect of exchange rate changes on cash and cash equivalents	0.01	(0.001)	(0.0)
Net (decrease) increase in cash and cash equivalents	(418.5)	0.6	(32.3)
Cash and cash equivalents at 1 January	525.0	106.4	107.1
Cash and cash equivalents at 31 December	106.4	107.1	74.8
Supplementary disclosure of cash flows information:			
Non-cash transactions			
Acquisition of property, plant and equipment and investment properties and intangible assets for which payment has not yet been made	40.0	11.3	51.3
Initial recognition of right-of-use assets	2,738.3	98.5	218.5
Reclassifies from current portion of long-term loans to long-term loans	101.9	348.6	244.4
Reclassifies from investment properties to property, plant and equipment	-	-	2.5
Reclassifies from investment properties to right-of-use assets	-	-	10.5
Reclassifies from property, plant and equipment to investment properties	23.5	53.6	0.7
Reclassifies from right-of-use assets to investment properties	-	-	270.3
Reclassifies from right-of-use assets to property, plant and equipment	-	-	3.0
to property, plant and equipment	-	-	0.04

Key Financial Ratios

Financial Ratios	For the year ended 31 December		
	2020	2021	2022
Liquidity Ratios			
Current Ratio (x)	1.0	0.8	0.8
Quick Ratio (x)	0.2	0.2	0.2
Efficiency Ratios			
Average Collection Period (Days)	11	9	9
Average Inventory Period (Days)	166	132	121
Average Payment Period (Days)	56	53	54
Cash Cycle (Days)	121	88	77
Total Asset Turnover (x)	0.6	0.7	0.7
Leverage Ratios			
D/E (x)	1.5	1.3	1.1
IBD/E (x)	1.2	0.9	0.7
Interest Coverage Ratio (x)	2.6	3.1	4.6
Profitability Ratios			
Gross Profit Margin from Sale of Goods (%)	46.0%	43.1%	44.7%
Gross Profit Margin from Rental and Rendering of Services (%)	40.7%	44.2%	51.1%
Overall Gross Profit Margin (%)	45.7%	43.2%	45.1%
EBIT Margin (%)	9.5%	9.3%	11.0%
Net Profit Margin (%)	5.1%	5.4%	7.3%
EBITDA Margin (%)	20.2%	19.6%	20.3%
Return on Asset (%)	6.2%	6.1%	8.2%
Return on Equity (%)	8.4%	8.7%	12.0%

- Current Ratio = Total current assets / Total current liabilities
- Quick Ratio = (Total current assets - Inventories) / Total current liabilities
- Average Collection Period = $365 / (\text{Revenue from sale of goods and revenue from rental and rendering of services} / \text{Average trade accounts receivable})$
- Average Inventory Period = $365 / (\text{Cost of sale of goods and cost of rental and rendering of services} / \text{Average inventories})$
- Average Payment Period = $365 / (\text{Cost of sale of goods and cost of rental and rendering of services} / \text{Average trade accounts payable})$
- Cash Cycle Days = Average Collection Period + Average Inventory Period - Average Payment Period
- Total Asset Turnover = Revenue from sale of goods and revenue from rental and rendering of services / Average total assets
- Debt to Equity Ratio (D/E) = Total liabilities / Equity attributable to owners of the parent
- Interest-bearing Debt to Equity Ratio (IBD/E) = Interest-bearing Debt / Equity attributable to owners of the parent
- Interest Coverage Ratio = Earnings before interest and tax / Finance costs
- Gross Profit Margin from Sale of Goods = $(\text{Revenue from sale of goods} - \text{Cost of sale of goods}) / \text{Revenue from sale of goods}$
- Gross Profit Margin from Rental and Rendering of Services = $(\text{Revenue from rental and rendering of services} - \text{cost of rental and rendering of services}) / \text{Revenue from rental and rendering of services}$
- Overall Gross Profit Margin = $(\text{Revenue from sale of goods and revenue from rental and rendering of services} - \text{Cost of sale of goods and cost of rental and rendering of services}) / \text{Revenue from sale of goods and revenue from rental and rendering of services}$
- EBIT Margin = Earnings before interest and taxes / Total revenue
- Net Profit Margin = Profit (loss) attributable to owners of the parent / Total revenue
- EBITDA Margin = Earnings before interest, taxes, depreciation, and amortization / Total revenue
- Return on Assets (ROA) = EBIT / Average total assets
- Return on Equity (ROE) = Profit (loss) attributable to owners of the parent / Average equity attributable to owners of the parent



5. General Information and Other Important Information

General Information

The Company

Company Name	:	Index Living Mall Public Company Limited
Stock Exchange	:	The Stock Exchange of Thailand
Trade Name	:	ILM
Type of Business	:	Furniture and Home Furnishings Retail Business
Head Office	:	No. 147, Soi Rama 2 Soi 50, Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	:	0107561000226
Phone Number	:	0 2898 6420-5
Fax Number	:	0 2898 6940
Website	:	www.indexlivingmall.com
Registered Capital	:	2,525.0 million Baht
Paid Up Capital	:	2,525.0 million Baht
Issued Shares	:	505 million ordinary shares (5 Baht per share)

Subsidiary Companies

Index Interfurn Company Limited

Company Name in Thai	:	บริษัท อินดีคซ์ อินเตอร์เฟอร์นิเจอร์ จำกัด
Company Name in English	:	Index Interfurn Company Limited
Type of Business	:	Furniture Manufacturer
Head Office	:	No. 143 Soi Rama 2 Soi 50 Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	:	0105552064096
Phone Number	:	0 2415 0077
Fax Number	:	0 2415 7399
Website	:	www.index-interfurn.com
Registered Capital	:	960.0 million Baht
Paid Up Capital	:	960.0 million Baht

The Walk Company Limited

Company Name in Thai	:	บริษัท เดอะวอล์ค จำกัด
Company Name in English	:	The Walk Company Limited
Type of Business	:	Shopping Center Rentals
Head Office	:	No. 147, Soi Rama 2 Soi 50, Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	:	0105555116551
Phone Number	:	0 2898 6420-5
Registered Capital	:	25.0 million Baht
Paid Up Capital	:	15.4 million Baht

Bangkok Casa Company Limited

Company Name in Thai	บริษัท บางกอก คาซ่า จำกัด
Company Name in English	: Bangkok Casa Company Limited
Type of Business	: Warehouse Services
Head Office	: No. 143 Soi Rama 2 Soi 50 Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	: 0105534058616
Phone Number	: 0 2898 6420-5
Registered Capital	: 250.0 million Baht
Paid Up Capital	: 250.0 million Baht

Index Living Mall Inter Company Limited

Company Name in Thai	บริษัท อินดีกซ์ ลิฟวิ่งมอลล์ อินเตอร์ จำกัด
Company Name in English	: Index Living Mall Inter Company Limited
Type of Business	: Giving Franchise Rights to Foreign Index Living Mall Stores
Head Office	: No. 147, Soi Rama 2 Soi 50, Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	: 0105559003602
Phone Number	: 0 2898 6420-5
Registered Capital	: 5.0 million Baht
Paid Up Capital	: 5.0 million Baht

Other References

Securities Registrar

Securities Registrar	: Thailand Securities Depository Company Limited
Head Office	: 93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400
Phone Number	: 0 2009 9000
Fax Number	: 0 2009 9991

Auditor

Auditor	: KPMG Phoomchai Audit Company Limited
Head Office	: 1 Empire Tower Building, 48-51 Floor, South Sathorn Road, Yan Nawa, Sathorn, Bangkok 10120
Phone Number	: 0 2677 2000
Fax Number	: 0 2677 2222

5.3 Legal Disputes

As of December 31, 2022, the Company has no legal disputes that may have a material adverse effect on the Company's business operations and the Company has no legal disputes that may affect the Company's business operations. Company assets with an amount greater than 5% of the shareholders' equity

5.4 Secondary Market

-None-

5.5 Financial institutions that are in constant contact

-None-



CORPORATE GOVERNANCE

Part 2 Corporate Governance





การประกอบธุรกิจ
และผลการดำเนินงาน

การทำกับ
คู่แฉกิจการ

งบการเงิน

เอกสารแนบ



6. Corporate Governance Policy



The Board of Directors is committed to good corporate governance and conducting business in an ethical manner, respecting human rights, and being responsible to society, the environment, and stakeholders. The Board of Directors believes that good corporate governance will create sustainable business value and maintain transparent, honest, and accountable management. It is also an important factor for the Company's ability to compete ethically under the changing business conditions, adding value and generating a maximum return for shareholders, creating long-term benefits for society, the community, the environment, and various stakeholders of the Company as well as maintaining credibility and creating value for shareholders.

Therefore, the Board of Directors formulated and adopted a corporate governance policy in order to perform its duties properly, as well as reviewing and improving the policy to be in accordance with the good corporate governance principles for listed companies in 2017 to ensure that they are appropriate and effective for the performance of Board of Director's duties in the supervision of corporate governance. The Board of Directors Meeting No. 5/2022 on November 7, 2022, resolved to review the corporate governance policy. This

policy is published on the Company's website under the topic "Corporate Governance".

6.1 Corporate Governance Policies and Guidelines Overview

6.1.1 Policies and Guidelines related to the Board of Directors

The Board of Directors places importance on good corporate governance with a focus on conducting business with transparency and fairness in accordance with the relevant regulations and laws, giving importance to auditing and internal control systems, risk management, as well as adequate information disclosure on the economy, society, and the environment that contribute to continuous sustainable growth. This adds value to shareholders and stakeholders under the framework of laws and the code of business conduct.

The Board of Directors reviewed the implementation of the Corporate Governance Code or "CG Code" for listed companies for the year 2017 from the Securities and Exchange Commission by assigning the Nomination, Remuneration, Governance, and Sustainable Development Committee to supervise the implementation of the CG Code principles appropriately in accordance



with the business context of the Company which will lead to sustainable value creation. The Company has consistently complied with the CG Code and practice guidelines as follows:

1) Composition and Qualifications of the Board of Directors and the Appointment of Directors

The committee formation under the Chairman's leadership is consistent with good corporate governance principles. This is based on the Company's Board Skill Matrix to determine the diversity of the Board of Directors in accordance with the Company's business strategy. Each director serves a three-year term.

2) Independence of the Board

The committee must make decisions, comments, and vote on issues over which the Board has decision-making authority. If the Board's decisions are influenced by the pressure of their duties, responsibilities, family members, or conflicts of interest, the decision will be distorted in favor of oneself, close associates, or for their own benefit. Therefore, the independence of directors is an issue that must be taken into consideration to protect the benefits of the shareholders and the Company. Directors who lack independence should not be making decisions.

3) Roles and Responsibilities of the Board of Directors

The Board of Directors determines the Company's direction for stable and sustainable growth. The Board of Directors' decisions and responsibilities must be made with care, honesty, and professionalism based on good corporate governance principles.

4) Roles and Responsibilities of the Chairman

- The Chairman of the Board is independent of the Management and does not interfere with the Management's day-to-day operations. The roles and responsibilities are clearly divided.
- Supervise the performance of duties of the Board of Directors to be effective, give support, give advice, and assist the Management's operations to be under the authority framework assigned by the Board of Directors in order to achieve the Company's objectives and goals.
- Encourage and supervise directors to comply with the scope of duties and responsibilities towards shareholders and stakeholders in accordance with good corporate governance principles, ethical standards, and the business code of conduct of the

Company. This includes promoting and encouraging all directors to participate in fostering a corporate culture with the code of conduct and good corporate governance.

- Effectively serves as the Chairman of the Board for the directors' meetings and Shareholders' Meetings.
- Allocate sufficient time for the Management's proposal and comment on significant issues thoroughly as well as strengthen good relationships among the Board of Directors and between the Board of Directors and the Management.

5) Board Meetings and Documentation

Every director should attend the Board of Directors' meeting. The company secretary is responsible for the preparation of documents (electronically), location, and coordination of the meetings. Each director must be informed of the meeting date, the agenda, and meeting information in order to be prepared in advance.

6) Company Secretary

The Board of Directors appoints a company secretary to ensure that the Board of Directors' meetings and the Shareholders' Meetings run smoothly, transparently, and comply with regulations and laws.

7) Performance Evaluation of the Board of Directors

The Board of Directors must conduct an annual performance evaluation, which serves as a framework for evaluating the performance of the Board of Directors and then review and analyze the performance, and use the evaluation results for improvement.

8) Remuneration of the Board of Directors and Chief Executive Officer

The Board of Directors and the Chief Executive Officer are unable to determine their own remuneration due to a conflict of interest. Remuneration must be determined by the Remuneration Committee which is responsible for determining and proposing remuneration for the approval of the Board of Directors. The remuneration of the Board of Directors will be proposed to the shareholders for their approval based on the performance of the Board of Directors (the details of remuneration for directors and executives are disclosed under section 2.7.4.2 "Executive Remuneration Policy" and 8.1.2 (2) "Remuneration for the Board of Directors").

9) Succession Plan

The Board of Directors must ensure that the Company has a recruitment system to select qualified candidates for important management positions at all levels. The recruitment of the Chief Executive Officer and the Managing Director must have a process that considers both internal and external candidates according to the standard of directors' conduct. The Company must prepare personnel for succession planning, especially for executive positions, by setting policies, management, and development guidelines for executives. This includes the preparation of individual development plans in order to equip personnel for higher positions when the position becomes vacant such as, the position of Chief Executive Officer, Managing Director, deputy managing director, or an equivalent position.

10) Director Development

The Company requires directors to develop their expertise, abilities, and skills in order to perform their duties as directors in terms of corporate governance principles and other courses that are beneficial to the performance of duties. The Company continually encourages directors to attend training courses with the Thai Institute of Directors Association and other institutions in related courses throughout the year. The Company also supports in-house training by inviting experts and consultants to present useful information for the business. The Company provides an orientation for newly appointed directors every time. New directors will receive a director's handbook, documents, and useful information for being a director, as well as learning about the Company's business operations to create an understanding of business and to perform duties that are necessary and beneficial to the performance of the Company's directors as well as the policies and guidelines for good corporate governance.

11) Policies and Guidelines for Directorship Position in Other Companies

The Company allows each director to hold a directorship position in other listed companies of the Stock Exchange of Thailand including Index Living Mall Public Company Limited, but no more than 5 listed companies, in order to achieve efficiency in performing duties and to allow directors to fully devote their time to performing duties as directors of the Company,

12) Supervision of the Subsidiaries' Operations

Establish a group supervision policy and set group

management guidelines which are a collection of guidelines, practices, and operating procedures in various dimensions. Subsidiaries are in harmony as one and implement the same operating standard throughout the group, carry out assigned duties as directors, executives, and operators so that the group is unified in its operations, creates synergy, enhances potential, and strengthens competitiveness in order to grow together with transparency and sustainability.

6.1.2 Policy and Guidelines for Shareholders and Stakeholders

1) Shareholders' Rights

As the owner of the Company, shareholders have the right to determine the direction of business operations or make decisions that have a significant impact on the Company. The Shareholders' Meeting is an important platform for shareholders to express their opinions, make inquiries, and cast decisive votes as well as select a Board of Directors to supervise the Company on behalf of the shareholders. Therefore, the shareholders have the right to attend the Shareholders' Meeting, have sufficient time to make considerations, and acknowledge the Meeting's resolutions.

Schedule of the Shareholders' Meeting

The Company holds an Annual General Meeting of Shareholders once a year, no later than four months after the end of the fiscal year. In cases of urgent circumstances, an emergency meeting agenda must be proposed. If the matter affects or relates to the interests of shareholders or relates to the terms, conditions, rules, or applicable laws that must be approved by the shareholders, the Company will summon an Extraordinary General Meeting of Shareholders.

However, in 2022, the Company scheduled an Annual General Meeting of Shareholders on Friday, April 22, 2022, via electronic meeting (E-AGM) in accordance with the Royal Decree on Electronic Conferencing B.E. 2563 as well as other laws and regulations relevant to Index Living Mall Public Company Limited, No. 147 Soi Rama 2 Soi 50, Rama 2 Road, Samae Dam, Bang Khun Thian, Bangkok 10150. The meeting was in compliance with the AGM Checklist of the Thai Investors Association Association of listed companies and the Office of the Securities and Exchange Commission (SEC). In 2022, the Company received a perfect score of 100 for the second



consecutive year and no Extraordinary General Meeting of Shareholders was held.

Advance Notice for Meeting

In 2022, the Board of Directors at Meeting No. 1/2022, held on February 25, 2022, resolved to hold the Annual General Meeting of Shareholders on April 22, 2022. The meeting resolutions, meeting date, meeting agenda, and news announcements were published on the website of the Stock Exchange of Thailand in order to notify shareholders in advance on the date the Board of Directors made resolutions prior to the delivery of the invitation letter. Thailand Securities Depository Company Limited, the Company's securities registrar, is responsible for delivering the meeting invitation letter with the meeting agenda, supporting information that is necessary to make decisions/give opinions of the Board of Directors, meeting minutes of the previous meeting with complete information, the Form 56-1 One Report, meeting documents, proxy statements with clear instructions as specified by the Company to the shareholders. This must be delivered at least 14 days prior to the meeting date. The meeting invitation letter was delivered on March 22, 2022, and was published in daily newspapers for 3 consecutive days, 3 days prior to the meeting (April 6-8, 2022) to notify and summon a meeting of shareholders in advance. This allowed shareholders sufficient time to prepare before attending the meeting.

In regards to the General Meeting of Shareholders, the Company disclosed information on the Shareholders' Meeting invitation letter and supporting documents on the Company's website 30 days prior to the meeting date (starting from March 21, 2022).

Conducting the Shareholders' Meeting

At the commencement of each Shareholder's Meeting, the Chairman of the Meeting will introduce the Board of Directors, the Management team, the Company's auditors, and the legal consultant who serves as a mediator and a witness to the meeting for acknowledgment. After that, a staff member will clearly explain all the rules and vote-counting methods for each agenda item in accordance with the Company's Articles of Association, as well as the exercise of voting rights for each agenda item. After providing information on the agenda item, the Chairman will allow all meeting attendees to express their opinions, make suggestions, and ask questions on each agenda item. The president and executives will then answer every

question clearly, directly to the point, and attentively. After that, the meeting will vote on the agenda item. For the appointment of directors, the Chairman will request shareholders to vote on an individual basis.

The Chairman conducts the meeting in the order specified in the agenda and will not add any agenda items without notifying shareholders in advance unless the meeting resolves to change the order of the agenda with a vote of no less than two-thirds of the number of shareholders present, or shareholders holding no less than one-third of the total issued shares may request the meeting to consider matters other than those specified in the meeting invitation letter after resolutions have been made on the previously specified agendas in accordance with the Articles of Association of the Company. There was no change in the order of the agenda at the 2022 Annual General Meeting of Shareholders, and there were no requests for the meeting to consider any other matters that were not specified in the meeting.

However, at each meeting, the meeting minutes will be accurately and completely recorded, as well as concluded with resolutions and vote counting. This will also include the time spent at each shareholder meeting, which is approximately 1.5-2 hours. The 2022 Annual General Meeting of Shareholders was scheduled for 2:00 p.m. The electronic registration system enabled shareholders to participate in an electronic meeting beginning at 1:00 p.m. At the commencement of the meeting, there were a total of 55 shareholders present, 33 shareholders representing themselves, and 22 proxies. The total number of shares was 420,929,380 shares, equivalent to 83.3524%, which was more than one-third of the total issued shares of the Company which totals 505,000,000 shares. The meeting attendees were notified about information at the Shareholder's Meeting. This included:

- All 11 directors attended the meeting. The Chairman of the Board presided over the meeting. The Chairman of every committee, the directors, the Chief Executive Officer, the Managing Director, the Chief Operating Officer, and the vice president of accounting and finance shared information via an electronic system.

In this regard, independent directors were also proxies for minority shareholders.

- Auditor from KPMG.
- Legal consultant acted as a witness to examine and verify the vote casting in case there were any disputes throughout the meeting.

Shareholders at the Close of the Meeting at 3:30 p.m.

There were a total of 56 shareholders attending the meeting, 34 representing themselves and 22 proxies, holding a total of 421,419,380 shares, representing 83.449% of the total issued shares.

Disclosure of the Results of the Shareholders' Meeting

In 2022, the Company submitted a summary report on the Shareholders' Meeting resolutions to the Stock Exchange of Thailand and the Securities and Exchange Commission in the evening following the meeting's adjournment (April 22, 2022). The minutes of the Shareholders' Meeting (which included minutes of the meeting that divided each agenda item, specified the number of directors present/absent from the meeting, questions from shareholders, clarifications from the Board of Directors, vote counting methods, and the results of vote counting for each agenda item completely) were sent to the Stock Exchange of Thailand and the Securities and Exchange Commission within 14 days. The minutes of the meeting were also published on the Company's website.

2) Equitable Treatment of Shareholders

The Company treats each shareholder equally. All shareholders have fundamentally equal rights regardless of gender, age, race, nationality, religion, creed, social status, disability, or political opinion. Prior to the meeting date, the Company distributed information on the Shareholders' Meeting in both Thai and English formats to shareholders.

Proposal of Additional Meeting Agenda Items and Nominating Persons to be Appointed as Directors

For the 2022 Annual General Meeting of Shareholders, the Company set the criteria and also determined procedures for consideration, the rights of minority shareholders to propose agenda items, and/or names to be appointed as directors for the Board of Directors to consider as an agenda item of the Annual General Meeting of Shareholders in advance. This was done in order to provide opportunities for shareholders to participate in the governance of the Company and the recruitment of qualified personnel to perform duties efficiently for the maximum benefit of shareholders and stakeholders. This

is accomplished by granting one or more shareholders with no less than 5% of the total voting rights to propose an agenda item or nominate an appropriate person to be a director of the Company prior to the Annual General Meeting of Shareholders each year.

The Company published the criteria on the Company's website and announced the news on the website of the Stock Exchange of Thailand between December 1, 2021 and January 14, 2022. However, no shareholders proposed any agenda items and did not nominate anyone to be appointed as a director during that period. The company secretary has already reported to the Board of Directors' meeting for acknowledgment.

Proxies

To protect the rights of shareholders who are unable to attend the 2022 Annual General Meeting of Shareholders in person, shareholders can appoint others or one of the Company's independent directors as proxies. The Company will specify the names in the proxy letter in accordance with the form prescribed by the Ministry of Commerce for attending the meeting and voting on behalf of shareholders. The Company will grant and treat the proxy as if they were a shareholder. The Company disclosed the proxy letter, details, and procedures on the Company's website 30 days prior to the meeting date. Additional information can be obtained by phone or other channels such as the website, email, etc.

3) Role to Stakeholders

The Company emphasized the care and consideration of all stakeholder groups, both inside and outside the Company. This includes social and environmental responsibility. The stakeholders are divided into 7 groups as follows:

3.1 Shareholders

The Company established the policies and guidelines as follows:

1. Be aware of the importance of the equitable treatment of shareholders and the basic rights of shareholders. This includes the right to purchase or sell or transfer shares, the right to receive profit share of the Company, the right to receive and access Company information that is complete, adequate, and in a timely manner, and the right to attend meetings in order to cast votes, appoint or remove directors, auditors, and vote on matters



that may affect the Company, such as increasing or decreasing capital, dividend allocation, amendments to Articles of Association, objectives or memorandum of association, etc.

2. Promote and facilitate the exercise of shareholders' rights:

- Deliver an invitation letter to shareholders at least 14 days prior to the meeting date with the date, time, venue, agenda items, meeting rules, and voting procedures, as well as information that must be used to make decisions. The meeting invitation letter will be disseminated on the Company's website at least 30 days in advance in order to allow shareholders to study the information for the meeting in advance.
- Report important information that affects or may affect the rights of shareholders, whether the information is reported in accordance with the accounting period, by events, laws, or related notifications. The Company must not take any actions that limit the rights of shareholders to access the information of the Company.
- Give opportunities for minority shareholders to propose meeting agenda items and/or nominate persons for the election of the Company's directors at the Annual General Meeting of Shareholders between December 1 and January 14 of the following year annually.
- Shareholders are given an opportunity to submit questions related to the meeting in advance of the Shareholders' Meeting.
- Shareholders who are unable to attend the meeting by themselves can authorize other shareholders to attend and vote on their behalf.

3. Set guidelines for the agenda of the Annual General Meeting of Shareholders in order to comply with good corporate governance principles and to allow shareholders to ask questions on important issues based on the details of each agenda item.
4. When the Shareholders' Meeting is adjourned, the Company will publish the resolution for each agenda item in the Ordinary and Extraordinary Shareholders' Meetings within the meeting date and disclose minutes of meetings within 14 days from the date of the meeting with complete and accurate information through the Company's website for shareholders'

inspection

5. The Company used technology in the Shareholders' Meeting for the registration of shareholders, vote counting for each agenda item, and announcement of the voting results so that the meeting could be carried out with speed, accuracy, and precision.
6. The Company held the 2022 Annual General Meeting of Shareholders as an electronic meeting (E-AGM) amidst the COVID-19 outbreak for the safety and convenience of the shareholders. The attachment contains the procedure for appointing independent directors as proxies and registration procedures for the E-AGM meeting for shareholders representing themselves and by proxy. The shareholders were notified promptly and efficiently via the meeting invitation letter and the Stock Exchange of Thailand channels.
7. The Company pays dividends to shareholders appropriately and consistently. The dividend payment rate is in accordance with the dividend payment policy specified by the Company.

3.2 Customers

The Company has set policies and guidelines as follows:

1. Operate a manufacturing business and sell products that take into account the significance of quality and the standards of the product by focusing on using quality raw materials and standardized production so that customers can use quality products and get maximum satisfaction.
2. Continuously develop and innovate new products to meet the needs of customers so that customers can use a variety of products with quality and meet the standards. There are various products to support different groups of customers.
3. Adhere to fair marketing. There is a policy for customers to receive information about the Company's products. It is a legitimate company without distortion, vagueness, or exaggeration so that customers have accurate and sufficient information to make decisions.
4. Consider customer safety and commit to providing quality products that are safe in accordance with international standards and safety regulations, as well as required by law. This includes constantly designing, creating, and developing products so that customers can be confident in the Company's standard quality and safety.

5. Create a customer relations system for communicating with customers. This includes efficiently receiving complaints about product quality via the Customer Contact Center 1379 or email at customerservice_online@indexlivingmall.com in order to respond quickly to customer needs.
6. The Company has a Joy Card Member system or membership card that can be redeemed for discounts or premiums to be used in customer communication and promotions to increase sales.
7. The Company takes into account the confidentiality of customer information according to the Personal Data Protection Act B.E. 2562 (Personal Data Protection Act: PDPA), and will not misuse such information.

3.3 Trade Partners and Trade Payables

The Company set policies and guidelines as follows:

1. Treat trading partners with equality, fairness, and responsibility by taking into account the interests of both parties.
2. The Company adheres to the selection criteria for trading partners who operate businesses legally, comply with production, and safety standards, and is also environmentally friendly.
3. Keep secrets or commercial information of partners. Do not misuse the information for one's own benefit or the benefit of those involved.
4. Build good relationships and mutual understanding, jointly exchange knowledge, develop, and add value to raw materials and products that the Company continuously orders.
5. Purchases of goods and services from partners are subject to commercial terms by strictly adhering to the contract in order to build relationships that benefit both parties in the long run.
6. Adhere to the trade agreement. In the event that it seems impossible, trade partners will be informed in advance and jointly find ways to make improvements and corrections to prevent any damages.
7. Do not demand or agree to receive any assets or benefits that are beyond trade agreements. Persons involved in procurement, purchasing, and employment activities must not receive benefits from partners, whether directly or indirectly, and must remain neutral. There is no close relationship that may affect decision-making.

3.4 Commercial Competitors

The Company has set policies and guidelines as follows:

1. Fair treatment and responsibility to competitors by adhering to the trade terms and good competition with fairness and transparency. This includes avoiding dishonest methods to destroy commercial competitors.
2. Do not damage the reputation of commercial competitors through slander.
3. Do not violate intellectual property or copyrights.
4. Do not seek commercial confidential information of the competitor inappropriately.

3.5 Intellectual Property

The Company respects the intellectual property rights of others and will only use them when it has the legal right to use it. Infringement of intellectual property is against Company policy.

3.6 Institutional Creditors

The Company has set policies and guidelines as follows:

1. Strictly comply with the terms and conditions of the loan agreement from institutional creditors.
2. Equitable treatment of all groups of creditors that is fair and responsible.
3. Disclose operating results and financial position accurately and timely.
4. The Company manages its capital in order to give creditors confidence in the Company's financial status and performance. This indicates that the Company is able to repay debts on time. Strictly maintain financial ratios in accordance with the terms and conditions specified in the loan agreement with creditors.

3.7 Employees

The Company recognizes the importance of employees as a key factor in driving the organization's long-term growth. As a result, the Company has a policy that focuses on all employees working together in a happy working environment, accepting one another, treating all employees equally, and providing opportunities for all employees to grow and advance in their field of work. The policies and guidelines are as follows:



1. Set up a payment system for remuneration and welfare for employees in the form of salary and fair bonuses that are suitable for their potential. This includes creating fair career advancement opportunities and providing welfare as required by law, such as social security or provident funds, or in addition to the law, such as health and accident insurance. This includes various types of assistance, such as cremation assistance, etc.
2. Provide knowledge and potential development of employees and training through the process of training, seminars, and study visits so that employees can be developed effectively. In addition, the roles and responsibilities of employees are clearly defined. Determine appropriate amounts of remuneration and develop an evaluation system to increase employee performance.
3. Prepare a succession plan for management to retain good personnel and develop personnel that is adaptable to changes. This includes a succession plan in order for the Company's operations to run smoothly.
4. Provide a safe and healthy working environment by focusing on the prevention of potential accidents to the best of our ability and instilling a sense of safety. This includes providing knowledge through training, encouraging employees to maintain good health, and refraining from anything that is harmful to the health of customers or service users.
5. Set up space and equipment for recreation so that employees can relax and exercise, such as pool tables, exercise equipment, badminton courts, activity areas/parties for various occasions, etc.
6. Provide channels for employees to make complaints or suggestions on various issues arising from their operations via complaints made on the website/ Human Resources Department/the Company's satisfaction assessment form, etc., without disclosing the complainant's information in accordance with the whistleblowing policy.
7. Respect human rights, dignity, and fundamental rights as well as not disclosing employee information or confidentiality to third parties or unrelated persons.
8. Promote equality in employment without discrimination against sex, race, religion, age, disability, or any other status that is not directly related to the work.
9. The Company recognizes the importance of personal data protection in accordance with the Personal Data Protection Act B.E. 2562 (Personal Data Protection

Act: PDPA), which governs the storage of data of partners, employees, customers, and all other parties involved.

The details regarding the topic of Community, Society and the Environment are in the section for Driving Business for Sustainability.

4) Disclosure and Transparency

Disclosure is an important indicator of operational transparency. It is an important factor in instilling trust in investors and all stakeholders. As a result, the Company prioritizes accurate and correct information disclosure and develops a variety of disclosure channels for stakeholders to easily access information. The Company campaigns for directors, executives, and employees to recognize the importance of information disclosure and transparency in their operations, as well as to establish an appropriate and fair mechanism for whistleblowers and the accused.

Disclose the Company's information, both financial and non-financial information, accurately and completely in accordance with the information disclosure rules of the SEC and the Stock Exchange of Thailand. It is disclosed through various channels such as the annual information disclosure form (Form 56-1 One Report), the SET's news disclosure system (SET Link), and the Company's website <http://investor.indexlivingmall.com/th> as follows:

1. Disclose information in accordance with the established criteria and laws in Thai and English.
2. Disclose "Good Corporate Governance Policy", "Code of Conduct", and "Code of Conduct for Investor Relations" which was approved by the Board of Directors by summarizing the implementation results of the policy.
3. The Board of Directors is responsible for the Company's financial statements, financial information, and financial statements that were certified without conditions by the auditor, and there is no history of being ordered to amend financial statements by the SET or the SEC.
4. The scope of duties of the Board of Directors and subcommittees was determined as well as the number of meeting attendances and the number of meetings attended by each director over the past year and their opinions on their performance duties.

5. Disclosure of remuneration for directors and senior executives. The remuneration criteria for directors and executives are clearly disclosed. The details are under the topic, “Remuneration for Directors and Executives” in Form 56-1 One Report.
6. Deliver financial reports and the Management Discussion and Analysis (MD&A) to the SET and the SEC within the specified time.
7. Appoint a reliable and independent auditor approved by the SEC Office.

The Board of Directors is responsible for the disclosure of information. This includes financial statements, the Annual Report, and the annual registration statement (Form 56-1) that adequately reflects the financial status and operating results. The Management Discussion and Analysis (MD&A) was prepared to disclose the financial statements every quarter. The objective is to provide investors with better information and understanding of changes that occur to the financial status and the operating results. In addition, the Company also submitted quarterly and annual financial statements through the system of the Stock Exchange of Thailand. Newsletters were prepared to clarify details about the Company's

operating results and distributed through mass media, 4 times a year as well.

Investor Relations

The Company attaches great importance to investor relations by organizing Investor Relations since the Company was listed on the Stock Exchange of Thailand in order to facilitate shareholders, investors, analysts, journalists, and other interested parties to have convenient and equal access to the information under the regulations of regulatory agencies, such as the SEC, the Stock Exchange of Thailand, etc. The Company's senior executives also support and regularly participate in various activities of investor relations, such as the SET Opportunity Day, analyst meetings, company visits, conference calls, roadshows, video conferences, and virtual meetings as well as preparing reports on the operating results of the Company. This included Management Discussion and Analysis, presentations, earnings releases as well as giving opportunities for the media to meet and interview, etc. The Company's contact channels for investor relations include telephone: +662 898 6420-5 ext. 6129 and email: ir@indexlivingmall.com. Information is disseminated through the Company website at <https://www.indexlivingmall.com>.

The Company conducted investor relations activities between January 1- December 31, 2022 as follows:

Investor Relations	Number of Times
SET Opportunity Day	4
Analyst Meetings	4
Company Visits	3
VDO Conference (Virtual Meeting)	8
Domestic Road Shows	2



Investor Relations Code of Conduct

The Company attaches great importance to the disclosure of information that is accurate and equal in regards to reports on operating results and general information. The Company established an investor relations department for equal communication between shareholders, investors, and the Company. Investor relations can be reached via phone at Phone Number: +662 898 6420-5 ext. 6129 or email: ir@indexlivingmall.com.

In addition, to ensure that the Company's investor relations perform duties accurately, completely, and equitably with transparency and fairness, the Company established the Company's Investor Relations Code of Conduct as an operational guideline as follows:

- Disclose accurate, adequate, and timely and necessary information by complying with the requirements of official agencies such as the SEC and the Stock Exchange of Thailand.
- Disclose information equally and fairly by allowing stakeholders to have equal access to information without causing any disadvantage or loss of investment opportunity.
- Treat all investors equally whether major or minor investors.
- Organize an Analyst Meeting by inviting and providing equal opportunities for analysts from all securities companies to participate.
- Provide information and give social media opportunities to be informed appropriately.
- Cooperate in providing information to the authorities as requested.
- Provide information to other stakeholders equally except for any other necessities in business operations, such as financial institutions, credit rating agencies, advisors, etc. The Company will proceed with caution and require those who receive insider information to sign a confidentiality agreement.
- Perform duties with honesty without seeking personal gain from relationships and information obtained as investor relations of the Company.
- Schedule a 14-day quiet period prior to the release of financial statements to stop accepting appointments and providing information to analysts and investors.
- Schedule a blackout period for individuals with insider information about the Company, including investor relations, to purchase Company shares one month prior to the financial statement's release and one day after the financial statement is announced.

- The Board of Directors will promote the use of information technology for information dissemination.

5) Anti-Corruption

Index Living Mall Public Company Limited has consistently demonstrated its commitment to combating all forms of corruption. The Company joined the Thai Private Sector Collective Action Against Corruption (CAC) for the first time on September 30, 2022, after announcing its intention to join the Thai Private Sector Collective Action Against Corruption on February 25, 2022. The certification is valid for three years as part of establishing a strong social network by educating executives and all employees about the dangers of corruption, as well as working with a sense of morality, ethics, and good citizenship to gain the confidence of stakeholders. This includes developing sustainability for future business growth.



Anti-Corruption Policy Definition

Corruption is defined as offering, promising, giving, vowing, demanding, or accepting money, assets, or any other inappropriate benefits with government officials, government agencies, private agencies, or persons in charge, either directly or indirectly, so that such persons act or fail to act in order to acquire or maintain the business or to specifically recommend the business to the Company or to obtain or retain any other benefit.

Fraud is defined as the exploitation of directors, executives, and employees by duty or by law, whether the Company, customers, partners, or contractual parties of the Company. This includes fabricating false financial evidence, misappropriating the Company's assets for personal gain, mishandling, fraud, conflict of interest, and so on. Payment of property or any direct benefit from the Company, through customers/partners, or third parties constitutes corruption or fraudulent benefit payments.

Anti-Corruption Measures

1.1 Anti-Corruption Policy

The Company and its subsidiaries conduct business with transparency and recognize the importance of anti-corruption for all forms of corruption by conducting business in accordance with the law and for the benefit of society, as well as encouraging employees to work with integrity and to be good citizens.

In this regard, the Company and its subsidiaries established an anti-corruption policy as a practice guideline to clearly prevent and combat corruption problems in the Company and its subsidiaries by creating a corporate culture that makes everyone aware of the dangers of corruption, creating the right values, increasing the confidence of all stakeholders, and adhering to the same corruption guidelines in order to create transparency and sustainability in the organization's development.

1. Definition

"Company" means Index Living Mall Public Company Limited which includes any authorized person acting on behalf of the Company or any assigned person to work on behalf of the Company.

"Corporate Group" means Index Living Mall Public Company Limited and its subsidiaries.

"Subsidiary" means a company in which the Company holds more than 50% of the shares.

"Company Employees" means the Board of Directors, subcommittees, executives, and employees at all levels.

"Business Associates" means agents, intermediaries, independent contractors, and consultants acting or working on behalf of the Company.

"Human Resource Department" means an employee who performs duties in the human resource management and development department.

"Fraud and corruption" means the abuse of authority to obtain benefits or property in a wrongful way for the benefit of oneself or others or to cause damage to the interests of others. This includes bribery, giving things, money, or any other benefit, fraud, money laundering, embezzlement, concealment of facts, obstruction of justice, and misuse of authority to intimidate or claim benefits, decisions, or business from others. It covers both the private sector and government agencies and relationships between the private sector.

"Bribery" means an offer, a promise, or an assignment. This includes making a claim or receiving benefits related to items of value, either directly or indirectly, to persuade that person to make a decision or act or fail to act in any way or assisting in accomplishing that purpose, dishonestly, illegally, or against the Company's code of conduct.

"Giving or receiving gifts, entertainment, and any other benefits" refers to third parties such as vendors, service providers, employees, officers of financial institutions, government agencies, state enterprises, state organizations, or guests to build goodwill or a relationship that is in the nature that can be done at a reasonable value and according to tradition and related laws.

"Gift" means any items with a monetary value which include assets, substitutes for cash, things that are exchanged for goods or services through various discount coupons, etc.

"Reception" means food and beverages, entertainment, hospitality services, and participating in sports activities or recreational activities. This includes seminars, training, study visits, business visits, etc.

"Sponsorship" refers to money paid to or received from customers, partners, associations, foundations, charities, or non-profit organizations for the purpose of promoting the Company's brand or reputation, which benefits building trade credibility, strengthening business relationships, and suitability for occasions.

"Charitable Donations" refers to the voluntary giving of resources such as time, money, assets, or personnel to an organization or individual to support charitable activities without expecting commercial benefits.

"Revolving Door" means that people from the government go to work in the private sector or individuals in the private sector to work in government policy. This may lead to the risk of fraud and corruption in terms of conflicts of interest between individuals with roles in both organizations by causing government officials to perform their duties impartially.

"Political Contributions" means direct and indirect financial, property, or other contributions to support political activities to obtain special privileges or benefits in the business operations of the Company illegally. However, this does not include employees participating in political activities according to the principle of freedom.

"Facilitation Payment" refers to unofficial payments or items to government officials and is provided solely to ensure that the process is followed by government officials or an urge to take action faster. The process does not require the discretion of government officials and it is an act of duty of that state official. This includes the right that the juristic person should be entitled to by law, such as



applying for a license, requesting a certificate, receiving public services, etc.

1.2 Policy on Political Contributions

The Company conducts its business with political neutrality. There is no policy to provide political assistance or act in favor of any political party or group or political authority. The Company does not take capital or any resources of the Company to support political parties, politicians, or political authorities, either directly or indirectly. Directors, executives, and employees are prohibited from using their authority to persuade, pressure, or force colleagues, which includes subordinates, to support any political activities. The Company has set the following guidelines:

- The Company does not allow advertising or public relations to persuade or campaign politically within the Company. It also prohibits political activities that may affect the benefit of any party.
- The Company does not have a policy to provide financial resources or any other asset support, either directly or indirectly, to politicians, political parties, or any political power group
- Employees are free to exercise their political rights, such as voting in elections or being a member of a political party.
- Employees may participate in political activities on their own behalf which must not affect the time and duties of the Company. Employees do not express any opinions or methods that lead to the understanding that the Company is involved in or supports any political party or group.
- Employees must separate political activities in which they are involved from Company business. This includes not wearing a uniform or showing the Company logo or referring to the name of the relationship with the Company to express their political rights

1.3 Whistleblowing Policy or Complaints and Protection for Whistleblowers or Complainants

1.3.1 Channels for reporting incidents, clues, or complaints about corruption

The Company provided channels for receiving clues or complaints relating to actions that may cause suspicion that it is direct or indirect corruption or illegal acts, immoral or against the code of conduct of the Company. Employees of the Company or third parties can report clues. There is a process to protect whistleblowers to ensure and feel safe in reporting

incidents or clues about corruption. Channels for receiving clues and complaints of corruption are as follows:

Email : ethic_hotline@indexlivingmall.com

By mail:

Internal Audit Unit / Chairman of the Audit Committee
Index Living Mall Public Company Limited
No. 147 Soi Rama 2 Soi 50, Rama 2 Road
Samae Dam Subdistrict, Bang Khun Thian District,
Bangkok 10150

Note: : In the case that there is whistleblowing or complaints about the Chief Executive Officer or Director, the whistleblower or complainant can send them to the address of the Chairman of the Audit Committee directly, via e-mail or mail.

1.3.2 Protection of whistleblowers

The Company sets a Whistleblowing Policy to ensure that complaints are held with the utmost confidentiality. Complaint recipients will keep all information confidential to prevent any retaliation or unfairness that may affect the safety of whistleblowers or complainants.

1.3.3 Measures to respond to fraud

The Company prepared measures to respond to corruption, mitigate the impact of corruption, as well as find ways to prevent the same type of corruption from occurring again. The guidelines are as follows:

1.3.4 Investigations

When reporting incidents or clues about corruption, the Internal Audit Unit collects preliminary information and details. If there is information, it will be proposed to the Company to consider appointing an investigative committee to perform duties in considering and investigating complaints or corruption that occurs.

- Investigation of wrongdoing and corruption must be done with fairness and without any prejudice in order to know the facts or prove whether the accused has committed an offense or fraud or not. The Company must maintain the interest and reputation of the accused.
- The Investigative Committee is responsible for investigating the facts, assessing and verifying the initial information received with relevant agencies to verify such information and allow the Investigative Committee to examine the documents and related information as well

as other information of the Company and its subsidiaries and ask for information from the informant.

- If employees or executives are accused, the Company will set up an Examination Committee which consists of the personnel department, the original agency, and related agencies in fact-finding.
- If a director of the Company is accused, the Company will set up an Investigative Committee which consists of all independent directors to conduct an investigation into the facts relating to such acts without delay.
- If the independent director is the accused, the Company will set up an Investigative Committee which consists of independent directors without such independent directors being allowed to be a member of the Investigative Committee to consider and investigate the facts.
- If the investigation finds that the information or evidence is reasonable to believe that the accused committed corruption, the Company will give the accused the right to know the allegation and grant the right to prove themselves by looking for information or additional evidence showing that they were not involved in the alleged corruption.
- When investigating facts and verifying information and it is found that the information received contained facts that show that the accused actually committed corruption, it is considered an offense against the anti-corruption policy and practices of the Company. The Investigative Committee must report the matter to the Audit Committee.
- The Investigative Committee must record internal investigations and the audit report, and submit relevant documents and evidence to the HR Department to keep for at least 10 years or until the legal prescription expires to ensure that the Company has sufficient evidence if it has to be used in court.

1.3.5 Punishment

- When investigating facts and verifying information, it is found that the received information contained facts that show that the accused, who is an employee or executive of the Company, actually committed corruption, it is considered an offense against the anti-corruption policy and practices of

the Company. The Investigative Committee shall propose senior management and/or authorized directors of the Company and its subsidiaries to consider disciplinary action or punishment in accordance with the Company's regulations (refer to the disciplinary action process (ILM-HR-023)). The accused will be subject to disciplinary action as determined by the Company.

- In the case that it can be proved that the authorized directors of the Company and its subsidiaries or the Company's directors violated or failed to comply with this policy or committed real corruption, the Audit Committee shall consider the penalty. It will consider the appropriate evidence, facts, and circumstances in each case and report the results of the investigation. This includes the consideration of punishment for the Board of Directors to consider further.
- If violation or non-compliance with such policy is an illegal act, they will also be punished according to the law.
- Civil and/or criminal proceedings shall be decided by the Audit Committee. The Company considers fraud and/or illegal acts to be serious. The Company will immediately prosecute both civilly and criminally until the end without negotiating the reduction of damages in all cases.
- The disciplinary action and the decision of the Chief Executive Officer or the Audit Committee are considered final.
- The Company will not demote, punish or give negative results to directors, executives, and employees who deny corruption. Even if that action will cause the Company to lose business opportunities.

1.3.6 Corrective Measures

When the investigation is over, the Investigative Committee and the executives of relevant departments will jointly consider measures to remedy the corruption incident in order to improve or add policies, an internal control system, or working processes. This includes civil or criminal prosecution and expanding the results of the investigation to detect corruption in other areas that may be related by specifying remedial measures in each case and preparing an action plan with a time frame for implementation to be presented to the top management of the Company and take corrective action according to the approved measures.



1.3.7 Disclosure

The Company requires the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee or personnel or units assigned by the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee to disclose important information about actions related to anti-corruption measures as well as the decision to disclose information related to any anti-corruption measures to external agencies with regulatory duties such as the Securities and Exchange Commission, the Stock Exchange of Thailand, etc., or to the public.

In this regard, the Company prohibits persons who do not have duties or who are not assigned by the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee to disclose anti-corruption information as well as any corruption to personnel in the Company, media, or other agencies. In addition, the Company will consider punishing violators without exception.

6.2 Code of Business Conduct

The Board of Directors established a policy on the code of business conduct for the Board of Directors, executives, and employees in order to promote and expect directors and employees at all levels to be informed of the policy. There is a system that regularly monitors compliance. It is the responsibility of executives at every level to be good role models, to promote and raise awareness among employees under their chain of command to acknowledge, understand and strictly comply with the Code of Business Conduct with honesty, integrity, fairness, and responsibility to stakeholders, shareholders and all parties involved. The code of conduct principles includes disciplinary action in order to prevent any actions that may lead to possible corruption. This creates a good image for the organization and all stakeholder groups have confidence in sustainable business operations and business development. The

Company disseminated the Good Corporate Governance Policy and Code of Conduct on the Company's website as well.

100% of directors have communicated and raised awareness of the code of conduct.

100% of executives and employees have communicated and raised awareness of the business code of conduct. In the year 2022, the Company did not violate the code of conduct of the organization.

6.3 Important changes and developments in policies, guidelines, and systems of corporate governance in the past year

The Board of Directors reviews the Company's good corporate governance principles annually and monitors developments in corporate governance and good practice guidelines, both domestically and internationally, from leading organizations or companies to analyze and apply with the Company's business operations appropriately. For any guidelines that have not yet been defined as a policy or have not yet been implemented, the Management will report to the Nomination, Remuneration, and Corporate Governance Committee to review annually.

Successes in 2022

- Received "Excellent" (5-star) ratings in all 5 categories of the Corporate Governance Report of Thai Listed Companies (CGR) 2022, (IOD) from the Thai Institute of Directors Association.
- A perfect score of 100 from the quality assessment of the Annual General Meeting of Shareholders by the Thai Investors Association for the second consecutive year.

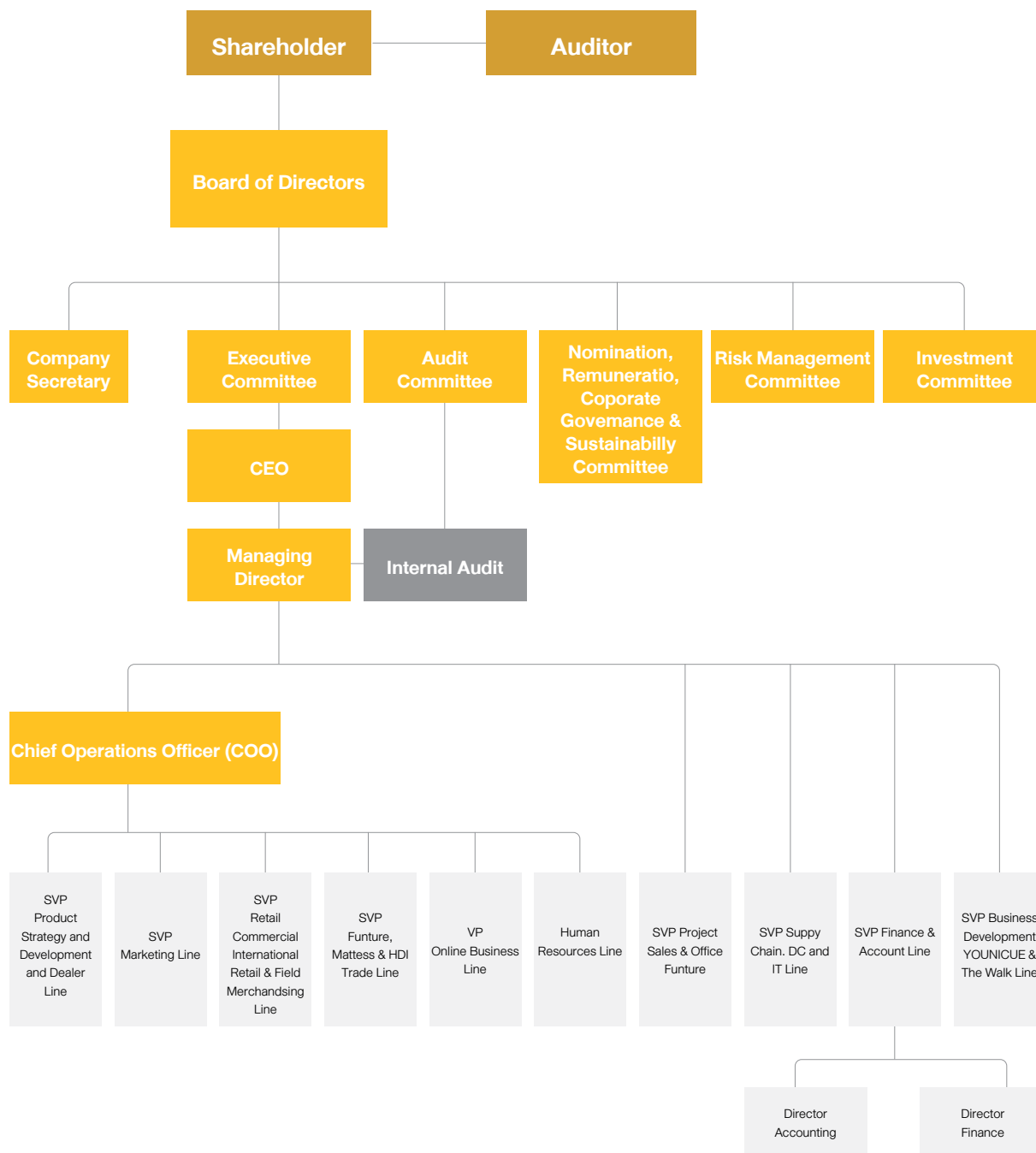
In 2022, the Company was unable to comply with good corporate governance principles regarding one significant issue. The following are the reasons:

Good Corporate Governance Principles	Reasons for not Being Able to Accomplish
A committee should consist of independent directors that equal more than 50% of the directors.	Currently, the Company's independent directors consist of approximately 45%. The Company is in the process of considering ways to restructure the directors.

In addition, the Board of Directors, individual directors, and subcommittees have conducted an annual performance evaluation by expressing opinions and a self-assessment independently. The evaluation results are used to develop the performance of the Board of Directors. The criteria and procedures have been disclosed in this edition of the 56-1 One Report.

7. Corporate Governance Structure and Important Information regarding the Board of Directors, Subcommittees, Executives, Employees, and Others

7.1 Corporate Governance Structure



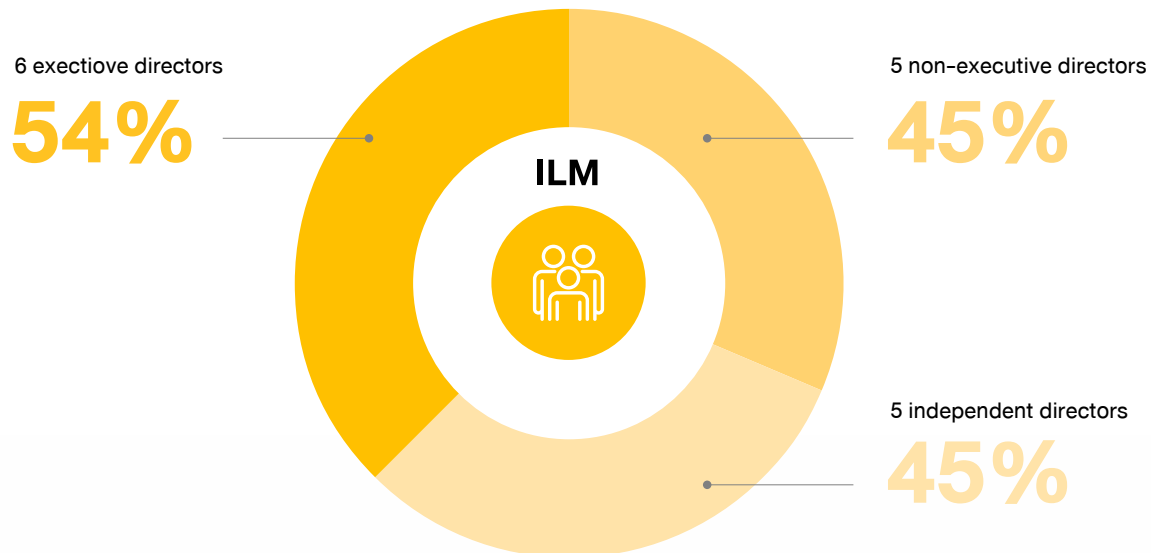
The diagram above demonstrates the corporate governance structure of the Company. Shareholders can exercise their rights by making decisions at the Shareholders' Meeting. The Board of Directors represents all shareholders and is responsible for overseeing the operations of the Company. In this regard, the Board of Directors entrusted the duties of daily administration and business operations of the Company to the Chief Executive Officer and the Managing Director. The Company's auditor must be appointed at the Annual General Meeting of Shareholders.



7.2 The Board of Directors Information

7.2.1 Composition of the Board of Directors

The Board of Directors has the appropriate composition and qualifications as specified, with a diverse range of skills, expertise, knowledge, experience, genders, and ages that benefit business operations. The Company has an appropriate proportion of independent directors. The Board of Directors consists of 11 members which are sufficient to supervise the operations of the Company. As of December 31, 2022, the Board of Directors was structured as follows:



4 Female directors

36%

As of 31 December 2022

The average length of directorship is

4 Years

Since converting into a public limited company

- 5 independent directors which account for more than one-third of the total number of directors. The directors are independent of the Management and any major shareholders.
- 5 non-executive directors.
- Over the past 3 years, all directors have never been employees, shareholders, or partners of KPMG Phoomchai Audit Company Limited or an external auditor who audited the financial statements of the Company and its subsidiaries.

Board Skills Matrix

Name List/ Special Skill & Knowledge	Commerce Marketing Branding Retail Business	Strategy Management Change Management Organizational Management	Capital & Securities Finance Banking Budgeting	Risk Management Audit Internal Audit	CG Compliance Sustainability	IT & Communication Data Management & Analysis Statistic, Digital Marketing
Mrs. Pennapha Dhanasarnsilp	x	x		x	x	x
Mr. Jirayut Rungsrithong		x	x	x	x	
Mr. Adisak Ruckariyaphong	x	x		x	x	
Mr. Thakorn Piyapan		x	x	x		
Mr. Ariya Banomyong	x	x				x
Mr. Pisith Patamasatayasonthi	x	x				
Mrs. Kunthong Udommahuntisuk	x	x				
Miss Kridchanok Patamasatayasonthi	x	x		x	x	
Ms. Pitchapim Patamasatayasonthi	x	x				
Mr. Ekalak Patamasatayasonthi	x	x				
Mr. Ekaridhi Patamasatayasonthi	x	x		x		x
Total	9	11	2	6	4	3

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

Name – Last Name			Position
1.	Mrs. Pennapha	Dhanasarnsilp ¹	Independent Director, Chairman of the Board, Chairman of the Nomination, Remuneration, Governance, and Sustainable Development
2.	Mr. Pisith	Patamasatayasonthi	Director, Chairman of Executive Committee and Chief Executive Officer
3.	Mrs. Kunthong	Udommahuntisuk	Director
4.	Miss Kridchanok	Patamasatayasonthi	Director, Risk Management Committee, Investment Committee, Executive Committee, and Managing Director
5.	Miss Pichapim	Patamasatayasonthi	Director and Executive Committee
6.	Mr. Ekalak	Patamasatayasonthi	Director and Executive Committee
7.	Mr. Ekaridhi	Patamasatayasonthi	Director, Risk Management Committee, and Executive Committee
8.	Mr. Jirayut	Rungsrithong	Independent Director, Chairman of Audit Committee, Nomination, Remuneration, Governance and Sustainable Development Committee
9.	Mr. Adisak	Ruckariyaphong	Independent Director, Chairman of the Risk Management Committee Chairman of the Investment Committee, Audit Committee, and Nomination, Remuneration, Governance, and Sustainable Development Committee,
10.	Mr. Thakorn	Piyapan ²	Independent Director, Audit Committee, Investment Committee
11.	Mr. Ariya	Banomyong	Independent Director
	Mrs. Kanokwanrat	Srimaneesiri	Company Secretary

Remarks ¹ Mrs. Kannikar Chalitaporn informed the 2022 Annual General Meeting of Shareholders held on April 22, 2022 that she would not renew her term as director and chairmanship. The Board of Directors' Meeting No. 2/2022 held on April 22, 2022 resolved to appoint Mrs. Pennapha Dhanasarnsilp as the Chairman of the Board of Directors in a replacement of Mrs. Kannika Chalitaporn who requested not to renew her term as director and Chairman of the Board.

² The Board of Directors' Meeting No. 1/2022 held on February 25, 2022 resolved to appoint Mr. Thakorn Piyapan as a director in a replacement of Mrs. Kannikar Chalitaporn who requested not to renew the term as director. In addition, the Board of Directors' Meeting No. 2/2022 on April 22, 2022 resolved to appoint Mr. Thakorn Piyapan as Audit Committee member in place of Mrs. Pennapha Dhanasarnsilp who resigned from her position on the Audit Committee due to being appointed as the Chairman of the Board of Directors. In addition, Mr. Thakorn Piyapan was also appointed as an Investment Committee.

The Board of Directors' Meeting No. 1/2022 held on February 25, 2022 resolved to appoint the Investment Committee which consisted of Mr. Adisak Ruckariyaphong, Mr. Thakorn Piyapan, and Ms. Kridchanok Patamasatayasonthi.



7.2.3 Information on Roles and Duties of the Board of Directors

The scope of duties and responsibilities of the Board of Directors is as follows:

1. Perform duties in accordance with the laws, objectives, the Articles of Association of the Company, and the resolutions of the Board of Directors Meeting and Shareholders' Meeting with full responsibility, caution, and honesty.
2. Consider and approve the details, vision, mission, goals, business objectives, business strategy, business plan, and annual budget plan of the Company and its subsidiaries which are prepared and proposed by the Executive Committee and the Management team.
3. Supervise the management and performance of the Executive Committee, the Chief Executive Officer, and the Management team or any person assigned to perform the said duties in order to be in accordance with the vision, mission, goal, business objectives, business strategies, business plan, and the annual budget set by the Board of Directors.
4. Monitor the performance of the Company and its subsidiaries continually so that they are in line with the business plan and budget of the Company.
5. Arrange the Company and its subsidiaries to have an appropriate and efficient accounting system. Organize a sufficient and effective internal control system and establish an assessment process for suitable internal control of the Company and its subsidiaries regularly.
6. Arrange to have a balance sheet and income statement at the Company's fiscal year-end and affix signatures to certify the financial reporting that is to be proposed to the Annual General Meeting of Shareholders for approval.
7. Consider and approve the selection and appointment of the auditor and consider the appropriate remuneration proposed by the Audit Committee before being proposed to the Annual General Meeting of Shareholders for approval.
8. Establish corporate governance policy in writing with an effective implementation in order to ensure that the Company takes responsibility to any related parties with fairness.
9. Consider and approve the appointment of qualified personnel who do not have any prohibited characteristics as specified in the Public Limited Companies Act B.E. 2535 (including amendments), the Securities and Exchange Act B.E. 2535 (including additional amendments) as well as the notifications, rules, and/or relevant regulations. In the case that the position of a director becomes vacant due to reasons other than retirement by rotation (unless there are less than two months remaining in the director's term), the remuneration of directors is determined to propose to the Shareholders' Meeting for approval.
10. Appoint subcommittees which include the Audit Committee, the Nomination, Remuneration and Corporate Governance Committee, the Executive Committee, and other subcommittees. Determine the authority and duties of the subcommittees to assist the Board's duties. Consider the remuneration of the subcommittees according to the budget proposed by the Management team (not exceeding the total amount approved by the shareholders).
11. Consider the appointment of the Chief Executive Officer, evaluate the performance, and determine the remuneration for the Chief Executive Officer (as recommended by the Nomination, Remuneration, and Corporate Governance Committee).
12. Consider and approve the investment expenditure for various operations, loans, and credits from financial institutions as well as a guarantor for normal business operations of the Company and subsidiaries under the Articles of Association of the Company, and relevant regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board.
13. Consider and approve the connected transactions between the Company, subsidiaries, and connected persons as stipulated in the Securities and Exchange Act B.E. 2535 (including additional amendments), relevant regulations of the Stock Exchange of Thailand, and the Capital Market Supervisory Board. Approve the trade agreement principles with general trade terms for transaction engagements between the Company, subsidiaries, directors, executives, or related parties in order to specify a framework for the Management team to have the authority to engage in the transactions within the law and regulations framework and related criteria.
14. Provide appropriate communication channels for each shareholders' group and oversee the disclosure

- of information to ensure that it is accurate, clear, transparent, reliable, and has the highest standards.
15. Appoint people to be committee members or an executive of a subsidiary, joint venture (in the case that it can be operated under a joint venture agreement), or an associated company at least in a proportion to the shareholding of the subsidiary, joint venture (in the case that it can be operated under a joint venture agreement), or an associated company. Establish clear duties and responsibilities for the appointed directors and executives. This includes setting the authority framework to exercise clear discretion in voting at the Board's Meetings of the subsidiaries, Joint venture company (in the case that it can be operated under a joint venture agreement), or associated company, concerning important matters that must first be approved by the Board of Directors in order to have management control in accordance with the Company's policy and engage in transactions legally. The Company's financial position, performance, connected transactions, and acquisition or disposition of significant assets shall be disclosed completely and accurately.
 16. Consider and approve the interim dividend payment.
 17. Seek professional opinions from external organizations if it is necessary in order to make appropriate decisions.
 18. Supervise the operations of the Company so that they are effective and protect any benefits related to all stakeholders.
 19. Organize an Annual General Meeting of Shareholders within 4 months from the end of the Company's fiscal year.
 20. Organize the Board of Directors meeting at least every three months.
 21. Prepare the annual report of the Board of Directors, responsible for the preparation and disclosure of the financial statements of the Company and its subsidiaries to reveal the financial position and performance of the Company and its subsidiaries in the previous year, and then propose it to the Shareholders' Meeting for consideration and approval.
 22. Evaluate the performance of the Board to review the performance, problems, and obstacles each year and use the evaluation results to develop and improve operations in various fields.
 23. Oversee and supervise the management and operations of the Company and its subsidiaries to be in accordance with the Company's policies, securities laws, as well as notifications, regulations, and relevant rules of the Capital Market Supervisory Board, Securities and Exchange Commission, and the Stock Exchange of Thailand such as connected transactions, and the acquisition or disposition of significant assets that it is not contrary to other laws. Establish an adequate and appropriate internal control and internal audit system. The Board of Directors has the authority to delegate and/or assign others to perform specific tasks on their behalf to appoint attorneys and sub-attorneys within the scope of the Delegation of Authority under the provided authority of attorney and/or in accordance with the rules, regulations or orders prescribed by the Board of Directors and/or the Company. Therefore, the delegation of duties and responsibilities of the Board of Directors does not authorize the appointed attorney or sub-attorney to be able to approve transactions that may have conflicts of interest (according to the definition of the Notification of Securities and Exchange Commission and/or the Notification of Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or the specified related agencies), or be a stakeholder or receive any benefits that may have conflicts of interest with the Company or its subsidiaries unless it is an approval of normal business transactions according to the policy and criteria of Shareholders' Meeting, or the Board of Directors already approved and the approval of transaction was in accordance with normal business condition which were in accordance with the notifications of the Securities and Exchange Commission and/or the notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or any related agencies.
 24. Review the Board of Directors charter at least once a year. The Board of Directors approved the review of the Board of Directors Charter at The Board of Directors' Meeting No.7/2020 held on November 5, 2020. The Charter remains unchanged after the review closes.

**Scope of Duties and Responsibilities of the Chairman**

1. Summon the meeting of the Board of Directors. Be the Chairman of the Board of Directors' Meetings and Shareholders' Meetings as well as set the meeting agenda with the Managing Director and ensure that important matters are included in the meeting agenda.
2. Control meetings to run effectively and comply with the Company's Article of Association. Support and give opportunities to each director to express their opinions independently.
3. Support and encourage the Board of Directors to perform their duties to the best of their abilities in accordance with the scope of authority and responsibility as well as promote an ethical corporate culture and good corporate governance.
4. Supervise, monitor, and ensure that the duties performance of the Board of Directors and other subcommittees is effective, achieves its objectives and the main goals of the organization, and is in accordance with the established charter.
5. Supervise the implementation of the policy and strategic operating guidelines of the Management as well as giving advice and supporting the operations of the Management without participating in the daily management of the Company.
6. Be the deciding vote in the event that the Board of Directors' meeting has a vote and the number of votes on both sides is equal.
7. Encourage the allocation of sufficient time for the Management to present matters to directors carefully and thoroughly. Encourage directors to use prudent discretion and freely express opinions.
8. Foster good relationships between executive directors and non-executive directors as well as between the Board of Directors and the Management.

The Company's Authorized Signatories as Specified in the Affidavit

The Company's authorized signatories are Mr. Pisith Patamasatayasonthi, Mrs. Kunthong Udommahuntisuk, Miss Kridchanok Patamasatayasonthi, Miss Pichapim Patamasatayasonthi, Mr. Ekalak Patamasatayasonthi, and Mr. Ekaridhi Patamasatayasonthi. Two of these 6 persons shall jointly affix their signatures with the Company seal.

Directors who are appointed as independent directors are independent of the management and major shareholders of the Company.

Nomination of the Board of Directors

The nomination and appointment of the Company's directors is in accordance with the Company's Articles of Association. Such persons must be fully qualified under Section 68 of the Public Limited Company Act B.E. 2535 and related notifications of the Securities and Exchange Commission. The Board of Directors assigned the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee to consider the nomination of directors to replace those who retire by rotation or when a position of director becomes vacant and then propose it to the General Meeting of Shareholders for approval based on skills and expertise assessed by the Board Skill Matrix to be in compliance with the Board Diversity Policy. The candidates must not have any conflicts of interest with the Company. The Company specified and disclosed the qualifications of the directors in accordance with the Company's business strategy.

In addition, the Company provides opportunities for shareholders to nominate qualified persons according to the Securities and Exchange Act as well as relevant laws through the Company's website at www.indexlivingmall.com and the SETLink system prior to the date of the Annual General Meeting of Shareholders between December 1 and January 14 of the following year annually. In 2022, no shareholders nominated any candidates or agenda items.

Summary of the Selection of Company Directors

1. The Company's directors must be selected by the Shareholders' Meeting in accordance with the criteria and methods as follows:
 - (a) One shareholder has 1 vote per 1 share.
 - (b) Each shareholder may use his/her votes to elect one or more persons to be directors. In the event that several persons are selected as directors, votes cannot be allocated to any person in any amount.
 - (c) Persons receiving the highest number of votes in descending order will be elected as directors equal to the number of directors to be elected at

that time. In the event that the persons elected in descending order have an equal number of votes which would otherwise exceed the number of directors required or to be elected at that time, the Chairman shall have a casting vote.

2. At every Annual General Meeting of Shareholders at least one-third (1/3) of the directors must retire by rotation. If the number of directors cannot be divided into three equal parts, the number closest to one-third (1/3) shall retire by rotation. Directors who retire in the first year and second year after the registration of the Company will draw lots to determine who will leave first. In the following years, the director who has been in office the longest will retire. The retiring director may be reelected to resume the term of the office.

paragraph one shall consist of votes of no less than three-fourths (3/4) of the number of remaining directors.

5. The Shareholders' Meeting may pass a resolution to remove any director from office before the expiration of the term with a vote of no less than three-fourths (3/4) of the number of shareholders attending the meeting and have the right to vote and the total shares is no less than half (1/2) of the number of shares held by shareholders attending the meeting and having the right to vote.

Term of Office of the Company's Director.

1. Each director has a term of office of 3 years until retirement.
2. In addition to retiring from office by rotation the Director vacates office when:
 - (a) death
 - (b) resignation
 - (c) lack of qualifications or has prohibited characteristics under the Public Limited Companies Act.
 - (d) resignation by a resolution of the Shareholders' Meeting
 - (e) resignation by a court order
3. Any director who wishes to resign from the position must submit a resignation letter to the Company. The resignation is effective from the date the resignation letter reaches the Company. A director who resigns under the first paragraph may also notify the public company registrar of his or her resignation.
4. In the event that a director's position becomes vacant due to reasons other than retirement by rotation, the Board of Directors may select a qualified person that has no prohibited characteristics under the law regarding public companies limited to be a replacement director at the next board meeting unless the remaining term of the director is less than two (2) months. They will hold the position of the director only for the remaining term of the director he replaces. The resolution of the committee under



7.3 Subcommittee Information

7.3.1 Audit Committee

The Audit Committee is comprised of the following 3 members:

- | | | |
|----|---------------------------|--|
| 1. | Mr. Jirayut Rungsrithong | Independent Director and Chairman of Audit Committee |
| 2. | Mr. Adisak Ruckariyaphong | Independent Director and Audit Committee |
| 3. | Mr. Thakorn Piyapan | Independent Director and Audit Committee |

Remark: Mr. Thakorn Piyapan was appointed to the Audit Committee in accordance with the resolution of the Executive Committee meeting No.2/2022 held on April 22, 2022 in a replacement of Mrs. Pennapha Thanasarnsilp.

Mr. Pisit Oopakorn is the Audit Committee Secretary.

The Scope of Duties and Responsibilities of the Audit Committee

1. Review the financial reporting of the Company so that it is accurate and sufficient in accordance with financial reporting standards by coordinating with external auditors and the executives who are responsible for preparing quarterly and annual financial reports. The Audit Committee may suggest that the auditor review or examine any significant and necessary transactions during the Company's audit.
2. Review internal control and the internal audit system of the Company so that they are appropriate, sufficient, and effective.
3. Consider the independence of the internal audit department and approve the appointment, relocation, and dismissal of the head of the internal audit department or any other department responsible for internal auditing.
4. Have the authority to access the Company's information at all levels, invite executives, the management team, supervisors, employees, or related parties to attend the Meeting in order to clarify the information, deliver and provide relevant information under the scope of duties assigned by the Board of Directors.
5. Consider and approve the annual budget, manpower, and resources needed to perform the internal auditing. Approve the annual audit plan and review the significant changes in the audit plan. Supervise the operations of the internal audit department so that they are in accordance with the approved annual audit plan and practice the internal audit profession international standards. Evaluate the quality of the internal auditing annually and attend meetings with the chief audit executive to discuss important issues at least once a year.
6. Review the regulatory compliance of the Company regarding securities and stock exchange laws, regulations of the Stock Exchange of Thailand, the Capital Market Supervisory Board, or any laws related to the business of the Company.
7. Consider, select, and nominate independent individuals for the position of the Company's auditors and propose the remuneration of said persons by taking into account the reliability and sufficiency of resources, the workload of the audit office, and the experience of the personnel assigned to audit the Company's accounts. The Audit Committee shall have a meeting with the auditor without the Management Team being in attendance at least once a year.
8. Consider connected transactions or conflict of interest transactions, the list of acquisition or disposition of assets must be accurate and complete so that it is in accordance with the laws and relevant regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board in order to ensure that the transaction engagement is reasonable and for the best interest of the Company and shareholders.
9. Prepare a corporate governance report of the Audit Committee and disclose it in the Company's annual report. The report shall be affixed with the signature of the Chairman of the Audit Committee and contain at least the following information.
 - 9.1 Opinion on the accuracy, completeness, and credibility of the Company's financial report.
 - 9.2 Opinion on the adequacy of the internal control system of the Company.

- 9.3 Opinion on compliance with the securities and exchange laws, regulations of the Stock Exchange of Thailand, or laws related to the Company's business.
 - 9.4 Opinion on the suitability of the auditor.
 - 9.5 Opinion on conflicts of interest transactions.
 - 9.6 The number of the Audit Committee meetings and the meeting attendance of each member of the Audit Committee.
 - 9.7 Overall opinion or observation that the Audit Committee received from performing its duties under the Charter.
 - 9.8 Other matters that the general shareholders and investors should acknowledge under the scope of duties and responsibilities assigned by the Board of Directors.
 - 9.9 Review and follow up with the risk management results from the Management team and/or related departments.
10. Review and propose amendments to the Audit Committee Charter as deemed appropriate at least once a year.
 11. Review the performance of the previous years by preparing and proposing a performance report to the Board of Directors at least once a year.
 12. Provide independent opinions of other professional advisors, to seek opinions or recommendations under the scope of responsibility as deemed appropriate and necessary at the Company's expense.
 13. Perform other duties assigned by the Board of Directors with the approval of the Audit Committee.

In the performance of the above duties, the Audit Committee was directly responsible to the Board of Directors and the Board of Directors remains responsible for the operations of the Company to third parties.

7.3.2 Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee
(The Board of Directors Meeting No. 4/2022 held on August 8, 2022, resolved to appoint a Sustainable Development Committee to be in the same committee as the Corporate Governance Committee).

The Nomination, Remuneration, and Corporate Governance Committee is comprised of the following 3 members:

- | | | | |
|----|------------------|----------------|--|
| 1. | Mrs. Pennapha | Dhanasarnsilp | Independent Director and Chairman of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee |
| 2. | Mr. Jirayut | Rungsrihong | Independent Director and the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee |
| 3. | Mr. Adisak | Ruckariyaphong | Independent Director and the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee |
| | Mrs. Kanokwanrat | Srimaneesiri | Secretary of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee |

The Scope of Duties and Responsibilities of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee

The Scope of Duties and Responsibilities regarding the Recruitment and Selection of Directors

1. Consider and propose the structure, composition, and qualifications of the Board of Directors and subcommittees.
2. Consider and set the criteria and procedures for the recruitment, selection, and nomination of suitable candidates for the position of new directors or the Chief Executive Officer to fill vacancies in term-ending or vacant positions or any positions as assigned by the Board of Directors with rules and transparency in order to propose them to the Meeting of the Board of Directors and/or the Meeting of Shareholders (as the case may be) to approve the appointment.
3. Consider and nominate candidates for directors or any qualified candidates to be subcommittees to the Board of directors to consider the appointment as appropriate.



4. Determine the criteria for evaluating the performance of the Chief Executive Officer and propose it to the Board of Directors for approval.
5. Evaluate the performance of the Chief Executive Officer in order to review the problems and obstacles each year. The evaluation results are used to develop and improve various areas and be proposed to the Board of Directors for consideration.

The Scope of Duties and Responsibilities of Remuneration

Consider monetary and non-monetary remuneration guidelines for the Board of Directors, the Chief Executive Officer, and subcommittees as well as other benefits, which include salary increase and bonuses to be suitable, fair, and reasonable for a fixed rate of remuneration (such as regular remuneration and meeting attendance fee) and remuneration based on the Company's performance (such as bonuses and rewards). This shall be consistent with the value that the Company created for shareholders but not at a level that is too high which results in an emphasis on short-term results. The remuneration shall be proposed to the Board of Directors' Meeting for consideration and proposed to the Shareholders' Meeting for further approval.

The Scope of Duties and Responsibilities of Corporate Governance

1. Establish a corporate governance policy for the business operations of the Company and propose it to the Meeting of the Board of directors and/or the Meeting of Shareholders for approval.
2. Propose and give recommendations on good corporate governance guidelines to the Board of Directors.
3. Promote an ethical corporate culture, and oversee the implementation of policies and good corporate governance practices of the Company's personnel in order to be in accordance with the good corporate governance principles and the Company Code of Conduct.
4. Review and improve the good corporate governance policy to be appropriate to be submitted to the Board of Directors.
5. Report the performance of the Nomination, Remuneration and Corporate Governance Committee to the Board of Directors for acknowledgment and prepare the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee report to be disclosed in the Company's annual report and affix the signature of the Chairman of the Nomination, Remuneration and Corporate Governance Committee
6. Perform other duties as assigned by the Board of Directors.

Scope, Duties, and Responsibilities related to Sustainable Development

1. Consider setting, reviewing, and improving policies, strategies, and the Company's sustainable development goals that balance the environment, society, and governance (Environmental, Social, and Governance - ESG) as well as comply with best practices according to national standards and international standards.
2. Advise and promote the formulation of principles, policies, and strategies of the Company's operations to be in accordance with the sustainable development principles to achieve the set goals as well as supporting the Board of Directors, executives, and employees to efficiently comply with the Company's sustainable development guidelines.
3. Oversee, monitor, evaluate, and disclose information on sustainable development operations to ensure balance and efficiency for the maximum benefit to the Company and stakeholders.

7.3.3 Risk Management Committee

Risk Management Committee is comprised of the following 3 members:

- | | | |
|----|-----------------------------------|--|
| 1. | Mr. Adisak Ruckariyaphong | Independent Director and Chairman of the Risk Management Committee |
| 2. | Ms. Kridchanok Patamasatayasonthi | Director and Risk Management Committee |
| 3. | Mr. Ekaridhi Patamasatayasonthi | Director and Risk Management Committee |
| | Mrs. Kanokwanrat Srimaneesiri | Secretary to Risk Management Committee |

The scope of duties and responsibilities of the Risk Management Committee

1. Defines and reviews risk management framework, Risk Management Committee Charter, risk management policies and process including suitably and effectively suggest the guidelines to risk management relating to the Company's business to correspond with business strategies, business plans, and volatile circumstances.
2. Continuously and effectively promote and develop risk management and risk management tools at all levels across the organization.
3. Supervises, monitors, and reviews key risk management plans and reports including giving necessary advice to ensure effective risk management at an acceptable level corresponding with risk management policy
4. Report significant risk management performance to the Board of Directors; in case there are factors or events that might have a significant impact on the Company, the Committee shall notify the Board of Directors in a timely manner.
5. Responsibilities for other tasks assigned by the Board of Directors.

7.3.4 Investment Committee

The Investment Committee consists of 3 members as follows:

- | | | | |
|----|------------------|----------------------------|---|
| 1. | Mr. Adisak | Ruckariyaphong Independent | Director/Chairman of the Investment Committee |
| 2. | Mr. Thakorn | Piyapan | Director/Member of the Investment Committee |
| 3. | Ms. Kridchanok | Patamasatayasonthi | Director/Member of the Investment Committee |
| 4. | Mr. Ekaridhi | Patamasatayasonthi | Director/Member of the Investment Committee |
| | Mrs. Kanokwanrat | Srimaneesiri, | Secretary of the Investment Committee |

Remarks *Mr. Thakorn Piyapan was appointed as the Investment Committee instead of Mr. Ekkarit. Patamasatayasonthi according to the resolution of the Board of Directors No. 2/2022 April 22, 2022

The Scope of Duties and Responsibilities of the Investment Committee

1. Consider the investment of the Company and clearly determine the Company's investment criteria. The criteria for investment consideration are as follows:
 - 1.1 It is an investment in the operation of the business and its expansion into additional fields that are beneficial and related to the current business.
 - 1.2 It is an investment in the operation of the business and its expansion into new fields that may be unrelated to the current business (Horizontal Integration).
 - 1.3 Purchasing shares in other businesses without the intention of managing the business (acquiring shares with the hope of capital gains from increases in the share price in the future).
 - 1.4 For investments other than 1.3, a minimum 25% investment is required to obtain the right to veto resolutions. This is an extremely significant authority (Veto Right).
2. Consider and scrutinize matters pertaining to investments in clause 1) that the Board of Directors will consider.
- 3) In the event that the investment was approved by the Board of Directors. The Executive Committee will continue to monitor daily operations.
- 4) Perform any other duties as assigned by the Board of Directors.

7.3.5 Executive Committee

The Executive Committee is comprised of the following 5 members:

- | | | | |
|----|------------------|--------------------|-------------------------------------|
| 1. | Mr. Pisith | Patamasatayasonthi | Chairman of the Executive Committee |
| 2. | Ms. Kridchanok | Patamasatayasonthi | Executive Committee |
| 3. | Ms. Pichapim | Patamasatayasonthi | Executive Committee |
| 4. | Mr. Ekalak | Patamasatayasonthi | Executive Committee |
| 5. | Mr. Ekaridhi | Patamasatayasonthi | Executive Committee |
| | Mrs. Kanokwanrat | Srimaneesiri | Secretary to Executive Committee |



The Scope of Duties and Responsibilities of the Executive Committee

1. Consider and scrutinize the vision, mission, target, business objectives, business strategy, business plan, and annual budget plan of the Company and subsidiaries as jointly proposed by the Chief Executive Officer and the Managing Director by appropriately considering the business factors to propose and request for approval from the Board of Directors. In the event of a change to the situation, the Executive Committee shall review the approved budget to suit the situation.
2. Supervise, oversee, and monitor the Company's business operations so that they are in accordance with the vision, mission, goal, business objectives, business strategy, business plan, and the Company's annual budget plan which were approved by the Board of Directors to be efficient and effective for business conditions as well as providing advice and recommendations for the senior executives.
3. Study the feasibility of new project investments, has authority to consider and approve the Company to invest or jointly invest with individuals, juristic persons, or other business organizations as the Executive Committee deems appropriate to carry out the business in accordance with the approved investment budget framework by the Board of Directors and the delegation of authority. Consider and approve investment expenditures, transaction engagements, and/or any operations related to the said matters until it is completed within the specified credit limit and/or the relevant laws and regulations and/or the Article Association of the Company.
4. Follow up on the performance and progress of investment projects of each business and report the results, including problems or obstacles that occur as well as the improvement guidelines to the Board of Directors.
5. Give advice regarding the dividend payment of the Company to the Board of Directors.
6. Consider and give suggestions or opinions to the Board of Directors regarding the project, proposals or transaction engagements related to the business operations of the Company. Consider fundraising options when necessary and/or required by the relevant laws and regulations or the Articles of Association of the Company. Assign the Meeting of Shareholders and/or the Board of Directors to consider the approval.
7. Consider and approve transaction engagements with financial institutions for opening accounts, requesting loans, credit, mortgages, and other guarantees which includes purchasing and registering land ownership in accordance with the objectives and the benefit of the business of the Company. This included legal enactments with the government sector in order to obtain the rights of the Company and/or any operations related to the said matter until it is completed within the specified credit limit and/or the relevant laws and regulations or the Article of Association of the Company.
8. Consider and approve regulations, management policy guidelines, and business operations of the Company or any activities that are binding on the Company.
9. Appoint and/or assign executive directors or any individual or persons to act within the scope of the Executive Committee, within the period limit as the Executive Board deemed appropriate. The Executive Committee may cancel, revoke or change the said authority.
10. Encourage executives or employees to attend the Executive Committee meeting or prepare and provide information relating to the meeting agenda of the Executive Committee meeting.
11. Has authority, duties, and responsibilities as assigned or according to the policy assigned by the Board of Directors from time to time.
12. Procure consultants or individuals with independent opinions to give opinions or recommendations as necessary.
13. Report the performed duties within the scope of authority and the duties of the Executive Committee to the Board of Directors on a regular basis as well as any other necessary and appropriate matters that shall be submitted to the Board of Directors for acknowledgment.
14. Consider and approve an operational manual and the scope of responsibility of the Management Team in order to proceed according to systematic procedures.
15. Consider and approve the normal business operations of the Company according to the investment budget or the budget approved by the Board of Directors, the credit limit for each transaction as specified in the authority table which has been approved by the Board of Directors. This shall not exceed the annual budget approved by the Board of Directors including any agreement enactment related to the said matter.

16. Evaluate the performance of the Board of the Executive Committee and the members of the Executive Committee individually in order to review the performance, problems, and obstacles each year in order to use the evaluation results to develop and improve operations in various fields.

The Scope of Duties and Responsibilities of the Chief Executive Officer

1. Cooperate with the Managing Director to determine the vision, mission, goals, business objectives, business strategy, business plan, and the annual budget plan of the Company and subsidiaries which included the structure and management authority to be proposed to the Executive Committee and/or:
2. Communicate vision, mission, goal, business objectives, business strategy, business plans and the annual budget plan that was approved by the Board of Directors to the Company's senior executives to be used as a framework for creating business plans and management of each department.
3. Oversee the overall picture of the Company's operations so that they are in accordance with business strategy, business plan, and the set annual budget plan. Comply with the laws, rules, and regulations of relevant agencies as well as the regulations, the Articles of Association of the Company, resolutions of the Shareholders' Meeting and/or resolutions of the Meeting of the Board of Directors and/or the Meeting of Executive Committee to achieve the set goals, financial goals, and non-financial goals.
4. Approve expenses which include remuneration under budgets, plans, or the operational framework that is approved by the Executive Committee and/ or the Board of Directors and assigned authority.
5. Consider and approve the appointment of executives under the Chief Executive Officer as it appears in the management structure of the Company. The definition of "executive" shall be in accordance with the definition prescribed by the Securities and Exchange Commission, or Capital Market Supervisory Board. Consider and determine the remuneration of the executives.
6. Consider new business opportunities and investments related to the main business of the Company and subsidiaries in order to generate revenue for the Company.
7. Be the Company's representative in public relations to promote the organization to the public, especially in the area of networking and for the good image of the organization at the national and international levels.
8. Encourage the Board of Directors in providing appropriate communication channels with the shareholders regularly, and disclose information with transparency and in accordance with the standards.
9. Has the authority to delegate authority to and/ or assign others to perform certain tasks on their behalf by delegating authority and/or the assignment under the scope of authorization, under the authority of an attorney, and/or in accordance with the rules, regulations, or orders that the Board of Directors and/or the Executive Committee and/or various subcommittees and/or the Company. In this regard, the assignment of authorities and duties of the Chief Executive Officer or a delegate from that Chief Executive Officer shall not have the nature of authorization or a delegation of authority that allows the Chief Executive Officer or a delegate of the Chief Executive Officer to approve transactions that he or someone may have a conflict with (according to the definition announced by the Securities and Exchange Commission, and/or the announcement of the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand, and/or related agencies specified) who may have an interest or may receive benefits in any manner or may have a conflict of interest with the Company or subsidiary of the Company, except for approving transactions that are in accordance with the policies and criteria approved by the Meeting of the Shareholders or the Board of Directors and is an approval for transactions that are in accordance with normal business and normal trading conditions. This is in accordance with the announcement of the Securities and Exchange Commission, and/or the notifications of the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand and/or any related departments.
10. Perform other tasks as assigned by the Board of Directors and/or the Executive Board and/or the subcommittees under the rules and the Articles of Association of the Company, securities laws, as well as the notifications, regulations, and relevant rules of the Capital Market Supervisory Board, the Office of Securities and Exchange Commission and the Stock Exchange of Thailand



7.4 Executives' Information

The Company's executives, according to the announcement of the Securities and Exchange Commission. As of December 31, 2022, the Executive Committee is comprised of the following 13 executives.

1.	Mr. Pisith	Patamasatayasonthi	Chief Executive Officer
2.	Miss Kridchanok	Patamasatayasonthi	Managing Director
3.	Mr. Vipon	Vorasowharid	Chief Operating Officer
4.	Mr. Ekalak	Patamasatayasonthi	Senior Vice President - Business Development Younique & The Walk Line
5.	Ms. Pichapim	Patamasatayasonthi	Senior Vice President - Furniture, Mattress & HDI Trading Line
6.	Mr. Nattinai	Yuttapatsak	Senior Vice President - Project Sales and Office Furniture
7.	Mr. Kwanchai	Kitkongkajornchai	Senior Vice President - Product Strategy, Development and Dealer Line
8.	Mrs. Kanjanawan	Layluxsiri	Senior Vice President - Marketing
9.	Mr. Gerard	McGurk	Senior Vice President - Retail Commercial, International Retail & Field Merchandising Line
10.	Mrs. Kanokwanrat	Srimaneesiri	Senior Vice President - Accounting & Finance
11.	Ms. Pavaravadee	Wichaidit	Senior Vice President - Supply Chain DC and IT Line
12.	Mr. Suchart	Sasivimolvit	Director - Accounting
13.	Mr. Thosak	Kanjananimmnon	Director - Finance

Remarks ^{/1} Ms. Pichapim Patamasatayasonthi was appointed as Senior Vice President- Furniture, Mattress & HDI Trading Line on March 1, 2022.

Securities Holdings Report of Directors and Executives

Report on Changes in Securities Holding of Index Living Mall Public Company Limited by directors and senior executives as of December 31, 2022.

The Company has a policy for directors and senior executives of the Company to report the holding of the Company's securities to the Board of Directors' Meeting and notify the SEC through Report System 59 <https://market.sec.or.th/public/idsct/th/r59>. The company secretary will collect and prepare a summary if there are any changes in securities holdings and propose it to the Board of Directors' meeting for acknowledgement.

Securities Holdings Report of Directors and Executives for 2022

Changes in Securities Holdings by Directors in 2022

Number	Name - Surname	Position	Number of Shares Held as of January 31, 2022	Change in the Number of Shares	Number of Shares Held as of January 31, 2023	Share holding Proportion (%)
1.	Mrs. Pennapha Dhanasarnsilp Spouse and children who have not yet become sui juris	Independent Director, Chairman of the Board, Chairman of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee	200,000	(179,400)	20,600	0.004

Number	Name – Surname	Position	Number of Shares Held as of January 31, 2022	Change in the Number of Shares	Number of Shares Held as of January 31, 2023	Share holding Proportion (%)
2.	Mr. Pisith Patamasatayasonthi Spouse and children who have not yet become sui juris	Director, Chairman of the Executive Committee, Chief Executive Officer	13,400,900	-	13,400,900	2.654
3.	Mrs. Kunthong Udommahuntisuk Spouse and children who have not yet become sui juris	Director	22,804,880	400,000	23,204,880	4.595
4.	Miss Kridchanok Patamasatayasonthi Spouse and children who have not yet become sui juris	Director, Member of the Risk Management Committee, Investment Committee, Executive Committee, Managing Director	33,989,320	80,000	34,069,320	6.746
5.	Miss Pichapim Patamasatayasonthi Spouse and children who have not yet become sui juris	Director and Executive Director	34,379,320	-	34,379,320	6.808
6.	Mr. Ekalak Patamasatayasonthi Spouse and children who have not yet become sui juris	Director and Executive Director	34,213,420	-	34,213,420	6.775
7.	Mr. Ekaridhi Patamasatayasonthi Spouse and children who have not yet become sui juris	Director, Member of the Risk Management Committee, Executive Director	35,272,320	63,000	35,335,320	6.997
8.	Mr. Jirayut Rungsrithong Spouse and children who have not yet become sui juris	Independent Director, Chairman of the Audit Committee, Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee	150,000	-	150,000	0.029
9.	Mr. Adisak Ruckariyaphong Spouse and children who have not yet become sui juris	Independent Director, Member of the Audit Committee, Chairman of the Risk Management Committee, Chairman of the Investment Committee, Member of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee	300,000	(300,000)	-	-
10.	Mr. Ariya Banomyong Spouse and children who have not yet become sui juris	Independent Director	-	-	-	-
11	Mr. Thakorn Piyapan Spouse and children who have not yet become sui juris	Independent Director, Member of the Audit Committee, Investment Committee	-	-	-	-



Changes in Securities Holdings by Executives in 2022

Number	Name - Surname	Position	Number of Shares Held as of January 31, 2022	Change in the Number of Shares	Number of Shares Held as of January 31, 2023	Share holding Proportion (%)
1.	Mr. Vipon Vorasowharid Spouse and children who have not yet become sui juris	Chief Operating Officer	22,000	-	22,000	0.004
2.	Mr. Nattinai Yuttapatsak Spouse and children who have not yet become sui juris	Senior Vice President - Project Sales and Office Furniture	2,079,560	(39,500)	2,040,060	0.403
3.	Mrs. Kanokwanrat Srimaneesiri Spouse and children who have not yet become sui juris	Senior Vice President Finance & Accounting and Company Secretary	70,000	-	70,000	0.013
4.	Mr. Kwanchai Kitkongkajornchai Spouse and children who have not yet become sui juris	Senior Vice President – Product Strategy, Development and Dealer Line	20,000	-	20,000	0.003
6.	Mrs. Kanjanawan Layluxsiri Spouse and children who have not yet become sui juris	Senior Vice President - Marketing	1,000	-	1,000	0.0001
7.	Ms. Pavaravadee Wichaidit Spouse and children who have not yet become sui juris	Senior Vice President - Supply Chain, DC and IT Line	20,000	-	20,000	0.003
8.	Mr. Gerard McGurk Spouse and children who have not yet become sui juris	Senior Vice President Retail Commercial, International Retail & Field Merchandising Line	10,000	-	10,000	0.001
9.	Mr. Suchart Sasivimolvit Spouse and children who have not yet become sui juris	Accounting Director	-	-	-	-
10.	Mr. Thosak Kanjananimnont Spouse and children who have not yet become sui juris	Financial Director	80,000	-	80,000	0.015

Note: Index Living Mall Public Company Limited has a registered capital of 2,525 million Baht, paid-up capital of 2,525 million Baht (as of December 31, 2022), with a total of 505 million ordinary shares.

7.4.1 Remuneration for Directors and Executives

Directors' Remuneration

Criteria for Directors' Remuneration Payment

The Board of Directors appointed the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee to recruit qualified persons for the position of directors, subcommittees, and the Chief Executive Officer. This included considering the payment method and criteria for the remuneration of directors and subcommittees which consists of the Audit Committee, the Nomination, Remuneration and Corporate Governance Committee, the Risk Management Committee, and the Chief Executive Officer by considering the appropriateness of duties and responsibilities, success in performance, duties related to operating results and relevant factors as well as considering the comparison with the remuneration rate of other companies in the same industry or similar to the Company. Then, proposed to the Board of Directors and/or the Shareholders' Meeting for approval.

In 2022, the Board of Directors Meeting No. 1/22, held on February 25, 2022, resolved to approve the criteria for remuneration payment of directors and subcommittees for the year 2022. The 2022 Annual General Meeting of Shareholders held on April 22, 2022 resolved to approve the remuneration for the Company's directors and subcommittees in 2022 at the same rate equal to the year 2020 which includes monthly remuneration and meeting allowance as follows:

Monetary Remuneration

Position	Monthly remuneration (Baht/person/month)	Meeting Allowance (Baht/person/month)
Board of Directors		
Chairman	50,000	30,000
Committee Member	30,000	20,000
Audit Committee		
Chairman	-	30,000
Committee Member	-	20,000
Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee		
Chairman	-	30,000
Committee Member	-	20,000
Risk Management Committee		
Chairman	-	30,000
Committee Member	-	20,000
Investment Committee		
Chairman	-	30,000
Committee Member	-	20,000



Position	Monthly remuneration (Baht/person/month)	Meeting Allowance (Baht/person/month)
Executive Committee		
Chairman	-	-
Committee Member	-	-

Non-Monetary Remuneration and Other Remuneration - None

Directors' remuneration for the fiscal year ended December 31, 2021

Between January 1, 2022 and December 31, 2022, the Company's total remuneration for directors was 5.90 million Baht. The details are as follows:

Name – Surname			Position	Year End 2021 (Baht)	Remarks
1.	Mrs. Kannikar	Chalitaporn	Chairman of the Board (Retired by Rotation as of April 22, 2022)	215,000	The term of office expired at the 2022 Annual General Meeting of Shareholders on April 22, 2022 and no request to resume was made
2.	Mr. Pisith	Patamasatayasonthi	Director/Chairman of Executive Committee	460,000	
3.	Mrs. Kunthong	Udommahuntisuk	Director	440,000	
4.	Miss Kridchanok	Patamasatayasonthi	Director/Risk Management Committee/ Investment Committee/ Executive Committee	520,000	
5.	Miss Pichapim	Patamasatayasonthi	Director & Executive Committee	460,000	
6.	Mr. Ekalak	Patamasatayasonthi	Director & Executive Committee	440,000	
7.	Mr. Ekaridhi	Patamasatayasonthi	Director/Risk Management Committee & Executive Committee	500,000	
8.	Mr. Jirayut	Rungsrihong	Independent Director/Chairman of the Audit Committee/ Nomination, Remuneration, Corporate Governance and Sustainable Development Committee	570,000	
9.	Mrs. Pennapha	Dhanasarnsilp	Independent Director/Chairman of the Board/Chairman of the Nomination, Remuneration, Corporate Governance and Sustainable Development Committee	776,000	Appointed according to the resolution of the Board of Directors Meeting No. 2/2022 dated April 22, 2022 as the Chairman in replacement of Mrs. Kannikar Chalitarporn who completed the term of office

Name – Surname			Position	Year End 2021 (Baht)	Remarks
10.	Mr. Adisak	Ruckariyaphong	Independent Director/Chairman of Risk Management Committee/ Audit Committee/Nomination, Remuneration, Corporate Governance and Sustainable Development Committee	690,000	
11.	Mr. Thakorn	Piyapan	Independent Director/ Audit Committee/Investment Committee	409,000	Appointed as an independent director according to the resolution of the Board of Directors' meeting No. 1/2022 dated February 25, 2022 and appointed to the Audit Committee and the Investment Committee according to the resolution of the Board of Directors Meeting No. 2/2022 dated April 22, 2022
12.	Mr. Ariya	Banomyong	Independent Director	420,000	

Executive Remuneration Policy

The remuneration structure of the Chief Executive Officer and executives consists of:

1. Salary
The goal is to offer competitive remuneration compared to the overall market.
2. Remuneration Based on Short-Term Performance
The goal is to promote the performance of executives and drive the operations to achieve the goals in accordance with the Company's strategy.
3. Remuneration Based on Long-Term Performance
The goal is to ensure that the benefits of the Chief Executive Officer and the executives are in line with the benefits of shareholders in order to create long-term value for the Company.
4. Welfare and Other Benefits
The goal is to offer insurance plans and other benefits that are appropriate for occurring events based on the economic situation and living standards.

7.4.2 Executive Remuneration

For the year 2022, the Company paid monetary remuneration which included salary, bonuses, and other remuneration to executives in the amount of 98.93 million Baht respectively.

The remuneration of the Company's executives for the year 2022 ended on December 31, 2022 is as follows:

Category	For 2022	
	Number (Person)	Remuneration (million Baht)
Salary and Bonuses	13	93.03
Other Remuneration ^{/1}	13	5.90
Total	13	98.93

Remark: ^{/1} Other remuneration mainly consists of Social Security Fund, Provident Funds, Fringe Benefits, etc.



7.5 Employee Information

Comparison of the number of employees in each division (excluding Executive Management) for the past 3 years as of December 31, 2020, December 31, 2021 and December 31, 2022 is as follows:

As of December 31, 2021, the Company has a total of 4,094 employees.

Division		Number of Employees (persons) as of December 31, 2020		Number of Employees (persons) as of December 31, 2021		Number of Employees (persons) as of December 31, 2022	
		Fulltime	Part-time	Fulltime	Part-time	Fulltime	Part-time
1	Office of the Managing Director	5	0	5	0	5	0
2	Retail Commercial & International Retail	1,843	28	1,606	19	1,586	53
3	Strategy and Product Development and Wholesale Dealer	36	0	47	0	44	0
4	Business Development Younique and The Walk	151	0	171	0	187	1
5	Project Sales and Office Furniture	44	6	38	1	37	0
6	Accounting & Finance	47	1	48	0	48	0
7	Human Resources Management	49	0	41	0	40	0
8	Supply Chain, DC, and IT Line	511	169	573	85	581	113
9	Marketing	31	0	30	0	28	0
10	Production Line & Production Line Support	369	896	355	927	1,273	0
11	Internal Audit	6	0	4	0	3	0
12	Online Business	-	-	-	-	95	0
Total		3,092	1,100	2,918	1,032	3,927	167

The employee turnover rate of the Company, calculated from the number of employees who resigned to the total number of full-time employees for the year 2022, accounted for 10.50%.

Employee Remuneration Management

The Company's Remuneration Management principles are to attract, motivate and retain potential employees in the organization in order to develop the Company for sustainable growth and create value for shareholders in accordance with the Company's operating principles. The Company's Remuneration Management principles are established to offer fair and competitive remuneration within and outside the Company.

Employee Remuneration

The Company and its subsidiaries have different types of employee remuneration. The remuneration of employees (excluding Executive Management) in the past 3 years is as follows:

Remuneration (million Baht)	2020	2021	2022
Salary	1,001.92	941.30	957.9
Bonuses	98.94	16.44	59.85
Other Remuneration ^{/1}	282.50	184.83	278.51
Total	1,383.36	1,142.57	1,296.26

Note: ^{/1} Other remuneration mainly consists of incentives, Social Security Fund, Provident Funds, etc.

Provident Funds

The Company and its subsidiaries assigned BBL Asset Management Company Limited to be the Provident Fund manager of the Company and its subsidiaries under the name The Sin Sata Porn registered provident fund since October 1, 2013. Recently, the Company's Provident Fund had been changed to Bangkok Capital Asset Management under BCAP from February 1, 2020 onward.

Human Resource Development Policy of the Company

The Company pays attention to personnel development by establishing policies to train and develop personnel in the organization to be in line with the business needs, strategy, and vision of the Company. The Company also plans for continuous improvement, change, and development which includes budgets, resources, time, and personnel for the training and development of personnel in the organization. The Company also stipulated the training plan and the annual training plan. The training program will be divided into skill programs, short courses, on-the-job training, coaching, mentoring, and blended learning.

Major Labor Disputes in the Past 3 Years

The Company has no labor disputes with executives or company employees regarding rights violations or the breach of employment contracts.

7.6 Other Important Information

7.6.1 Company Secretary

In order to comply with the requirements of the Securities and Exchange Act (No.4) BE2551, the Board of Directors' Meeting No. 2018/4, held on March 30, 2022, appointed Mrs. Kanokwanrat Srimaneesiri to be the company secretary in order to comply with the requirements of the Securities and Exchange Act B.E.2535 (including amendments). The qualification of the Company Secretary is disclosed in Attachment 1

The Scope of Duties and Responsibilities for the Company Secretary

1. Give preliminary advice to the directors in regards to complying with the laws, regulations, and the Articles of Association of the Company. Monitor to ensure compliance and report any significant changes in legal requirements to the directors and executives.
2. Monitor and oversee the disclosure information and report related information in accordance with the regulations, notifications and requirements of the Stock Exchange of Thailand, the Office of Securities and Exchange Commission, and the Capital Market Supervisory Board.
3. Prepare and keep the following important documents:
 - (a) Director registration
 - (b) Meeting invitation letter for the Board of Directors' Meeting and the minutes of the Committee Meeting
 - (c) Meeting invitation letter for Shareholders' Meeting and the minutes of the Shareholders' Meeting
 - (d) The Company's Annual Report



4. Keep the directors' and executives' stakeholder reports and send a copy to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date that the Company received the report.
5. Monitor and ensure that the Shareholders' Meeting and the Board Meetings are in accordance with the laws, Article of Association of the Company, and related practices and ensure compliance with the resolutions of the Shareholders' Meeting and the resolutions of the Board of Directors' Meeting.
6. Supervise the activities of the Board of Directors and undertake any other matters in order to be in compliance with the law and/or as specified by the Capital Market Supervisory Board and/or as assigned by the Board of Directors

7.6.2 Head of Internal Audit and Company Operations

The Audit Committee of Index Living Mall Public Company Limited consists of experts in various fields. There are 3 independent directors, namely Mr. Jirayut Rungsrithong, Chairman of the Audit Committee, Mr. Adisak Ruckariyapong, Member of the Audit Committee, and Mr. Thakorn Piyapan, Member of the Audit Committee. Mr. Pisit Oprapakorn, the senior manager of the internal audit unit, was appointed to be the Audit Committee secretary at the Audit Committee in Meeting No. 1/2018 on March 21, 2018.

(For more information, please see "Attachment 3 Details of the Head of the Internal Audit").

Responsibilities of Head of the Internal Audit

1. Prepare manuals and operational standards for the internal auditor.
2. Review the compliance of the internal auditor with the manual and the internal audit standards.
3. Prepare the annual internal audit plan of the Company by setting goals and scope of the audit and propose it to the Audit Committee for consideration and approval.
4. Prepare the annual budget of the internal audit department and manage/control the expenses to be within the specified budget.
5. Review the administration and internal controls to be in accordance with the objectives, goals, and scope of the internal audit in order to have an adequate, appropriate, and effective internal control system.
6. Review and approve the audit program which includes risk and sufficiency assessment of internal control, both the operational and the information audit.
7. Review and give suggestions regarding the work of subordinates in order to carry out the audit guidelines. This includes controlling and checking to be in accordance with the plan, goals, objectives, work plans, and regulations of the Company and relevant laws.
8. Review the audit report and follow up on the operations and solutions that had been summarized with the auditee.

Compliance Supervision of the Company

The Company has departments that are responsible for regulatory compliance as follows:

- **Managing Director Office and the Company Secretary** Responsible for ensuring that the Board of Directors, executives, and departments comply with the rules and regulations of the Company. This includes serving as a center for gathering and following up on relevant external regulations.
- **Legal Department** Responsible for the supervision of business operations related laws and regulations including the Public Limited Companies Act, Land Act, Factory Act, and industry safety standards in order to operate the Company's business in accordance with the law and other regulations as well as giving advice on legal issues to departments for regulatory compliance.
- **Internal Audit Unit** Responsible for evaluating the efficiency and adequacy of the internal control system and auditing business operations of the Company.

7.6.3 Head of Investor Relations and Contact Information

Shareholders, investors, and interested persons can contact the investor relations department for inquiries about the Company through the following contact:

Miss Saithip Monthakantiwong

Assistant Director - Investor Relations

Index Living Mall Public Company Limited

147, Soi Rama 2, Soi 50, Rama 2 Road, Samae Dam, Bang Khun Thian District, Bangkok 10150

Phone number: +66 2 898-6420-5 ext. 6129

Email: ir@indexlivingmall.com

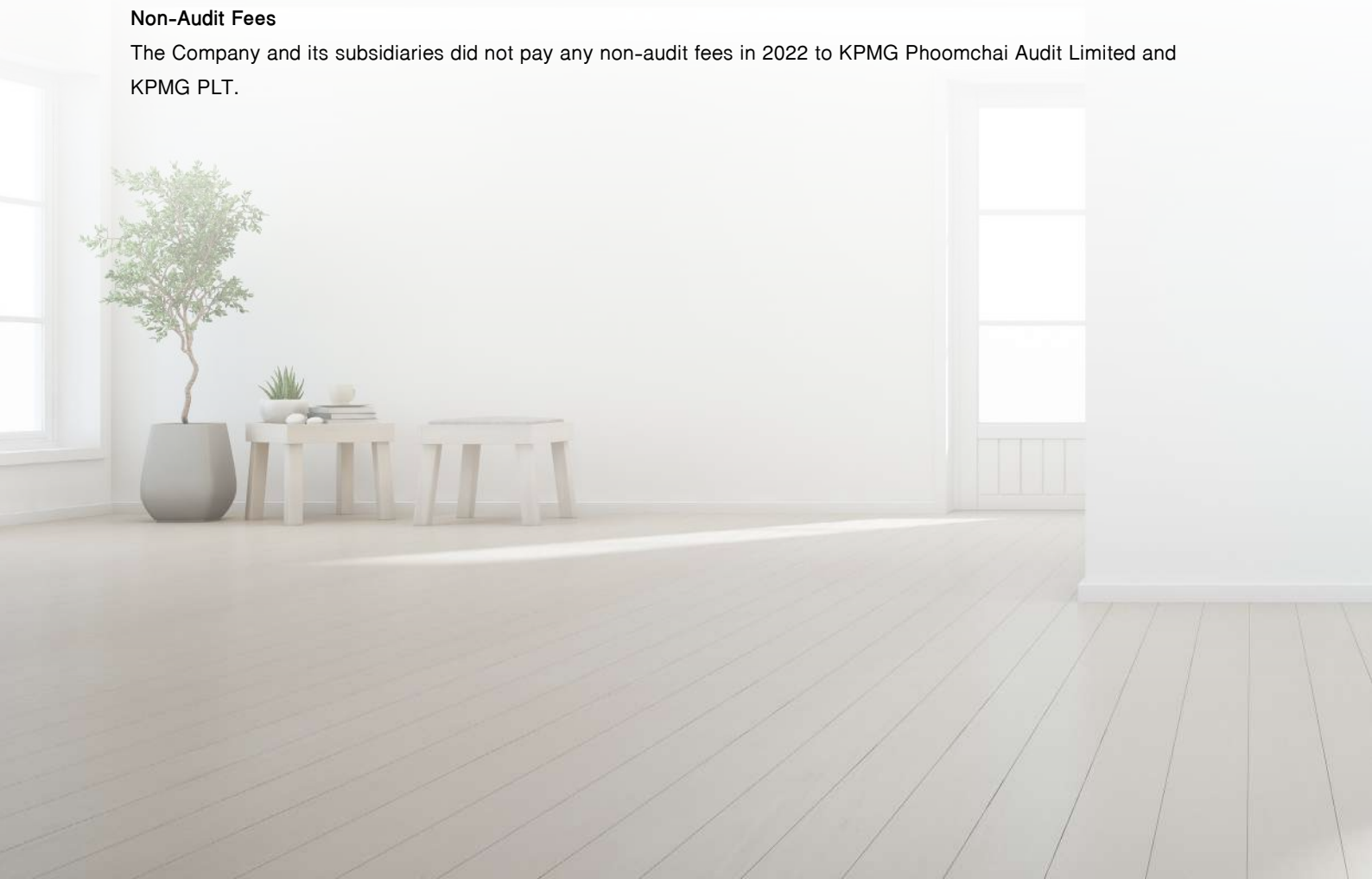
7.6.4 Remuneration for Auditor

Audit Fee

The 2022 Annual General Meeting of Shareholders, held on April 22, 2022, resolved to approve the appointment of KPMG Phoomchai Audit Company Limited by Mr. Thanit Osatalert, Certified Public Accountant Registration No. 5155 and/or Ms. Pornthip Rimdusit, Certified Public Accountant Registration No. 5565 and/or Mrs. Siripen Sukcharoenyingyong, Certified Public Accountant No. 3636 and/or Mr. Udomsak Busaraniphan, Certified Public Accountant No. 10331, to be the Company's auditor in 2022 for the fiscal year ended on December 31, 2022. The Company and its subsidiaries paid audit fees to KPMG Phoomchai Audit Company Limited totaling 3.605 million Baht. This consisted of quarterly financial statements review fees, annual audit fees, information system audit fees, product destruction observation fees, overtime fees, travel expenses, and other out-of-pocket expenses related to the quarterly financial statements, reviews, and audits.

Non-Audit Fees

The Company and its subsidiaries did not pay any non-audit fees in 2022 to KPMG Phoomchai Audit Limited and KPMG PLT.





8. Report on Corporate Governance Policy Compliance in the Past Year

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

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

1) Independent Directors

The Board of Directors will select a person as an independent director by considering the qualifications based on the Public Limited Companies Act B.E. 2553,

the Securities and Exchange Act, notifications of the Securities and Exchange Commission, and the notifications of the Capital Market Supervisory Board including related notifications and regulations. One-third of all directors must be independent; directors who do not serve as executives. They must be independent of the Management and Controlling Shareholders. They must have no business relationship with the Company that limits their ability to express independent opinions.

Name – Surname	Position	
Mrs. Pennapha Dhanasarnsilp	Chairman of the Board, Chairman of the Nomination, Remuneration, Governance, and Sustainable Development Committee	Independent Director
Mr. Jirayut Rungsritthong	Chairman of the Audit Committee and Member of the Nomination, Remuneration, Governance and Sustainable Development Committee	Independent Director
Mr. Adisak Ruckariyaphong	Chairman of the Risk Management Committee, Chairman of the Investment Committee, Member of the Nomination, Remuneration, Governance, and Sustainable Development Committee, Member of the Audit Committee	Independent Director
Mr. Thakorn Piyapan	Member of the Audit Committee and Member of the Investment Committee	Independent Director
Mr. Ariya Banomyong	Director	Independent Director

Qualifications of the Independent Director

Independent Director means a director who has qualifications in accordance with the regulations of the Office of Securities and Exchange Commission and the regulations of the Stock Exchange of Thailand as follows:

- Does not hold more than one percent of the total voting shares of the Company, parent company, subsidiary, associated company or juristic person that may have a conflict of interest. This includes the shares held by the related parties of that independent director (including related parties under Section 258 of the Securities and Exchange Act).
- Is not or has been a director who is involved in management, staff, employees, consultants who receive a regular salary or is a controlling person of the Company, parent company, subsidiary, associated Company, same level subsidiary, and the controlling person or juristic person that may have conflicts of interest with the Company unless they have passed the aforementioned nature for no less than 2 years prior to being appointed as a director.
- Is not related by blood or registration in the form of a father, mother, spouse, sibling, and children with executives, major shareholder, controlling person, or the person who shall be nominated as an executive, controlling person or person to be nominated as an executive or controlling person of the Company or subsidiary.
- Does not have or have had a business relationship with the Company, parent company, subsidiary, associated company, major shareholder, the Company's controlling person, or a juristic person that may have conflicts in a manner that may obstruct their independent judgment. Is not or have been a significant shareholder or controlling person of the person that has a business relationship with the Company, parent company, subsidiary, associated company, major shareholder, or juristic persons that may have a conflict unless having passed the aforementioned nature for no less than 2 years prior to being appointed to be a director.

5. Is not a director who is appointed to be a representative of the Board of Directors, major shareholder, or shareholder that is a related party to the major shareholder of the Company.
6. Is not or has been an auditor of the Company, parent company, subsidiary, associated company, major shareholder, or the controlling person of the Company. Is not a significant shareholder, controlling person, or partner of the audit firm that is the auditor of the Company, parent company, subsidiary, associated company, or major shareholder unless having passed the aforementioned position for at least 2 years prior to being appointed as a director.
7. Is not or have been a professional service provider of any field which includes providing legal advisory services or a financial advisor that receives service fees for more than 2 million Baht per year from the Company, parent company, subsidiary, associated company, major shareholder, or the controlling person of the Company. Is not a significant shareholder, controlling person, or partner of that professional service provider unless having passed the aforementioned nature for no less than 2 years prior to being appointed as a director.
8. Does not operate a business of the same nature that significantly competes with the business of the Company or subsidiary nor is not a partner in partnership nor a director that participates in the management, employees, consultants that receive a regular salary nor holds more than 1% of the total voting shares of other companies which operates in the same business and is in significant competition with the business of the Company or subsidiary.
9. Does not have any characteristics that hinder the capability to express independent opinions to the Company's business operations.

Term of Office for Independent Directors

The Board of Directors determined that the term of office for an independent director is 9 years. In 2022, none of the 5 independent directors of the Company have served for more than 9 years.

1) Nomination of Directors and Top Executives

The Board of Directors assigned the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee to consider the nomination of directors to replace those who are due to retire by rotation or when the position of a director becomes vacant and then propose it to the Annual General Meeting of Shareholders for approval in order to ensure that the recruitment process and the appointment of the Company's directors are in accordance with the good corporate governance principles. All shareholders are given the opportunity to nominate

qualified persons according to the Securities and Exchange Act and related laws by considering the qualifications of the directors based on their skills and expertise that are in line with the Company's business strategy. The Board Skill Matrix has been implemented in accordance with the Board's diversity policy.

In regard to the recruitment of senior executives, the Board of Directors assigned the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee to be responsible for considering the criteria and methods to recruit qualified personnel for the positions of Chief Executive Officer and Senior Executive. The knowledge, skills, experience related to the core business, management experience, dedication, characteristics, image, vision to drive the organization towards its goals, interpersonal skills with people or organizations, morals, and ethics are also considered in the recruitment.

The Board of Directors has the policy to promote and support the Chief Executive Officer and Senior Executives to receive training and development in order to increase their knowledge and experience which is beneficial to the Company's operations. The Board foresees that in order for the Company to have the greatest benefit, the Chief Executive Officer and Senior Executives must be able to devote their time to performing their duties efficiently. Therefore, the Company established a policy that the Chief Executive Officer is prohibited from serving as a managing director in any other Listed Company, except to temporarily hold the position of Chief Executive Officer in a subsidiary or associated company.

In order to ensure the continuity of the business operations, the Board of Directors established a Succession Plan for the position of Chief Executive Officer and Senior Executives. The details of the Succession Plan are defined as follows:

- Identify the qualifications and requirements of the position of Chief Executive Officer and senior executives.
- Identify the potential and capabilities of successors.
- Consider the training plans to develop the knowledge, abilities, skills, and competencies of successors.
- Determine the guidelines for choosing and selecting candidates to be successors in order to ensure that the successor has knowledge, abilities, skills, competencies, and experiences that are the most suitable and create value for the Company.

2) The Development of Directors and Executives

The Board of Directors encourages directors and executives to attend seminars and training sessions to continually develop knowledge that is beneficial to their duties as well as to meet and exchange views with the



Board of Directors. The company secretary is assigned to coordinate with directors and executives to attend director training courses and other courses of the Thai Institute of Directors, the Stock Exchange of Thailand, etc. There are training courses related to the performance of duties for directors that are organized by the Thai Institute of Directors Association (IOD). When a new director is appointed, the Company will support training in order to receive a certificate as soon as possible from the date of appointment, such as the Director Certification Program, the Director Accreditation Program (DAP), the Audit Committee Program (ACP), and Anti-Corruption.

Orientation for New Directors

When a new director is appointed, the Company will assign the managing director and/or the company secretary to conduct an orientation by providing information regarding the business overview, shareholder structure, the Board of Directors structure, subcommittees, organizational structure, vision, policy, goals, financial position, performance, stakeholder report preparation, corporate governance policy, insider information policy, etc.

In 2022, there was 1 new director, namely, Mr. Thakorn Piyapan, for which the Company gave an orientation. The company secretary also gave the director's handbook for public companies, the Company's business structure, the good corporate governance handbook, the business code of conduct, the Articles of Association, the director structure, the scope of authority, and relevant laws. This included a seminar on business topics and a meeting with the Chairman and the Managing Director, together with the Chief Executive Officer and other directors.

There are currently 3 company directors who have completed the Director Certificate Program (DCP) and 11 people who have completed the Director Accredited

Program (DAP) from the IOD, for a total of 11 people from the 11 total directors, or 100%.

Self-Assessment of the Board of Directors

The Board of Directors requires an annual performance evaluation of the entire Board of Directors, subcommittees, individual directors, and the Chief Executive Officer annually by using the evaluation form of the Stock Exchange of Thailand in order to understand and improve the performance of the Board of Directors.

Self-Assessment of the performance of the entire board covers the following 6 topics:

1. Structure and Qualifications of the Board
2. Roles, Duties, and Responsibilities of the Board of Directors
3. Board Meetings
4. Duties of the Directors
5. Relationship with the Management
6. Director's Self-Development and Executive Development

Individual Assessment of the performance of directors includes the following aspects

- The readiness of Directors
- The formulation of strategies and business planning
- Risk management and internal control
- Preventing conflicts of interest
- Monitoring financial and operational reports
- Board Meetings

The self-assessment results of the Board of Directors is divided into 5 levels: 4 = Very good / 3 = Good / 2 = Fair / 1 = Unsatisfactory / 0 = Need to improve. The following are the performance results for directors on each board in 2022:

Committee	2022 Assessment Results (average score)
1. Board of Directors	3.98
2. Individual directors on the Board of Directors	3.99
3. The Audit Committee	3.98
4. Individual members on the Audit Committee	3.98
5. Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee	3.99
6. Individual members on the Nomination, Remuneration, Corporate Governance Committee, and Sustainable Development Committee	3.99
7. Risk Management Committee	3.99
8. Individual members on the Risk Management Committee	3.99

The Performance Evaluation Process of the Board of Directors

1. The Board of Directors reviews the evaluation form so that it is accurate and complete and in accordance with the criteria of the regulatory agency.
2. The company secretary submits the evaluation form to the Board of Directors for evaluation.
3. The company secretary compiles evaluation forms, prepares a summary report of the assessment results, and reports to the Board of Directors
4. The Board of Directors uses the evaluation results to determine the operational guidelines.

Evaluation Performance of the Chief Executive Officer

Every year, directors who are not the stakeholders of the Chief Executive Officer organized an annual evaluation of the Chief Executive Officer with the following important criteria:

- Consider the goals and achievement
- Performance Evaluation consisting of:
 - Leadership Skills
 - Strategy formulation
 - Strategy implementation
 - Planning and Financial Performance
 - Relationship with the Board
 - External relations Management and employee relations
 - Succession
 - Knowledge of products and services
 - Personal Characteristics

The evaluation results of the Chief Executive Officer is a part of the consideration of the Chief Executive Officer's annual remuneration.

The Board of Directors established a remuneration policy so that the Chief Executive Officer receives appropriate remuneration under clear and transparent criteria. The Nomination Remuneration, Corporate Governance, and Sustainable Development Committee is responsible for considering the remuneration for the Chief Executive Officer and proposing it to the Board of Directors for approval. The details are as follows:

Short-Term Remuneration : Remuneration is paid in terms of salary and bonuses based on performance results.

Long-Term Remuneration : Remuneration guidelines in the form of ordinary shares.

8.1.2 Meeting Attendance and Remuneration for Individual Directors

1) Board of Directors' Meeting

Meetings of the Board of Directors and subcommittees are held quarterly, and the meeting schedule for the entire year was provided in advance to all directors. The company secretary sent the meeting invitation letter, meeting agenda, and supporting documents to the Board of Directors 7 days in advance, and set up a quorum requirement for the Board of Directors' meeting. In order to pass a resolution at each meeting, at least two-thirds of the total number of directors must vote. In 2022 the Board of Directors had 5 meetings and 1 meeting was held without the Management present (Non-Executive Director- NED).

The Company scheduled the Board of Directors meeting for 2022 in advance. This schedule is subject to change. The meeting was scheduled to support an accounting period and the additional meeting dates were as follows

Number	Audit Committee Meeting	Board of Directors' Meeting
1.	February 25, 2022	February 25, 2022
2.	May 12, 2022	April 22, 2022
3.	August 8, 2022	May 12, 2022
4.	November 7, 2022	August 8, 2022
5.	-	November 7, 2022

The Board of Directors meetings must be held no less than 4 times a year. In 2022, the Board of Directors held 5 meetings due to the obligations and responsibilities of the Board of Directors which is in line with the goals and growth business policies.

The Board has a policy for non-executive directors to meet and discuss issues as deemed necessary without the Management Team in attendance. The meeting resolutions were suggested to be reported to the managing director for acknowledgment. In 2022, the Company held this meeting once on August 8, 2022.

The Board of Directors established a policy to deliver meeting documents to directors at least seven days prior to the meeting, except in urgent cases in order to protect the rights or benefits of the Company. The



meeting notifications can be sent by different methods and the meeting date can be moved up if needed.

In regard to meeting minutes, the company secretary will prepare the meeting minutes and propose them to the Chairman of the Board of Directors to review. Then deliver them to every director for comments. The meeting minutes include the resolutions of the meeting, and the information is recorded sufficiently in a clear and legal manner.

The Board of Directors appointed a company secretary who is qualified to perform the duties of providing legal advice and regulations for the Board. The Company disclosed the qualifications and experience of the company secretary in the Annual Report and on the Company's website. The Board of Directors supports the company secretary to attend training and develop knowledge continually which will be beneficial to the company secretary's performance.

Information regarding the Attendance of the Shareholders' Meeting, Meeting of the Board of Directors and Subcommittees of Each Committee in 2022

Name – Surname	Annual General Meeting of Shareholders 2022	Board of Directors	Audit Committee	Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee	Risk Management Committee	Executive Committee	Investment Committee
1. Mrs. Kannikar Chalitaporn (The term of office expired and she resigned from the position of the Chairman. It was effective in accordance with the resolution of the 2022 Annual General Meeting of Shareholders on April 22, 2022.	Attended	1/1					
2. Mr. Jirayut Rungsrihong	Attended	4/5	3/4	2/3			
3. Mrs. Pennapha Dhanasarnsilp (appointed as the Chairman in a replacement of Mrs. Kannikar Chalitaporn who resigned. This included the position of the Audit Committee according to the resolution of the Board of Directors Meeting No. 2/2022 on April 22, 2022).	Attended	5/5	1/1	3/3			
4. Mr. Adisak Ruckariyaphong	Attended	5/5	4/4	3/3	2/2		1/1
5. Mr. Ariya Banomyong	Attended	3/5					
6. Mr. Pisith Patamasatayasonthi	Attended	5/5				11/11	
7. Mrs. Kunthong Patamasatayasonthi	Attended	4/5					
8. Ms. Kridchanok Patamasatayasonthi	Attended	4/5			2/2	11/11	1/1
9. Ms. Pichapim Patamasatayasonthi	Attended	5/5				10/11	
10. Mr. Ekalak Patamasatayasonthi	Attended	5/5				10/11	
11. Mr. Ekaridhi Patamasatayasonthi	Attended	5/5			2/2	11/11	
12. Mr. Thakorn Piyapan (Appointed as a member of the Audit Committee and the Investment Committee according to the resolution of the Board of Directors Meeting No. 2/2022 on April 22, 2022).	-	4/4	3/3				1/1

2) Remuneration for Directors

Please see details for the remuneration of directors in Section 7 Corporate Governance Structure and Important Information of the Board of Directors, Subcommittees, Executives, Employees, and Others, sub-section 7.4.2 Remuneration for Directors and Executives.

8.1.3 Supervision of Subsidiaries and Associated Companies

Supervision Policy of Subsidiaries, Joint Ventures, and Associated Companies

The Company set policies for the supervision and management of subsidiaries, joint ventures, and associated companies with the objective to define both direct and indirect measures and mechanisms for the Company and be able to supervise and manage the business of the subsidiaries and associated companies. This includes monitoring the subsidiary and joint ventures (as far as possible under the joint venture agreement) and the associated companies to comply with the specified measures and mechanisms as if they were their own departments and in accordance with Company policy. This includes public company law, civil and commercial code, securities law, and any relevant laws, as well as the announcements, regulations, and relevant rules 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 investments of the Company in subsidiaries, joint ventures, and the said associated company. The details are as follows:

1. The Company will appoint a representative of the Company to be a director in each subsidiary and/or joint venture (as far as possible under the joint venture agreement) and/or the associated company in accordance with the proportion of shareholding in each company in order to make sure the subsidiaries and/or joint ventures and/or associated companies act in accordance with the law and good corporate governance policy which also includes other policies of the Company. However, when a representative of the Company is sent to be a director in each subsidiary and/or joint venture and/or associated company, it must be considered and approved by the Board of Directors' Meeting by considering the suitability of each company.
2. The Company will appoint a representative of the Company to be an executive (for example, the Chief Executive Officer or the Chief Financial Officer) in each subsidiary and/or joint venture (as far as possible under the joint venture agreement) and/or associated company as appropriate by considering the shareholding proportion in each company.
3. If entering into a transaction or any operation of a subsidiary that is in the scope of or is an acquisition or disposal of assets in accordance with the announcement or disposal of assets or connected transactions which are in accordance with the announcement of the related connected transactions which will result in the Company having the duty to ask for approval at the Meeting of the Board of Directors of the Company and/or from the Shareholders' Meeting of the Company or request approval from the relevant department according to the law before entering into the transaction, the subsidiary will be able to enter into the transaction or proceed only after receiving approval from the Board of Directors of the Company and/or the Shareholders' Meeting of the Company and/or any related departments (depending on the case) is completed. In addition, if entering into a transaction or the occurrence of certain events of a subsidiary makes the Company have to disclose information to the Stock Exchange of Thailand in accordance with the rules specified in related announcements, the Stock Exchange of Thailand Board and the representative directors of the said subsidiary have the duty to notify the management of the Company as soon as it is known that the subsidiary plans to enter into a transaction or the said event occurred.
4. The Board of Directors and executives of subsidiaries and/or joint ventures (as far as possible under the joint venture agreement) and/or each associated company will have a significant scope of duties and responsibilities in accordance with the relevant laws. This includes disclosing financial and operating performance information to the Company by using relevant notifications of the Capital Market Supervisory Board and the announcement of the Stock Exchange of Thailand, *mutatis mutandis*, as well as disclosing and sending information about one's own interests and those of any related parties to the Board of Directors about the relationship and transactions with companies, subsidiaries and/or joint ventures and/or associated companies in ways that may cause conflicts of interest and avoid transactions that may cause conflicts of interest.



5. Operate the significant subsidiaries with the same auditing office or the auditing office which is in the same network as the Company's auditors.
6. Subsidiaries and/or joint ventures and/or associates are responsible for submitting financial statements and the financial statements that have been reviewed/audited by an auditor as well as information to prepare the said financial statements for the Company in order to prepare the consolidated financial statements or the results of the Company.
7. The Company will specify the plans and take the necessary actions to ensure that subsidiaries and/or joint ventures (as far as possible under the joint venture agreement) and/or the associated companies have disclosed information about the operating results and the financial status. The Company will take the necessary actions and monitor the subsidiaries and/or joint ventures (as far as possible under the joint venture agreement) and/or the associated companies that have sufficient and appropriate information disclosure systems and internal control systems for business operations.

In addition, the Company will closely monitor the subsidiaries' operating results and operations and/or joint ventures and/or the said associated company and present the analysis results, which includes any comments or recommendations to the Board of Directors and the board of subsidiary and/or joint venture and/or associated company in order to be used to determine policy or improve the business of the subsidiary and/or joint venture and/or associated company with continuous development and growth.

8.1.4 Supervision of Corporate Governance Policies and Guidelines

1) Supervision of the Use of Insider Information

The Company has a policy and method to prevent directors, executives, and employees from using the insider information of the Company which has not been disclosed to the public in order to seek personal benefits. This includes the following securities trading:

1. The Company will provide knowledge to the directors and executives regarding the duties to prepare and submit a report regarding the securities holding of one's spouse or partner, underaged children which include legal entities in which the directors or

executives' spouse or partner and the minor children of the said directors and executives are shareholders of more than 30 percent of the total voting rights of the said juristic person to the Office of the Securities and Exchange Commission under Section 59 and the penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (including amended) ("Securities and Exchange Act"). This includes the report of the acquisition or disposition of Company securities according to Section 246 and penalties under Section 298 of the Securities and Exchange Act.

2. The Company requires the directors and executives of the company to prepare and submit a report of securities holding of one's spouse or partner, underage children which include legal entities in which the directors and executives' spouse or partner and minor children of the said directors and executives are shareholders who hold more than 30 percent of the total voting rights of the said juristic persons in accordance with the securities holding report form prescribed to the company secretary before being submitted to the Office of the Securities and Exchange Commission every time. This must be prepared and delivered within 30 days from the date of being appointed to be a director and/or executive and every time there is a change or report changes in securities holdings in accordance with the changes in securities holdings specified within 3 working days from the date that the securities are bought, sold, transferred or accepted and requires the Company Secretary to summarize the report of securities holding and changes of securities holding to the Board of Directors' Meeting for acknowledgment every 6 months.
3. The Company requires directors and executives, which includes management positions in accounting or finance who are department-level managers or higher or equivalent to and related workers. This includes people who are assumed to know or possess insider information according to the Securities and Exchange Act to receive important insider information which affects the price or value changes of securities. They must suspend trading, offering to buy or sell, or persuading other people to trade, offering to buy or sell Company securities, whether directly or indirectly. In the period before the disclosure of financial statements or information about the financial status and the status of the Company until the Company has disclosed the information to the public, throughout the "Embargo

Period" period, which means the period of one month before the date of the Company's quarterly and annual financial performance is announced. The Company will notify directors and executives to not trade the Company's securities in writing for at least 1 month before the public disclosure and they should wait at least 24 hours after revealing the information to the public. This includes prohibiting the disclosure of such significant information to other parties.

4. The Company prohibits directors, executives, and employees of the Company and its subsidiaries, which includes people who are assumed to know or possess information within the Act Securities and Stock Exchange, to use the insider information of the Company and its subsidiaries that have or may have an effect on the price change of the Company's securities which have not been made public which was known and used to buy, sell, offer to buy, sell or persuade people other: to buy or sell the Company's securities, whether directly or indirectly and whether such actions are done for the benefit of oneself or others, or revealing such facts for others to do so, whether or not they receive benefits or not.
5. The Company requires directors, executives, and employees of the Company and its subsidiaries as well as former directors, executives, and employees who have resigned to be responsible for maintaining confidentiality and/or the insider information of the Company and its subsidiaries as well as confidential information of business partners of the Company and its subsidiaries where they have been informed of the duties and prohibit the confidentiality and/or insider information of the Company and its subsidiaries as well as confidential information of business partners of the Company and its subsidiaries to use for other companies and let the third parties know even if disclosing the information does not cause any damage to the Company, subsidiaries or business partners.
6. The Company requires directors, executives, and employees of the Company and its subsidiaries to not reveal insider information of the Company and its subsidiaries. They will not use their position in the Company and/or subsidiary or take insider information or significant information that has been recognized or acknowledged while working in the Company and/or subsidiary which has not been made public in order to seek benefit in the wrong way or disclose information to outsiders or other people for their own benefit,

whether directly or indirectly, regardless of whether or not the benefits are received or not.

7. The Company requires directors, executives, and employees of the Company and its subsidiaries to be responsible for complying with the insider information guidelines of the Securities and Stock Exchange Act, as well as other relevant rules.
8. The Company established disciplinary punishment for executives and relevant workers who violate the use of insider information for personal benefits. This begins with a written warning to cut wages, temporary suspension without pay, or termination of work. The punishment will be based on the intent of the action and the seriousness of the offense.

In 2022, the directors, executives, and employees strictly complied with the above policies. There is no report of the misuse of insider information both directly and indirectly.

2) Conflicts of Interest

The Board of Directors established a policy on conflicts of interest based on the principle that all business decisions must be made solely in the best interests of the Company. Any action that could result in a conflict of interest should be avoided. Persons involved or connected with the transaction must notify the Company of their relationship or connection in accordance with the following policy:

Policy on Prevention of Conflict of Interest

The Board of Directors established a policy to prevent conflicts of interest based on the principle that any decision made by the Company or its subsidiaries must be in the best interests of the Company and its shareholders and should avoid actions that may cause conflicts of interest. Those who are involved or are stakeholders in the transaction must notify the Company to acknowledge their involvement or interest in such transactions. They must not take part in the discussion. This includes having no authority to approve such transactions or items. The main principles are as follows:

1. Directors, executives, and employees should refrain from operating businesses of the same nature that are in competition with the business of the Company or its subsidiaries, whether for personal benefit or the benefit of others which may cause damage to the Company, either directly or indirectly, or becoming a partner or shareholders with decision-making authorities or



executives in competing entities or having the same characteristics as the Company or its subsidiaries unless it can be shown that there is a mechanism to ensure that such action will not affect the Company. There will also be measures that are in the best interests of the Company and all shareholders. The director should not hold a directorship position for more than 5 public companies.

2. Directors, executives, and employees should refrain from holding shares in a significant number of competitors of the Company because such actions could prevent the directors, executives, and employees from acting or failing to act in accordance with their duties or have an impact on their work duties. In the event that directors, executives, and employees acquire such shares before becoming directors, executives, or employees or before the Company operates that business, or if the acquisition is by inheritance, the directors, executives, and employees must immediately report to the Company using the method specified by the Board of Directors.
3. All directors, executives, and employees should disclose business transactions or privately held entities with family or relatives or dependents that may cause a conflict of business interests with the Company or its subsidiaries, such as:
 - Joint investment or having benefits with trade partners who conduct business with the Company or customers of the Company.
 - Hold any position or are a consultant for trade partners who conduct business with the Company or customers of the Company.
 - Trading goods or providing services to the Company or its subsidiaries, whether directly or through others.
4. Directors, executives, and employees will not seek any benefits for themselves or others by relying on confidential information of the Company or its subsidiaries, such as plans, revenues, meeting resolutions, business forecasts, or work from researching auctions for personal benefits, whether or not it harms the Company. This included strictly adhering to the Company's policy on the use of insider information.

3) Anti-Corruption and Whistleblowing

The Company disclosed its anti-corruption policy, performance evaluation, and whistleblowing report in

section 6 Corporate Governance Policy, sub-section 6.1.2 Policy and Guidelines for Shareholders and Stakeholders, section 5 Anti-Corruption.

In 2022, there were no reports or misconduct related to corruption related to the Company

4) Compliance with Good Corporate Governance Principles in Other Matters

The Board of Directors, executives, and employees of Index Living Mall Public Company Limited strictly adhered to the corporate governance policy and followed up on the results of the operation plan. Relevant policies and guidelines were established in the Company's corporate governance policy and business code of conduct, which was implemented in order to build the confidence of every stakeholder group in the past year. The Company followed up with the compliance of good corporate governance such as employee care, non-discrimination, environment care, safety and occupational health in the organization, and data security. The Company was certified to become a Member of the Thai Private Sector Collective Action Against Corruption: CAC on September 30, 2022 for the first time. According to the monitoring results, the Company had completely followed the guidelines and issues. Details are disclosed in Part 1, Business Operations and Performance, Section 3, "Driving Business for Sustainability".

8.2 Performance Report of the Audit Committee in the Past Year

Please see the Audit Committee Report in Attachment 6: The Audit Committee Report

8.3 Performance Report Of Subcommittees in the Past Year

Please see reports of all subcommittees in Attachment 6, The Audit Committee Report, The Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee Report, The Risk Management Committee Report, and The Executive Committee Report.

9. Internal Control and Connected Transactions



9.1 Internal Control

The Board of Directors recognizes the importance of having a good internal control system and regards it as an important duty to ensure that the Company has an appropriate and sufficient internal control system so that the business operations are carried out effectively and in accordance with the goals, objectives, laws, and related requirements, and also protect assets from fraud and damage. The accounting and financial reporting was prepared accurately and reliably and the disclosure of information was complete, adequate, and timely.

At the Board of Directors' Meeting No. 1/2023 held on February 27, 2023, in which the Audit Committee participated, the Board of Directors considered and evaluated the sufficiency of the Company's internal control system by using the sufficiency of the internal control system assessment form of the Office of Securities and Exchange Commission and inquiring of the Company's management. The Board of Directors considered the Company's internal control system in 5 categories which are in accordance with the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). They consist of:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The Board of Directors is of the opinion that the Company's internal control system was sufficient and suitable for this size of the business and the current situation of the Company and also approved the sufficiency of the internal

control system assessment form for the Company's internal control system evaluation. This can be summarized as follows:

1. Control Environment

The Company adheres to the values of honesty and ethics by establishing a policy regarding good corporate governance, a Code of Conduct, and an anti-corruption policy so that the directors, executives, and employees adhere and perform their duties with honesty and uphold the Code of Conduct transparently, straightforwardly, and in compliance with the law for stakeholders. This includes shareholders, trade partners, and customers. In this regard, the executives and employees communicated through email and the Company's intranet, and the third parties communicated through the Company's website. In addition, the Company sets the Code of Conduct as part of the competency assessment criteria for executives and employees on a yearly basis and disciplinary action was imposed if there were any acts that violate the Company's policy.

The Company set a clear organizational structure, chain of command, and roles, duties, and responsibilities to help the operations achieve the Company's goals and have effective internal control. This was done by establishing an independent internal audit department to have responsibility for operational inspections. This included establishing a written delegation of authority to determine authority and the transaction approval process for important business transactions. The Board of Directors was also responsible for overseeing executive management and being independent of executive management. The Board of Directors consisted of 4 independent directors, which is



more than one-third of all directors, who have knowledge, ability, and experience in various fields.

The Company set a strategic plan for short-term and long-term goals as well as key performance indicators (KPIs) to assess the performance of various segments. The Board of Directors appointed subcommittees to help and support the performance of these duties, namely, the Executive Committee, the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee, the Audit Committee, the Risk Management Committee, and the Investment Committee. The roles and responsibilities of each committee were clearly established in the Committee Charter.

In addition, the Company is committed to motivating, developing, and retaining knowledgeable and capable personnel. As a result, an annual training plan for employees was arranged which focuses on departments that have urgent needs. The Company sent personnel to attend seminars and various academic training in relevant fields to develop the knowledge and ability of personnel as needed. Succession plans, identifying successors, and guidelines for the development of successors for important positions were established.

2. Risk Assessment

The Company was aware of the importance of risk management due to changes that could affect the achievement of business objectives or goals. The Company established a written risk management policy to deal with uncertain situations that may occur. This was approved by the resolution of the Board of Directors to specify the framework for the risk management guidelines. The risk management policies were communicated to all departments within the Company and its subsidiaries for their acknowledgment and implementation. In addition, a risk management working group is responsible for overseeing and monitoring the risk management process. Significant assessment/management results will be compiled, proposed to the Risk Management Committee, and reported to the Board of Directors in a timely manner in the event of factors or events that may have a significant impact on the company. This was accomplished in order to systematically support and drive the Company's risk management process.

The Company's risk management process included the

consideration and assessment of business risk from both internal and external factors. This was done by taking into account the likelihood of risk and its potential impact. It covered various types of risk, such as business strategy, operations, reporting, compliance, information technology, etc. This also included the possibility of fraud in various forms and assessing changes that affect patterns and the Company's operational risk. In this regard, the Company established guidelines and measures to manage risk at an acceptable level in order to prevent or reduce damages that may occur. This was done by considering various approaches such as accepting risk, reducing risk, avoiding risk, etc., as well as monitoring risk management results in the organization consistently and continually.

3. Control Activities

The Company established organizational control measures and operational control measures for the Company and its subsidiaries through policies and operational procedures by separating responsibilities in important tasks. This included separating the responsibilities of the approval authorities, the person responsible for bookkeeping and information, and the person in charge of keeping assets apart in order to have efficient and effective internal control. The Delegation of Authority (DOA) was also established which was approved by the resolution of the Board of Directors.

In addition, the Company set policies for conflicts of interest by prohibiting directors, executives, and employees from seeking benefits for themselves or others, whether the transaction caused damage to the Company or not. The connected transaction policy is used as a guideline in the event that the Company has transactions with a person who may have a conflict of interest or connected persons. There must be trade conditions with fair prices and conditions that do not cause a transfer of benefits. The best interest of shareholders must be taken into account as well as the investment policies and the operations of subsidiaries, joint ventures, and associated companies in order to supervise the operations in order to make sure that they follow the direction and goals set forth regarding both strategy and operations.

The Internal Audit Department is responsible for verifying that the operations of the Company and its subsidiaries are carried out in accordance with the policies and operational procedures defined by the Company, and by determining the annual audit plan to cover important

operational processes as accepted and approved by the Audit Committee. In the case that defects are found, the Internal Audit Department will report the detected issues and give recommendations to any relevant departments in order to find a solution.

4. Information and Communication Systems

The Company gives importance to information and communication systems and has internal and external communication channels. Internal and External information is used to analyze decisions made regarding the operations of the Company and its subsidiaries. Each department is responsible for controlling documents and keeping important documents organized so that the decisions made by the shareholders, stakeholders, directors, and management of the Company are based on information that is accurate, sufficient, reliable, and timely.

In regards to the Meeting of the Board of Directors, a meeting invitation letter, the meeting's agenda and the meeting documents that contain important and sufficient information will be sent 7 days prior to the meeting. This is in line with the minimum time period required by the law. This enables the Board of Directors to have sufficient information to make decisions and have sufficient time to study this important information. The company secretary is the coordinator for each meeting, preparing the meeting's minutes along with the meeting's agenda which is to be considered as well as any questions, comments, or remarks from the directors. This also includes the approval/consideration of agenda items and keeping the meeting's minutes organized for future reference.

The Company established communication channels for employees to acknowledge any information and news among the organization through the notice board of the Company and to email certain employees or certain groups through the Company's intranet. The Company will use different channels for communication depending on the information and the group of employees in order to ensure that the information is fully communicated to the target staff.

In addition, the Company determined that investor relations are responsible for communicating the Company's information to outsiders. The Company created a website that consists of important content such as Company information, corporate governance, and complaints, as

well as establishing a written whistleblowing policy and whistleblowing channel through the Company's website or via email at ethics_hotline@indexlivingmall.com so that both internal and external stakeholders can safely blow the whistle to the Company.

5. Monitoring Activities

The Company established an independent Internal Audit Department that reports directly to the Audit Committee in order to verify the internal control system of the Company and its subsidiaries. This is in accordance with the policies and procedures that the Company established. The Company also established an annual internal audit plan by considering the risk and nature of business of the Company and its subsidiaries which was approved by the Audit Committee. In addition, the Internal Audit Department will review the internal audit plan to ensure that it is consistent and suitable with the nature of business of the Company and its subsidiaries. Changes may be made during the year or when necessary.

The Internal Audit Department will report any defects that were found or suggest any improvements that should be made to the internal control system of the Company and its subsidiaries to the relevant executives. The Internal Audit Department will report the results of the internal audit which includes the updated results after the improvement has been suggested in order to solve any significant flaws of the Company and its subsidiaries to the Audit Committee at least once per quarter. When corruption, something unusual, or any significant defects occur that may affect the reputation, image, financial status, and business operation of the Company, facts must be gathered, investigated, and reported to the executive management, the Internal Audit Department, the Audit Committee, and the Board of Directors immediately.

9.1.2 Auditor's Observations

1 Audit Observations and Internal Control Accounting System KPMG Phoomchai Audit Company Limited ("KPMG"), the Company's auditor, did not find any material deficiencies in the internal control system and did not issue any report on observations or recommendations for accounting and the internal control accounting system for the Company's executive management for the year that ended on December 31, 2022.



2. Observations on Information Technology (IT) System

KPMG Phoomchai Audit Company Limited ("KPMG"), the Company's auditor, did not find any material deficiencies in the internal control system and did not issue any report on observations or recommendations regarding the information technology (IT) system for the Company's executive management for the year that ended on December 31, 2022.

9.1.3 Head of Internal Audit Unit

The Company organized an internal audit department that reports directly to the Audit Committee of the Company to support the supervision and the operations of the internal audit to be independent, effective, and efficient. The Audit Committee Meeting No. 1/2018 (Limited Company) held on March 29, 2018 approved the appointment of Mr. Phisit Opapakorn as Head of the internal audit of the Company due to his qualifications, educational background, and sufficient training and experience that is suitable to be the controller of the said operations. The details regarding the position of the Head of the internal audit appear in Attachment 3.

In this regard, consideration and approval, removal, and transfer of the Head of the internal audit of the Company must be approved by the Audit Committee.

Connected Transactions

Connected transactions between the Company and/or Subsidiaries and Individuals or Juristic Persons that may have Conflicts of Interest for the Year that Ended on December 31, 2022 can be summarized as follows:

Product Sales List

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (million Baht)	Necessity and Reasonableness of the Transaction
1. Directors, Executives, and Employees which includes their families	<ul style="list-style-type: none"> Sales Revenue Service Revenue Deposit for Products 	0.63 0.00 0.01	Directors, executives, and employees, including their parents, spouses, brothers, or sisters, as well as their families, have purchased goods and gift vouchers as well as used the Company's installation services in which the individual purchased a product from the Company with a discount according to the employee discount policy or the price offered to general customers. This transaction is subject to the same general commercial conditions as any other transaction with a third party.
2. Bangkok Master Wood Company Limited ("BMW") <ul style="list-style-type: none"> The affiliated directors are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak, and Mr. Ekaridh. The affiliated shareholders are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak and Mr. Ekaridh, altogether holding 100.0% of the shares. 	<ul style="list-style-type: none"> Sales Revenue Service Revenue Accounts Receivables 	0.95 - 0.15	<p>The Company made a production order from BMW and required that the manufactured products meet the quality, size, and color specifications. However, BMW's raw materials did not meet the Company's specifications. Thus, the Company sold BMW the raw materials, which was fabric, so that BMW could use the raw materials to manufacture a sofa for the Company, setting the sales price at cost-plus according to the connected transaction policy. This profit margin was higher than that of the Company's raw material sales to other manufacturers. In addition to the gross profit margin, after the Company purchased the product and sold it at the storefront, the gross profit margin of the product would fall within the gross profit range of the Company's normal product sales, and this transaction was subject to general commercial conditions.</p> <p>The Company made a production order from BMW and required that the manufactured products meet the quality, size, and color specifications. However, BMW's raw materials did not meet the Company's specifications. Thus, the Company sold BMW the raw materials, which was fabric, so that BMW could use the raw materials to manufacture a sofa for the Company, setting the sales price at cost-plus according to the connected transaction policy. This profit margin was higher than that of the Company's raw material sales to other manufacturers. In addition to the gross profit margin, after the Company purchased the product and sold it at the storefront, the gross profit margin of the product would fall within the gross profit range of the Company's normal product sales, and this transaction was subject to general commercial conditions.</p> <p>In addition, BMW normally includes shipping costs in the price of the product. However, if BMW is unable to procure a vehicle to deliver the products to the Company as agreed upon, BMW will request that the Company bring a vehicle to pick the products up and allow the Company to charge BMW for transportation costs. In this case, if the Company desires flexibility, the Company vehicle will be used to retrieve the products and charge transportation costs with cost-plus pricing that is comparable to other service providers. This transaction is subject to general commercial conditions.</p>
	<ul style="list-style-type: none"> Sales Revenue Service Revenue Accounts Receivable Machinery and Equipment Sale Revenue 	20.72 4.16 9.80 1.88	<p>IDF is engaged in the production of furniture parts such as doors, cabinet legs, table legs, spray painting, etc., and IDF provides services such as sewing leather seats, surface finishing, and spray painting for BMW. BMW uses those parts as a component of BMW's furniture production by setting the sales price as cost-plus pricing in accordance with the connected transaction policy. The cost-plus pricing is comparable to the profit margin for OEM non-trademarked products, and the transaction is subject to general commercial conditions.</p> <p>In 2022, BMW paid more than other buyers to purchase an old truck from the IDF.</p> <p>The transaction is therefore reasonable.</p>



Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (million Baht)	Necessity and Reasonableness of the Transaction
3. Bangkok Sanyo Spring Company Limited ("BS") <ul style="list-style-type: none"> The affiliated directors are Mr. Pisith, and Miss Kridchanok. The affiliated shareholders are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak, and Mr. Ekaridh, all together holding 45% of the shares. 	<ul style="list-style-type: none"> Service Revenue 	0.95	IDF entered into a contract with BS to provide a variety of services, including factory cleaning, provision of utilities, staff recruitment, training, etc. The service fee for the aforementioned service is 200% higher than the service's cost. Therefore, IDF received a benefit from providing the service. This transaction is in accordance with the general commercial conditions.
4. East Coast Furnitech Public Company Limited ("ECF") <ul style="list-style-type: none"> Mr. Arak is the executive director and a major shareholder in this company, holding 15.4% of the shares. 	<ul style="list-style-type: none"> Sale Revenue 	0.02	ECF received the same storefront discount as other customers when purchasing products from the Company. This transaction is subject to the same general commercial conditions offered to other buyers.
5. Pa Tham Ma Company Limited ("Pa Tham Ma") <ul style="list-style-type: none"> The affiliated directors are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Ekalak and Mr. Ekaridh. The affiliated shareholders are Miss Kridchanok, Miss Pichapim, Mr. Ekalak, and Mr. Ekaridh, all together holding 100% of the shares. 	<ul style="list-style-type: none"> Sale Revenue 	0.85	Pa Tham Ma purchased furniture from the Company at the same discounted storefront prices. This transaction is subject to the same general commercial conditions offered to other buyers.
6. Mai Thamma Panich R.I. Company Limited ("RI") <ul style="list-style-type: none"> he affiliated directors are Mr. Phisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Ekalak, and Mr. Ekaridh. The affiliated shareholders are Miss Kridchanok, Miss Pichapim, Mr. Ekalak, and Mr. Ekaridh, all together holding 100.0% of total shares. 	<ul style="list-style-type: none"> Other Revenue Other Accounts Receivable 	0.12 0.001	RI hired the Company to oversee the back office management for the Ramintra Picnic Market Project. This included information technology, rental space management, and accounting systems over a three-year period (2021–2024). The Company's service revenue surpassed its operating expenses. Therefore, this transaction is reasonable. The transaction was approved by the AC in No. 3/2021 on August 5, 2021.

Purchase List

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (million Baht)	Necessity and Reasonableness of the Transaction
1. Bangkok Master Wood Company Limited ("BMW") <ul style="list-style-type: none"> The affiliated directors are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Ekalak, and Mr. Ekaridhi. The affiliated shareholders are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Ekalak, and Mr. Ekaridhi, all together holding 100.0% of the shares. 	<ul style="list-style-type: none"> Expenses from Purchasing Products Trade Accounts Payable Down Payment Other Expenses 	<p>219.45</p> <p>17.65</p> <p>0.15</p> <p>0.29</p>	<p>The Company purchased furniture made from rubber wood from BMW because the Corporate Group does not have the production machinery and it requires production techniques that the Corporate Group is unable to manufacture to sell at Index Living Mall. When the Company added the purchase cost with the profit margin as required, the product still had a competitive price with similar products in the market. The gross profit margin of the product was comparable to the gross profit margin of the Company's typical product sales. Therefore, the transaction was necessary, reasonable, and will continue in the future.</p>
2. Bangkok AI-Toa ("BI") Company Limited <ul style="list-style-type: none"> The affiliated director is Mr. Pisith. The affiliated shareholder is Mr. Pisith, holding 6.0% of the shares. 	<ul style="list-style-type: none"> Expenses from Purchasing Products Trade Accounts Payable Sales Promotion Costs 	<p>-</p> <p>0.07</p> <p>-</p>	<p>IDF hired BMW to produce furniture from rubber wood because IDF does not have the production machinery and requires production techniques that IDF is unable to produce. IDF compared prices and trade terms between BMW and other vendors. The price of BMW was cheaper than other vendors. The terms and conditions were in normal business. IDF chose BMW to manufacture the product. Therefore, this transaction was necessary, reasonable, and will continue in the future.</p> <p>The Company purchased products made from wire and stainless steel such as hangers in kitchen sets in order to be distributed at Index Living Mall stores. When the Company added the purchase cost with the profit margin as required, the product still had a competitive price with similar products in the market. The gross profit margin of the product was comparable to the gross profit margin of the Company's typical product sales. For products that can be purchased from third parties such as dish racks, the Company compared the price and payment terms and found that BI's price was lower than other vendors. This transaction had general commercial conditions. Thus, the Company chose to purchase the products from BI.</p>
3. East Coast Furnitech Public Company Limited ("ECF") <ul style="list-style-type: none"> Mr. Arak is the executive director and a major shareholder in this company, holding 15.4% of total shares 	<ul style="list-style-type: none"> Expenses from Purchasing Products Trade Accounts Payable 	<p>42.27</p> <p>26.02</p>	<p>The Company purchased furniture from ECF due to ECF's ability to produce the furniture at a lower cost than the Company. When the Company added the purchase cost with the profit margin as required, the product still had a competitive price with similar products in the market. The gross profit margin of the product was comparable to the gross profit margin of the Company's typical product sales.</p>



Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (million Baht)	Necessity and Reasonableness of the Transaction
4. Bangkok Sanyo Spring Company Limited ("BS") <ul style="list-style-type: none"> The affiliated directors are Mr. Phisith and Miss Kridchanok. The affiliated shareholders are Mr. Phisith, Mrs. Kunthong, Miss Kridchanok, Miss. Pichapim, Mr. Ekalak, and Mr. Ekaridh holding 45.0% of the total shares 	<ul style="list-style-type: none"> Purchasing Assets Account Payable 	0.02 0.02	IDF purchased twelve insect traps after comparing prices from various vendors. This transaction is subject to general commercial conditions.

List of Land Lease Agreements

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (million Baht)	Necessity and Reasonableness of the Transaction
1. Mr. Pisith Patamasatayasonthi ("Mr. Pisith") <ul style="list-style-type: none"> Director, executive, and shareholder of the Company, holding 3.0% of the paid-up capital. The spouse of Mrs. Kunthong Udommahuntisuk ("Mrs. Kunthong"). The father of Miss Kridchanok Patamasatayasonthi ("Miss Kridchanok"), Miss Pichapim Patamasatayasonthi ("Miss Pichapim"), Mr. Ekalak Patamasatayasonthi ("Mr. Ekalak") and Mr. Ekaridhi Patamasatayasonthi ("Mr. Ekaridhi") 	<ul style="list-style-type: none"> Land Rental Expenses Other Payables 	0.34 0.46	<p>IDF rented 3 rai and 1.2 square wah of land. This was part of the Mahachai factory from Mr. Pisith beginning on January 1, 2017 for a period of 3 years. Mr. Pisith allowed the IDF to rent the space without any charges.</p> <p>As of March 15, 2019, IDF and Mr. Pisith agreed to amend the said contract. The new contract's lease period is from April 1, 2019 until March 31, 2049 which is a period of 30 years. The rental rate is 18,018 Baht per year between 2019 and 2022. The rental price will increase by 10% every three years. IDF hired an appraiser approved by the SEC to assess the rental rate of the said land. The appraiser was Prospector Appraisal Company Limited and they referenced the rental rate of the said appraisal in the rental price with general payment terms.</p>

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (million Baht)	Necessity and Reasonableness of the Transaction
2. Mai Thammasa Panich Company Limited ("MTD") <ul style="list-style-type: none"> The affiliated directors are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Ekalak, and Mr. Ekaridhi. The affiliated shareholders are Miss Kridchanok, Miss Pichapim, Mr. Ekalak and Mr. Ekaridhi. all together holding 100.0% of the shares. 	<ul style="list-style-type: none"> Land Rental Expenses Other Payables - Outstanding Property Tax Land Tax Right of Use Assets Interest Expenses from Exercising Rights Amortization Rights to use Assets for Accounts Payable Deferred Interest Leasehold Rights Beginning of the Period Deferred Lease Leasehold Rights - End of the Period 	26.99 25.64 1.21 7.20 1,203.98 102.79 53.48 3,418.39 1,900.70 390.78 29.02 361.75	<p>The Company Group entered into long-term land rental agreements with the MTD group ranging in duration from 9 to 20 years in order to use the land as a location for Index Living Mall, community mall, The Walk and Little Walk, the Company Group's headquarters, and its factories. There are a total of 18 locations. They are:</p> <p>1) Index Living Mall Rama 2 Branch 2) Little Walk Bangna 3) Index Living Mall Chiang Mai Branch 4) Index Living Mall Bangna Branch 5) Index Living Mall Ratchapruke Branch 6) Index Living Mall Khon Kaen Branch 7) Index Living Mall Udon Thani Branch 8) Index Living Mall Phitsanulok Branch 9) Index Living Mall ChonBuri Branch 10) Index Living Mall Nakhon Si Thammarat Branch 11) Index Living Mall Pattaya Branch 12) Index Living Mall Rayong Branch 13) Index Living Mall Surat Thani Branch 14) Index Living Mall HatYai Branch 15) Index Living Mall Kaset Nawamin Branch 16) Index Living Mall Chanthaburi 17) Headquarters at Rama 2 and 18) The Company Group's factory at Ekachai. The Company hired appraisers approved by the Office of the SEC, which was Prospecc Appraisal Company Limited, Agency for Real Estate Advisors Company Limited, and Bangkok Appraisal Company Limited. These appraisers assessed the leasehold value and the rental rate for these 17 locations. The Company used the said leasehold rights and rental rates as a standard for calculating rental rates. The rental rate was required to increase by 10% every three years (except for land where the community mall, The Walk at Kaset Nawamin, and Index Living Mall Pattaya Branch, which will increase every 5-6 years respectively). The said transaction had general commercial conditions under the rental business.</p> <p>If the aforementioned land lease agreement expired and the Company desired to renew the land lease, the Company must notify the MTD group in accordance with the contract's notification period. The negotiation will be made on the terms, conditions, and rental rates again.</p>



List of Retail Spaces

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (million Baht)	Necessity and Reasonableness of the Transaction
1. JV Resto Company Limited ("JV Resto") <ul style="list-style-type: none"> Mr. Ekalak, an executive director and major shareholder of the Company, is a director and major shareholder of the company, holding 25.0% of the shares. Miss. Wisarat, the spouse of Mr. Ekalak, is a major shareholder of the company holding 25.0% of the shares. 	<ul style="list-style-type: none"> Revenue from Retail Space Other Revenue Deposits for Rentals Accounts Receivable Other Accounts Receivable Other Payables 	4.08 0.01 0.60 0.47 0.19 0.01	<p>JV Resto rented space in the Little Walk Community Mall Bangna Branch from TW for three years, from February 1, 2017 to January 31, 2020, to operate the "Shoyuu" restaurant business at a cost of 287.75 Baht per square meter and a service fee of 5% of monthly sales. This was a special rate compared to other stores in the Little Walk Community Mall Bangna Branch because JV Resto was the first tenant of the Little Walk Community Mall Bangna Branch and because the Little Walk Community Mall needed shops to be open in time for its grand opening. Thus, JV Resto was given special rental and service rates, which were the same special rental and service rates used by the Corporate Group for third parties that rented space in the Corporate Group's community mall during the period of the Grand Opening until the current lease expires.</p> <p>However, since JV Resto intended to rent more space at Little Walk Community Mall, JV Resto, and TW entered into a new lease and service agreement in which TW adjusted the rental and service fees in the new contract which were equal to 8.0% monthly sales. This rental rate is comparable to other stores in the area and is subject to general commercial conditions. The duration of the new contract is from March 1, 2019 to February 28, 2022.</p> <p>In addition, JV Resto leased the signage area in front of Little Walk Community Mall Bangna Branch for a "Shoyuu" sign which totaled 4.50 square meters with a rental rate of 444.44 Baht per square meter per month. This rate was comparable to other stores paid to rent this signage area.</p>
2. Pa Thamma Company Limited ("Pa Thamma") <ul style="list-style-type: none"> The affiliated directors are Mr. Plisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Ekalak, and Mr. Ekaridh. The affiliated shareholders are Miss Kridchanok, Miss Pichapim, Mr. Ekalak, and Mr. Ekaridhi, all together holding 100.0% of the shares. 	<ul style="list-style-type: none"> Revenue from Retail Space Deposits for Rentals Other Payables 	0.01 0.01 0.01	<p>Pa Thamma rented space in The Walk, Kaset Navamin Branch's backyard. This rental rate is higher than comparable rentals in the same area with general commercial terms and conditions.</p>

Measures of Procedures for Approving Connected Transactions

In regards to connected transactions or related transactions of the Company, the Company will comply with the rules and regulations of the Securities and Exchange Act B.E. 2535 (including additional amendments) and the relevant regulations of the Capital Market Supervisory Board and/or the Office of Securities and Exchange Commission, and the Stock Exchange of Thailand, and will also comply with the requirements regarding the disclosure of connected transactions in the notes of the financial statements which were audited by the auditor of the Company and the annual registration statement (56-1). When conducting such transactions, the Company will investigate and oversee any transactions that occur without any stakeholders involved with the benefits and make a decision regarding the connected transactions.

The Board of directors established a process to approve connected transactions or related transactions under the framework of good ethics. This was screened by the Audit Committee with due regard for the benefit of the Company and the major shareholders by requiring that the Board of Directors and supervisors ensure compliance with the regulations of the Capital Market Supervisory Board, the Office of Securities and Exchange Commission, and the Stock Exchange of Thailand, as well as considering the disclosure of connected transactions or related transactions to the public to be accurate and complete.

In the case of normal business transactions or transactions that support the normal business of the Company or transactions that may continue in the future, the Company has a policy to specify the framework of the transaction in which there must be a trade agreement in the same way that an ordinary person would do to the general parties in the same situation by the bargaining power without any influence in the status of director, executive or related person and does not cause a transfer of benefits and/or is able to show that the transaction has a reasonable or fair price or condition. If the Board of Directors approved the above transaction framework as a general principle, the executive management of the Company will be able to immediately proceed with the said transaction as stated in the specified framework without having to propose such items for the approval of the Board of Directors again. The Company will prepare a summary report of connected transactions or related transactions to report to the Audit Committee of the Company and the Meeting of the Board of Directors each quarter in order to comply with securities and the stock exchange laws, the regulations, notifications, orders, or requirements of the Office of Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand.

If there are any connected transactions or other related transactions, the Company must propose them to the Audit Committee so that they can comment on the appropriateness of the price as well as the reasonability of such transactions. In the event that the Audit Committee has no expertise to consider connected transactions, the Company will provide people who have the knowledge and special expertise such as an independent auditor or an appraiser to provide an opinion on the connected transaction for the Board of Directors or shareholders to consider, as the case may be. Those who may have a conflict of interest or have an interest in the transaction will not have a right to vote to approve the connected transaction in order to be confident that entering into the said transaction would not move or transfer the interests of the Company but take into account the best interests of the Company and all shareholders. The Company will disclose the connected transactions in the notes to the financial statements which were audited by the auditor of the Company, the annual report, and the annual registration statement of the Company (Form 56-1).



Policy regarding Future Connected Transactions or Related Transactions

In the event that there is a connected transaction or a related transaction in the future, the Company will comply with the Securities and Exchange Act B.E. 2535 (including amendments), regulations, notifications, orders, or requirements of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand. However, the transaction will not move or transfer the Company's benefits and will be taken into account for the best interest of the Company and its shareholders.

In the case of normal business transactions or transaction support of normal business or transactions that may continue in the future, the Company will specify the criteria and the guidelines on how to comply with the general trade practices with reference to the appropriate, fair, and reasonable price that can be verified. The transaction framework will be proposed to the Audit Committee for their opinion and the Board of Directors to consider and approve.

In addition, if there are any connected transactions or related transactions or there are any changes to the terms and conditions related to the transactions between major shareholders, directors, executives or persons with a possible conflict of interest or a connected person of the Company, the directors who have a conflict of interest will not attend the Board Meetings for the agenda item related to the consideration of the said transaction.



FINANCIAL STATEMENTS

Part 3 Financial Statements and Notes to Financial Statements

3



Independent Auditor's Report

To the Shareholders of Index Living Mall Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Index Living Mall Public Company Limited and its Subsidiaries (the "Group") and of Index Living Mall 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.

Valuation of inventories	
Refer to Notes 7 of the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
The Group/Company's inventories are material to the financial statements where are measured at the lower of cost and net realizable value. High market competition affects to the determination of the Group/Company's selling price. Moreover, some of the group/company's inventories are rapid change of popularity of products. Therefore, there is a risk that inventories may be presented at cost higher than net realizable value including the occurrence of the inventory obsolescence. The Group/Company considers the allowance for decline in value and obsolescence by the management estimates and judgment. Consequently, I consider that this is a significant matter.	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding the policies and procedures that the Group/Company's management applied for setting up allowance for decline in value of inventories; • Testing on a sample basis items in the stock aging report and corroborated on whether these items were classified in the appropriate aging bracket; • Performing test on a sample basis of net realisable value of inventories by investigating with the sales documents after period end whether there were any sales at price lower than cost to assess management's estimates and decision whether the allowance for decline in value of inventories was appropriate and adequate;. • Considering the historical accuracy of the allowance for decline in value of inventories for evaluating the appropriateness of the assumptions made in the current year and assessing the reasonableness of assumptions made by management on the extent of long-outstanding inventories and sales at price lower than cost to consider the appropriateness of the decline in value of inventories; • Considering of the adequacy of the Group/Company's disclosures in accordance with the related Thai Financial Reporting Standards.

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.

(Udomsak Busaraniphan)
Certified Public Accountant
Registration No. 10331

KPMG Phoomchai Audit Ltd.
Bangkok
27 February 2023

Statement of financial position

Index Living Mall Public Company Limited and its Subsidiaries

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2022	2021	2022	2021
(in Baht)					
Current assets					
Cash and cash equivalents	4	74,781,238	107,085,555	52,373,949	63,026,479
Trade accounts receivable	5	236,194,915	218,407,324	262,691,821	214,009,367
Other receivables	6	285,455,162	291,080,282	240,206,835	231,171,547
Short-term loans to and interest receivable-related party	3	-	-	-	29,048,108
Inventories	7	1,586,346,424	1,657,849,763	1,589,544,804	1,656,996,910
Other current assets		13,748,718	12,451,257	13,161,518	11,606,136
Total current assets		2,196,526,457	2,286,874,181	2,157,978,927	2,205,858,547
Non-current assets					
Other non-current financial assets	21	17,450,000	15,580,964	-	-
Investments in subsidiaries	8	-	-	980,398,400	980,398,400
Investment properties	9	1,876,789,720	1,551,253,379	1,572,311,226	1,436,234,689
Property, plant and equipment	10	4,687,843,608	4,912,261,878	4,043,015,473	4,193,283,638
Right-of-use assets	11	2,946,542,327	3,209,370,288	3,337,673,762	3,563,838,883
Intangible assets		32,519,604	34,989,851	21,595,798	18,592,265
Deferred tax assets	18	160,642,689	212,162,816	106,955,286	157,001,847
Other non-current assets		113,233,974	133,503,454	99,234,869	127,047,565
Total non-current assets		9,835,021,922	10,069,122,630	10,161,184,814	10,476,397,287
Total assets		12,031,548,379	12,355,996,811	12,319,163,741	12,682,255,834

Sign _____ Director
Mr. Pisith Patamasatayasonthi

Sign _____ Director
Mrs. Kridchanok Patamasatayasonthi

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



Statement of financial position

Index Living Mall Public Company Limited and its Subsidiaries

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2022	2021	2022	2021
(in Baht)					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	12	793,000,000	763,000,000	663,000,000	321,000,000
Trade accounts payables		691,259,708	755,175,050	938,929,182	1,236,349,222
Other current payables	13	899,194,375	874,399,521	830,185,649	809,019,616
Current portion of long-term borrowings	12	244,386,555	348,639,555	244,386,555	348,639,555
Current portion of lease liabilities	12	34,777,148	60,682,199	107,797,655	130,178,667
Short-term borrowings from					
and interest payable-related parties	3, 12	-	-	710,374,038	513,296,641
Current income tax payable		24,179,629	28,188,639	-	8,211,274
Other current liabilities		32,617,158	24,593,399	29,279,415	21,133,897
Total current liabilities		2,719,414,573	2,854,678,363	3,523,952,494	3,387,828,872
Non-current liabilities					
Long-term borrowings	12	99,080,813	864,286,367	99,080,813	864,286,367
Lease liabilities	12	2,929,725,448	2,738,403,324	3,232,091,519	3,197,200,567
Non-current provisions for employee benefits	14	265,534,635	243,127,192	182,126,989	163,401,560
Other non-current liabilities		349,812,072	344,397,027	195,727,661	211,521,621
Total non-current liabilities		3,644,152,968	4,190,213,910	3,709,026,982	4,436,410,115
Total liabilities		6,363,567,541	7,044,892,273	7,232,979,476	7,824,238,987
Equity					
Share capital:					
Authorised share capital					
(505 million ordinary shares, par value at					
Baht 5 per share)		2,525,000,000	2,525,000,000	2,525,000,000	2,525,000,000
Issued and paid-up share capital					
(505 million ordinary shares, par value at					
Baht 5 per share)		2,525,000,000	2,525,000,000	2,525,000,000	2,525,000,000
Share premium on ordinary shares		1,741,109,855	1,741,109,855	1,741,109,855	1,741,109,855
Retained earnings					
Appropriated legal reserve	15	252,500,000	243,600,000	252,500,000	243,600,000
Unappropriated		1,149,364,379	802,200,516	567,574,410	348,306,992
Other components of equity		-	(2,094,382)	-	-
Equity attributable to owners of the parent		5,667,974,234	5,309,815,989	5,086,184,265	4,858,016,847
Non-controlling interests		6,604	1,288,549	-	-
Total equity		5,667,980,838	5,311,104,538	5,086,184,265	4,858,016,847
Total liabilities and equity		12,031,548,379	12,355,996,811	12,319,163,741	12,682,255,834

Sign _____ Director
Mr. Pisith Patamasatayasonthi

Sign _____ Director
Mrs. Kridchanok Patamasatayasonthi

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

Statement of comprehensive income

Index Living Mall Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2022	2021	2022	2021
		(in Baht)			
Revenue	16				
Revenue from sale of goods		8,250,851,791	7,837,992,169	8,214,881,550	7,833,085,211
Revenue from rental and rendering of services		638,003,390	479,151,957	469,124,426	359,617,550
Dividend income	3, 8	660,357	325,357	259,199,892	170,847,264
Interest income		301,021	279,492	285,345	411,901
Other income		106,188,528	92,817,733	123,674,872	107,431,154
Net foreign exchange gain		12,975,817	3,567,584	12,476,429	2,958,362
Total revenue		9,008,980,904	8,414,134,292	9,079,642,514	8,474,351,442
Expenses	16, 17				
Costs of sales of goods	7	4,565,751,108	4,456,504,919	5,008,011,560	4,862,817,087
Costs of rental and rendering of services		311,701,537	267,501,857	207,411,756	181,841,543
Selling and distribution expenses		2,097,336,876	1,951,151,347	2,144,595,268	1,996,248,250
Administrative expenses		1,038,839,618	963,132,818	890,720,168	818,715,489
Total expenses		8,013,629,139	7,638,290,941	8,250,738,752	7,859,622,369
Profit from operating activities		995,351,765	775,843,351	828,903,762	614,729,073
Finance costs		214,335,192	246,461,487	236,422,361	268,674,368
Profit before income tax expense		781,016,573	529,381,864	592,481,401	346,054,705
Tax expense	18	(121,950,562)	(76,207,439)	(61,313,983)	(25,351,321)
Profit for the year		659,066,011	453,174,425	531,167,418	320,703,384

Sign _____ Director
Mr. Pisith Patamasatayasonthi

Sign _____ Director
Mrs. Kridchanok Patamasatayasonthi

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



Statement of comprehensive income

Index Living Mall Public Company Limited and its Subsidiaries

Index Living Mall Public Company Limited and its Subsidiaries Statement of comprehensive income

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2022	2021	2022	2021
		<i>(in Baht)</i>			
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Losses on remeasurements of defined benefit plans	14	-	(12,007,156)	-	(7,588,782)
Income tax relating to items that will not be reclassified	18	-	2,401,431	-	1,517,756
Total items that will not be reclassified to profit or loss		-	(9,605,725)	-	(6,071,026)
Other comprehensive income for the year, net of tax		-	(9,605,725)	-	(6,071,026)
Total comprehensive income for the year		659,066,011	443,568,700	531,167,418	314,632,358
Profit attributable to:					
Owners of the parent		659,064,445	453,174,057	531,167,418	320,703,384
Non-controlling interests		1,566	368	-	-
		659,066,011	453,174,425	531,167,418	320,703,384
Total comprehensive income attributable to:					
Owners of the parent		659,064,445	443,568,333	531,167,418	314,632,358
Non-controlling interests		1,566	367	-	-
		659,066,011	443,568,700	531,167,418	314,632,358
Basic earnings per share	19	1.31	0.90	1.05	0.64

Sign _____ Director
Mr. Pisith Patamasatayasonthi

Sign _____ Director
Mrs. Kridchanok Patamasatayasonthi

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

Statement of changes in equity

Index Living Mall Public Company Limited and its Subsidiaries

Year ended 31 December 2021										
Balance at 1 January 2021	2,525,000,000	1,741,109,855	227,100,000	587,232,183	(2,094,382)	(2,094,382)	5,078,347,656	1,288,948	5,079,636,604	
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the parent</i>										
Dividends to owners of the Company	-	-	-	(212,100,000)	-	-	(212,100,000)	-	(212,100,000)	
<i>Total distributions to owners of the parent</i>	-	-	-	(212,100,000)	-	-	(212,100,000)	-	(212,100,000)	
<i>Changes in ownership interests in subsidiaries</i>										
Dividends of subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(766)	(766)	
<i>Total changes in ownership interests in subsidiaries</i>	-	-	-	-	-	-	-	(766)	(766)	
Total transactions with owners, recorded directly in equity	-	-	-	(212,100,000)	-	-	(212,100,000)	(766)	(212,100,766)	
Comprehensive income for the year										
Profit or loss	-	-	-	453,174,057	-	-	453,174,057	368	453,174,425	
Other comprehensive income	-	-	-	(9,605,724)	-	-	(9,605,724)	(1)	(9,605,725)	
Total comprehensive income for the year	-	-	-	443,568,333	-	-	443,568,333	367	443,568,700	
Transfer to legal reserve	-	-	16,500,000	(16,500,000)	-	-	-	-	-	
Balance at 31 December 2021	2,525,000,000	1,741,109,855	243,600,000	802,200,516	(2,094,382)	(2,094,382)	5,309,815,989	1,288,549	5,311,104,538	

Sign _____ Director
Mr. Pisith Patamasatayasonthi

Sign _____ Director
Mrs. Kridchanok Patamasatayasonthi

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

Statement of changes in equity

Index Living Mall Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements						Total equity
		Retained earnings	Other components of equity			Equity attributable to owners of the parent	Non-controlling interests	
		Share premium on ordinary shares	Legal reserve	Unappropriated reserve	Translation reserve (in Baht)	Total components of equity		
Year ended 31 December 2022								
Balance at 1 January 2022		2,525,000,000	1,741,109,855	243,600,000	802,200,516	(2,094,382)	5,309,815,989	1,288,549
								5,311,104,538
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the parent</i>								
Dividends to owners of the Company	20	-	-	-	(303,000,000)	-	(303,000,000)	-
Total distributions to owners of the parent		-	-	-	(303,000,000)	-	(303,000,000)	-
<i>Changes in ownership interests in subsidiaries</i>								
Liquidation of subsidiary		-	-	(582)	2,094,382	2,094,382	2,093,800	(1,283,511)
Total changes in ownership interests in subsidiaries		-	-	(582)	2,094,382	2,094,382	2,093,800	(1,283,511)
								810,289
Total transactions with owners, recorded directly in equity		-	-	(303,000,582)	2,094,382	2,094,382	(300,906,200)	(1,283,511)
								(302,189,711)
Comprehensive income for the year								
Profit or loss		-	-	659,064,445	-	-	659,064,445	1,566
Other comprehensive income		-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	659,064,445	-	-	659,064,445	1,566
								659,066,011
Transfer to legal reserve	15	-	-	8,900,000	(8,900,000)	-	-	-
								-
Balance at 31 December 2022		2,525,000,000	1,741,109,855	252,500,000	1,149,364,379	-	5,667,974,234	6,604
								5,667,980,838

Sign _____ Director
Mr. Pisith Patamasatayasonthi

Sign _____ Director
Mrs. Kridehanok Patamasatayasonthi

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



Business & Performance

Corporate Governance

Financial Statements

Attachments

Statement of changes in equity

Index Living Mall Public Company Limited and its Subsidiaries

	Separate financial statements				
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Total equity
			Legal reserve	Unappropriated reserve	
Note			(in Baht)		
Year ended 31 December 2021					
Balance at 1 January 2021	2,525,000,000	1,741,109,855	227,100,000	262,274,634	4,755,484,489
Transactions with owners, recorded directly in equity					
<i>Distributions to owners</i>					
Dividends to owners of the Company	-	-	-	(212,100,000)	(212,100,000)
Total transactions with owners, recorded directly in equity	-	-	-	(212,100,000)	(212,100,000)
Comprehensive income for the year					
Profit or loss	-	-	-	320,703,384	320,703,384
Other comprehensive income	-	-	-	(6,071,026)	(6,071,026)
Total comprehensive income for the year	-	-	-	314,632,358	314,632,358
Transfer to legal reserve	-	-	16,500,000	(16,500,000)	-
Balance at 31 December 2021	2,525,000,000	1,741,109,855	243,600,000	348,306,992	4,858,016,847

Sign _____ Director
Mr. Pisith Patamasatayasonthi

Sign _____ Director
Mrs. Kridchanok Patamasatayasonthi

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

Statement of cash flows

Index Living Mall Public Company Limited and its Subsidiaries

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in Baht)			
Cash flows from operating activities					
Profit for the year		659,066,011	453,174,425	531,167,418	320,703,384
Adjustments to reconcile profit to cash receipts (payments)					
Tax expense	18	121,950,562	76,207,439	61,313,983	25,351,321
Finance costs		214,335,192	246,461,487	236,422,361	268,674,368
Depreciation and amortisation		830,608,677	871,798,528	760,616,618	794,975,958
Differences from rent concession as a result of the COVID-19 Outbreak		-	444,950	-	444,950
Provisions for employee benefit	14	26,462,531	25,221,035	19,470,696	18,118,436
Provision for customer royalty program		4,342,046	23,290,404	4,342,046	23,290,404
Unrealised loss on foreign exchange		424,313	544,221	408,204	514,449
(Reversal of) expected credit loss	5, 6	100,890	10,877,816	(808,155)	11,182,642
Loss on inventories devaluation	7	6,699,018	50,767,925	8,401,150	47,290,986
Reversal of impairment loss on investment in subsidiary		(6,403,755)	-	(2,062,073)	-
Gain on disposal of property, plant and equipment		(10,597,800)	(6,980,039)	(2,739,564)	(3,706,946)
Loss on write-off of property, plant and equipment		14,260,163	1,042,264	12,992,664	1,042,259
Loss on disposal of investment properties		-	17,564	-	-
Loss on write-off of investment properties		399,479	-	392,537	-
Gain on termination of right-of-use assets		(4,761,707)	-	(786,729)	-
Gain on disposal of right-of-use assets		(2,383,483)	-	(2,383,483)	-
Gain on write-off of right-of-use assets		-	(35,921)	-	(35,921)
Loss on write-off of intangible assets		71,795	-	71,795	-
Amortisation leasehold rights income		(9,033,333)	(9,052,394)	(9,033,333)	(9,052,394)
Reversal of product repairment provision		(344,873)	(6,300,000)	(344,873)	(6,300,000)
Reversal of decommissioning provision		-	(865,331)	-	(865,331)
Provision for impairment of property, plant and equipment		8,416,261	-	8,416,261	-
Provision for impairment of investment properties		987,254	-	987,254	-
Reversal of lawsuit provision		-	(2,473,037)	-	(2,473,037)
Loss on exchange rate from liquidation of subsidiary		5,151,969	-	-	-
Interest income		(301,021)	(279,492)	(285,345)	(411,901)
Dividend income	3, 8	(660,357)	(325,357)	(259,199,892)	(170,847,264)
(Gain) loss on fair value adjustment		2,966,385	(1,876,643)	4,835,421	-
		1,861,756,217	1,731,659,844	1,372,194,961	1,317,896,363
Changes in operating assets and liabilities					
Trade accounts receivable		(18,335,937)	(30,566,882)	(48,334,365)	6,588,661
Other current receivables		18,209,766	(53,356,458)	(9,720,352)	(32,547,081)
Inventories		64,804,321	48,369,526	59,050,956	67,432,948
Other current assets		(1,297,461)	51,540	(1,555,382)	43,704
Other non-current assets		20,269,480	(11,919,827)	27,812,696	(10,858,855)
Trade accounts payable		(63,861,338)	139,801,457	(297,389,468)	359,851,671
Other current payables		(35,708,036)	132,380,220	(41,911,733)	127,289,824
Other current liabilities		8,023,759	(7,338,874)	8,145,518	(5,947,835)
Provisions for employee benefits	14	(4,055,088)	(28,907,323)	(745,267)	(27,710,796)
Other non-current liabilities		14,793,251	395,634	(6,415,754)	(2,255,082)
Net cash generated from operations		1,864,598,934	1,920,568,857	1,061,131,810	1,799,783,522
Taxes paid		(86,860,665)	(111,745,797)	(18,583,982)	(35,644,047)
Net cash from operating activities		1,777,738,269	1,808,823,060	1,042,547,828	1,764,139,475

Sign _____ Director

Mr. Pisith Patamasatayasonthi

Sign _____ Director

Mrs. Kridchanok Patamasatayasonthi

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



Statement of cash flows

Index Living Mall Public Company Limited and its Subsidiaries

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2022	2021	2022	2021
(in Baht)					
Cash flows from investing activities					
Interest received		112,661	233,047	145,093	175,432
Dividends received		660,357	325,357	259,199,892	170,847,264
Proceeds from liquidation of subsidiary		2,062,073	-	2,062,073	-
Acquisition of property, plant and equipment		(254,316,952)	(93,125,645)	(223,795,295)	(68,764,343)
Proceeds from sale of property, plant and equipment		14,204,454	9,515,560	6,048,191	5,886,100
Acquisition of investment properties		(61,236,226)	(26,629,138)	(40,912,952)	(17,001,292)
Proceeds from sale of investment properties		-	4,206	-	-
Acquisition of rights-of-use assets		(100,030,044)	(35,178,540)	(100,030,044)	-
Proceeds from sale of right-of-use assets		15,079,759	-	14,700,000	-
Acquisition of intangible assets		(16,689,960)	(4,887,979)	(15,946,160)	(4,228,729)
Proceeds from repayment of loans to related parties	3	-	-	71,000,000	164,000,000
Repayment of loans to related parties	3	-	-	(42,000,000)	(193,000,000)
Net cash (used in) from investing activities		(400,153,878)	(149,743,132)	(69,529,202)	57,914,432
Cash flows from financing activities					
Repayment of bank overdraft	12	-	(642)	-	-
Repayment of short-term borrowings from financial institutions	12	(8,662,500,000)	(6,343,000,000)	(6,503,500,000)	(6,016,000,000)
Proceeds from short-term borrowings from financial institutions	12	8,692,500,000	6,719,000,000	6,845,500,000	5,975,000,000
Proceeds from borrowings from related parties	3, 12	-	-	5,089,000,000	2,505,000,000
Repayment of borrowings from related parties	3, 12	-	-	(4,892,000,000)	(2,182,000,000)
Repayment of long-term borrowings from financial institutions	12	(869,458,554)	(1,533,491,155)	(869,458,554)	(1,533,491,155)
Payment of lease liabilities	12	(53,070,366)	(42,202,589)	(113,834,642)	(101,721,386)
Dividends paid to owners of the Company	20	(302,978,605)	(212,106,373)	(302,978,605)	(212,106,373)
Dividends paid to non-controlling interests		-	(765)	-	-
Interest paid		(214,375,256)	(246,634,257)	(236,399,355)	(268,579,726)
Net cash used in financing activities		(1,409,882,781)	(1,658,435,781)	(983,671,156)	(1,833,898,640)
Net (decrease) increase in cash and cash equivalents,					
before effect of exchange rate changes		(32,298,390)	644,147	(10,652,530)	(11,844,733)
Effect of exchange rate changes on cash and cash equivalents		(5,927)	(535)	-	-
Net (decrease) increase in cash and cash equivalents		(32,304,317)	643,612	(10,652,530)	(11,844,733)
Cash and cash equivalents at 1 January		107,085,555	106,441,943	63,026,479	74,871,212
Cash and cash equivalents at 31 December	4	74,781,238	107,085,555	52,373,949	63,026,479

Sign _____ Director

Mr. Pisith Patamasatayasonthi

Sign _____ Director

Mrs. Kridchanok Patamasatayasonthi

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

Statement of cash flows

Index Living Mall Public Company Limited and its Subsidiaries

	Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
Note	2022	2021	2022	2021
	(in Baht)			

Supplementary disclosure of cash flows information :

Non-cash transactions

Acquisition of property, plant and equipment and investment properties and intangible assets for which payment has not yet been made	51,288,512	11,254,470	53,933,296	6,809,947
Initial recognition of right-of-use assets	218,487,441	98,473,988	124,441,309	341,346,413
Reclassifies from current portion of long-term loans to long-term loans	244,386,555	348,639,555	244,386,555	348,639,555
Reclassifies from investment properties to property, plant and equipment	2,466,287	-	-	-
Reclassifies from investment properties to right-of-use assets	10,506,456	-	10,506,456	-
Reclassifies from property, plant and equipment to investment properties	700,437	53,642,909	-	51,559,209
Reclassifies from right-of-use assets to investment properties	270,329,136	-	183,449,670	-
Reclassifies from right-of-use assets to property, plant and equipment	3,016,912	-	3,016,912	-
Dividend payable	41,767	-	41,767	-

Sign _____ Director

Mr. Pisith Patamasatayasonthi

Sign _____ Director

Mrs. Kridchanok Patamasatayasonthi

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



Notes to the financial statements

Index Living Mall Public Company Limited and its Subsidiaries

For the year ended 31 December 2022

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Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

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

Index Living Mall Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 26 July 2019. The Company’s registered office at 147 Rama 2 Soi 50, Rama 2 road, Samaedam, Bangkhunthien, Bangkok, Thailand.

The Company’s major shareholders during the financial year were Tummada Panich Family Co., Ltd. (40.26% shareholding) and Patamasatayasonthi Family (29.04% shareholding).

The principal activities of the Company and subsidiaries are retail and wholesale furniture, electronic and home decorative product, rental and services area. The Company’s subsidiaries are manufacturing, import and export and distributor furniture, home appliance, rental area, warehouse rental and franchise. Details of the Company’s subsidiaries as at 31 December 2022 and 2021 are given in note 8.

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 the notes, 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”). 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.

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi



3 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 is 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 are described in notes 8. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
Bangkok Master Woods Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich C.H. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich H.Y. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich K.K. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich N.R. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich P.L. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich P.Y. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich R.Y. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich S.N. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich U.D. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich B.N. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich C.M. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich R.P. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich K.N Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich C.P Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich H.Q Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich Ekachai Co., Ltd	Thailand	Common major shareholders and directors

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sale of goods	-	-	4,358	6,710
Rental and service income	-	-	283,040	232,126
Dividend income	-	-	259,200	170,847
Interest income	-	-	40	172
Supporting service income	-	-	48,026	48,000
Other income	-	-	1,524	1,524
Purchase of goods	-	-	1,876,750	1,809,261
Service expense	-	-	64,988	56,901
Other selling and administrative expense	-	-	27,465	22,132
Interest expense	-	-	42,796	37,950
Purchase of assets	-	-	8,708	3,588

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			

Key management personnel

Key management personnel compensation

Short-term employee benefits	144,467	143,253	92,670	94,295
Post-employment benefits	3,504	1,966	2,876	1,838
Total key management personnel compensation	147,971	145,219	95,546	96,133

Other related parties

Sale of goods	22,732	10,117	2,008	1,533
Rental and service income	4,100	3,354	5	-
Dividend income	660	325	-	-
Supporting service income	660	660	120	187
Other income	5,242	17,596	-	-
Sale of assets	1,888	-	-	-
Purchase of goods	292,433	205,371	261,720	182,509
Service expense	1,207	121	-	-
Others selling and administrative expenses	7,559	1,282	7,559	1,282
Interest expense	102,368	112,526	101,263	101,263

<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			

Trade accounts receivable

Subsidiaries	-	-	60,624	35,647
Other related parties	10,429	11,991	158	124
Total	10,429	11,991	60,782	35,771

Other current receivables

Subsidiaries	-	-	1,241	786
Other related parties	347	1,691	153	1,691
Total	347	1,691	1,394	2,477

<i>Short-term loans to and interest receivable</i>	Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	

Subsidiaries

Short-term loans to	-	29,000
Interest receivable	-	48
Total	-	29,048

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi



	Interest rate	Separate financial statements			
<i>Loans to</i>	At 31 December (% per annum)	At 1 January	Increase	(Decrease)	At 31 December
			(in thousand Baht)		
2022					
Subsidiaries	1.32 - 1.45	29,000	42,000	(71,000)	-
2021					
Subsidiaries	1.10	-	193,000	(164,000)	29,000
Balances with related parties		Consolidated	Separate		
At 31 December		financial statements	financial statements		
		2022	2021	2022	2021
		(in thousand Baht)			
Trade accounts payable					
Subsidiaries		-	-	469,356	731,625
Other related parties		49,069	49,869	43,668	44,978
Total		49,069	49,869	513,024	776,603
Other current payables					
Subsidiaries		-	-	6,847	6,861
Other related parties		19	-	-	-
Total		19	-	6,847	6,861
Lease liabilities					
Subsidiaries		-	-	740,266	821,762
Other related parties		1,709,449	1,699,804	1,517,691	1,495,930
Total		1,709,449	1,699,804	2,257,957	2,317,692
Other current liabilities					
Other related parties		275	935	-	-
Total		275	935	-	-
Short-term loans from and interest payable				Separate	
				financial statements	
				2022	2021
				(in thousand Baht)	
Subsidiaries					
Short-term loans from				710,000	513,000
Interest payable				374	297
Total				710,374	513,297

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

Loans from	Interest rate	Separate financial statements			
	At 31 December (% per annum)	At 1 January	Increase	(Decrease)	At 31 December
			(in thousand Baht)		
2022					
Subsidiaries	0.38 - 1.73	<u>513,000</u>	<u>5,089,000</u>	<u>(4,892,000)</u>	<u>710,000</u>
2021					
Subsidiaries	0.27 - 1.00	<u>190,000</u>	<u>2,505,000</u>	<u>(2,182,000)</u>	<u>513,000</u>
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		(in thousand Baht)			
Other non-current liabilities					
Other related parties		<u>609</u>	<u>338</u>	<u>-</u>	<u>26</u>
Total		<u>609</u>	<u>338</u>	<u>-</u>	<u>26</u>

Commitments with related parties

	Separate financial statements	
	2022	2021
	(in thousand Baht)	
Other commitments		
Bank guarantees	1,669,489	1,668,348
Building service area contracts	<u>67,084</u>	<u>102,000</u>
Total	<u>1,736,573</u>	<u>1,770,348</u>

Significant agreements with related parties

Land and retail space lease contracts

The Company entered into land and retail space lease contracts with several related parties. The Company has to pay monthly rental fee in total amount of Baht 6.36 million. Moreover, the Company paid advance leasehold rights in amount of Baht 514 million and will be amortized by Baht 2 million per month. The period of contracts are available for 3 - 20 years 6 months and will be expired in 2033 - 2039. The contract can be renewable by written notice at least 6 months in advance.

Office building and warehouse service contracts

On 2 February 2021, the Company entered into office building and warehouse service contracts with Index Interfurn Co., Ltd. (subsidiary). The Company has to pay monthly service fee in total amount of Baht 3 million. The period of contracts are 3 years and will be expired in 2023. The contracts can be renewable by written notice at least 60 days in advance.

On 30 June 2021, addendum to the office building and warehouse service contracts were issued to extend period of office building and warehouse service contracts with Index Interfurn Co., Ltd. (subsidiary) which will be expired in 2023 for 3 time. The period of the first and second extend is 3 years and the period of the third extend is 1 year. The period of contracts are 7 years and will be expired in 2030.

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi



On 4 January 2022, the Company entered into warehouse service contracts with Index Interfurn Co., Ltd. (subsidiary). The Company has to pay monthly service fee in total amount of Baht 0.4 million. The period of contracts is 1 years. The contracts can be renewable by written notice at least 30 days in advance.

Warehouse rental contracts

On 11 October 2021, the Company entered into warehouse rental contracts with Bangkok Casa Co., Ltd. (subsidiary). The Company has to pay monthly rental fee in total amount of Baht 4 million. The period of contracts are 3 years and will be expired in September of 2023. The contracts can be renewable for a period of 3 years by written notice at least 30 days in advance.

Land lease contracts

Index Interfurn Co., Ltd. (subsidiary) entered into land lease contracts with several related parties. The subsidiary has to pay monthly rental fee in amount of Baht 1.15 million. Moreover, the Company paid advance leasehold rights in amount of Baht 55 million and will be amortized by Baht 0.23 million per month. The period of contract is 20 - 30 years and contract will be expired in 2035 - 2049.

Building and equipment rental contracts

During January 2018, the Company entered into the building and equipment rental contract with The Walk Co., Ltd. (subsidiary). The Company received the rental income per month of Baht 14.09 million. The contracts have the period of 3 years and will be expired in 2021. The contract can be renewable by written notice at least 30 days in advance.

On 21 January 2021, addendum to the building and equipment rental contracts was issued to extend period of rental contracts with The Walk Co., Ltd. (subsidiary). The Company will receive the rental income per month of Baht 16.1 million. The contracts have the period of 3 years and will be expired in 2023. The contracts can be renewable by written notice at least 30 days in advance.

During December 2022, the Company entered into the building and equipment rental contract with The Walk Co., Ltd. (subsidiary). The Company received the rental income per month of Baht 1.28 million. The contracts have the period of 3 years and will be expired in 2025. The contract can be renewable by written notice at least 30 days in advance.

Building service area contracts

During January 2018, the Company entered into the building service area contract with The Walk Co., Ltd. (subsidiary). The Company has to pay monthly service fee in amount of Baht 3.8 million. The contracts have the period of 3 years and will be expired in 2020. The contract can be renewable by written notice at least 30 days in advance.

On 21 January 2021, addendum to the building service area contracts was issued to extend period of contracts with The Walk Co., Ltd. (subsidiary). The Company has to pay monthly service fee in amount of Baht 4.25 million. The contracts have the period of 3 years and will be expired in 2023. The contracts can be renewable by written notice at least 30 days in advance.

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

Supporting service contract

On 21 June 2018, the Company entered into a supporting service contract with The Walk Co., Ltd. (subsidiary). The Company will provide the supporting service of the Company's operations. The Company received the supporting service income per month of Baht 2.71 million. The period of this agreement is 3 years, from 1 January 2018 to 31 December 2020. On 2 January 2019, the Company changed service income per month to Baht 3.5 million.

On 21 January 2021, the Company entered into a supporting service contract with The Walk Co., Ltd. (subsidiary). The Company will provide the supporting service of the Company's operations. The Company will receive the supporting service income per month of Baht 4 million. The period of this agreement is 3 years, from 1 January 2021 to 31 December 2023.

Franchise Contract

During June 2018, the Company entered into franchise contract with Index Living Mall Inter Co., Ltd. (subsidiary). The contract will be charged in amounting of Baht 1.6 million. The period of contract is available for 5 years and has extension option for 5 years. The Contract will expire in 2028. In addition, Index Living Mall Inter Co., Ltd. will pay the license fee of baht 0.96 million per year.

Bank Guarantees

The Company has guarantees credit facilities of Index Interfurn Co., Ltd. (subsidiary) with several financial institutions. The purposed is liquidity for operation.

4 Cash and cash equivalents

Accounting policy

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have a maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		(in thousand Baht)		
Cash on hand	8,521	13,744	7,557	9,139
Cash at banks - current accounts	3,855	1,679	830	788
Cash at banks - savings accounts	62,405	91,663	43,987	53,099
Cash and cash equivalents in the statement of financial position	74,781	107,086	52,374	63,026

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi



5 Trade accounts receivable

Accounting policy

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.

	Consolidated financial statements		Separate financial statements	
<i>At 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Within credit terms	91,449	99,351	93,794	95,011
Overdue:				
Less than 3 months	127,075	103,680	156,616	105,136
3 - 6 months	24,351	2,750	18,722	1,744
6 - 12 months	1,597	12,496	775	11,988
More than 12 months	5,661	14,465	5,607	13,739
Total	250,133	232,742	275,514	227,618
Less allowance for expected credit loss	(13,938)	(14,335)	(12,822)	(13,609)
Net	236,195	218,407	262,692	214,009

	Consolidated financial statements		Separate financial statements	
<i>Allowance for expected credit loss</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
At 1 January	14,335	8,502	13,609	7,439
Addition (decrease)	76	10,878	(787)	11,183
Write-off	(473)	(5,045)	-	(5,013)
At 31 December	13,938	14,335	12,822	13,609

Information of credit risk is disclosed in note 21 (b.1).

6 Other receivables

Accounting policy

An other receivable is recognised when the Group has an unconditional right to receive consideration.

An other receivable is measured at transaction price less allowance for expected credit loss which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Accrued income	142,053	127,386	138,448	123,502
Prepayment of goods	70,697	98,413	53,817	65,235
Prepaid expenses	39,108	34,872	35,357	31,681
Tax refund	24,157	20,255	7,154	7,276
Undue value added tax	8,719	6,611	5,025	3,125
Others	8,704	11,551	3,712	3,680
Total	293,438	299,088	243,513	234,499
Less allowance for impairment loss	(7,983)	(8,008)	(3,306)	(3,327)
Net	285,455	291,080	240,207	231,172

7 Inventories

Accounting policy

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 and work-in-progress, 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 complete and to make the sale.

A right to recover returned products is recognised when the products are expected to be returned by customers and measured by reference to the former carrying amount of the sold inventories less any expected costs to recover those products.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Finished goods	1,522,958	1,499,304	1,650,001	1,654,025
Work in progress	25,022	41,667	-	-
Raw materials	96,512	112,448	-	-
Factory supplies	5,163	5,057	-	-
Goods in transit	67,229	123,213	65,693	120,720
	1,716,884	1,781,689	1,715,694	1,774,745
Less allowance for losses on decline in value of inventories	(130,538)	(123,839)	(126,149)	(117,748)
Total	1,586,346	1,657,850	1,589,545	1,656,997
Inventories recognised in 'cost of sales of goods':				
- Cost	4,559,052	4,405,737	4,999,611	4,815,526
- Write-down to net realisable value	6,699	50,768	8,401	47,291
Net	4,565,751	4,456,505	5,008,012	4,862,817

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi



8 Investments in subsidiaries

Accounting policy

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. Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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 or disposal of the non-controlling interests with no change in control is accounted for as other surplus or deficits in shareholders' equity.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities, any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions. Foreign exchange differences are recognised in other comprehensive income, except to the extent that the translation difference is allocated to non-controlling interests. Foreign exchange differences are accumulated in the translation reserve until disposal of the investment.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity until disposal of the investment.

Investments in subsidiaries 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 Group'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.

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

Type of business	Separate financial statements										Dividend income for the year		
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		2022	2021	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021			
	(in thousand Baht)												
<i>Direct subsidiaries</i>													
The Walk Co., Ltd.	Building rental	99.99	99.99	15,400	15,400	15,399	15,399	-	-	15,399	15,399	-	17,247
Index Interfurn Co., Ltd.	Manufacturing and sales furniture	99.99	99.99	960,000	960,000	960,000	960,000	-	-	960,000	960,000	259,200	153,600
Index Living Mall Inter Co., Ltd.	Franchise	99.99	99.99	5,000	5,000	4,999	4,999	-	-	4,999	4,999	-	-
Index Living Mall Malaysia Sdn. Bhd.	Dissolution	-	51.00	-	823,953	-	348,149	-	(348,149)	-	-	-	-
						<u>980,398</u>	<u>1,328,547</u>	<u>-</u>	<u>(348,149)</u>	<u>980,398</u>	<u>980,398</u>	<u>259,200</u>	<u>170,847</u>
<i>Indirect subsidiary</i>													
Bangkok Casa Co., Ltd.	Warehouse rental	100.00	100.00	250,000	250,000	250,000	250,000	-	-	250,000	250,000	-	-
						<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>-</u>

All subsidiaries were incorporated in Thailand, except Index Living Mall Malaysia Sdn. Bhd. which was incorporated in the Malaysia.

The dissolution date of Index Living Mall Malaysia Sdn. Bhd. was effective on 10 May 2022 and the Company received capital refund of the 2.06 million, thus, cost of investment of Baht 348.15 million and allowance for impairment loss of investment of the Baht 348.15 million were reversed while gain on write-off of investment in Index Living Mall Malaysia Sdn. Bhd. of Baht 2.06 million was additionally recorded in the separate financial statements for the year ended 31 December 2022.

None of the Company's subsidiaries are publicly listed and consequently do not have published price quotations.

Sign.....	Sign.....
Mr. Pisith Patamasatayasonthi	Mrs. Kridchanok Patamasatayasonthi
Director	Director



9 Investment properties

Accounting policy

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. The cost of self-constructed assets includes capitalised borrowing costs. The Group considers impairment of the investment properties as disclosed in note 11.

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 charged on freehold land and assets under construction. The estimated useful lives are as follows:

Building and improvement	20 - 30 years
Utility system	5 - 15 years
Right-of-use assets	15 - 30 years

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

	Consolidated financial statements					Total
	Own properties				Right-of-use assets	
	Land	Building and improvement	Utility system (in thousand Baht)	Assets under construction and installation		
Cost						
At 1 January 2021	262,313	918,165	359,408	1,444	425,138	1,966,468
Additions	-	11,598	13,367	1,442	10,217	36,624
Transfers	-	-	158	(158)	-	-
Transfers from property, plant and equipment	-	246,683	27,109	(293)	-	273,499
Transfers from right-of-use assets	-	-	-	-	18,594	18,594
Disposals/termination	-	-	(30)	-	-	(30)
At 31 December 2021 and 1 January 2022	262,313	1,176,446	400,012	2,435	453,949	2,295,155
Additions	-	21,823	27,404	9,377	120,659	179,263
Transfers	-	972	509	(1,481)	-	-
Transfers from property, plant and equipment	-	55,234	1,808	-	-	57,042
Transfers from right-of-use assets	-	-	-	-	353,590	353,590
Disposals/ termination	-	-	(675)	-	(15,777)	(16,452)
Less: transfer to property, plant and equipment	-	(182,069)	(5,961)	(115)	-	(188,145)
Less: transfer to right-of-use assets	-	-	-	-	(7,747)	(7,747)
At 31 December 2022	262,313	1,072,406	423,097	10,216	904,674	2,672,706

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

Consolidated financial statements

	Own properties					
	Land	Building and improvement	Utility system (in thousand Baht)	Assets under construction and installation	Right-of-use assets	Total
Depreciation						
At 1 January 2021	-	237,560	152,344	-	50,790	440,694
Depreciation charge for the year	-	40,772	23,032	-	24,689	88,493
Transfers from property, plant and equipment	-	196,799	17,200	-	-	213,999
Transfers from right-of-use assets	-	-	-	-	724	724
Disposals/termination	-	-	(8)	-	-	(8)
At 31 December 2021 and 1 January 2022	-	475,131	192,568	-	76,203	743,902
Depreciation charge for the year	-	35,873	23,455	-	36,888	96,216
Impairment losses	-	-	987	-	-	987
Transfers from property, plant and equipment	-	54,532	1,803	-	-	56,335
Transfers from right-of-use assets	-	-	-	-	89,073	89,073
Disposals/ termination	-	-	(276)	-	(1,596)	(1,872)
Less: transfer to property, plant and equipment	-	(179,727)	(5,945)	-	-	(185,672)
Less: transfer to right-of-use assets	-	-	-	-	(3,053)	(3,053)
At 31 December 2022	-	385,809	212,592	-	197,515	795,916
Net book value						
At 31 December 2021	262,313	701,315	207,444	2,435	377,746	1,551,253
At 31 December 2022	262,313	686,597	210,505	10,216	707,159	1,876,790

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

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Separated financial statements

	Own properties					
	Land	Building and improvement	Utility system (in thousand Baht)	Assets under construction and installation	Right-of-use assets	Total
Cost						
At 1 January 2021	262,313	744,317	281,265	-	383,311	1,671,206
Additions	-	10,086	5,843	1,072	200,044	217,045
Transfers from property, plant and equipment	-	64,614	21,148	-	-	85,762
Transfers from right-of-use assets	-	-	-	-	18,594	18,594
Disposals/ termination	-	-	-	-	(51,899)	(51,899)
At 31 December 2021 and 1 January 2022	262,313	819,017	308,256	1,072	550,050	1,940,708
Additions	-	21,463	16,497	2,953	24,542	65,455
Transfer	-	972	139	(1,111)	-	-
Transfers from right-of-use assets	-	-	-	-	398,532	398,532
Disposals/ termination	-	-	(676)	-	(15,777)	(16,453)
Less: transfer to right-of-use assets	-	-	-	-	(155,892)	(155,892)
At 31 December 2022	262,313	841,452	324,216	2,914	801,455	2,232,350
Depreciation						
At 1 January 2021	-	216,214	142,223	-	44,007	402,444
Depreciation charge for the year	-	25,172	16,651	-	33,858	75,681
Transfers from property, plant and equipment	-	22,290	11,913	-	-	34,203
Transfers from right-of-use assets	-	-	-	-	724	724
Disposals/termination	-	-	-	-	(8,579)	(8,579)
At 31 December 2021 and 1 January 2022	-	263,676	170,787	-	70,010	504,473
Depreciation charge for the year	-	25,328	17,004	-	44,429	86,761
Impairment losses	-	-	987	-	-	987
Transfers from right-of-use assets	-	-	-	-	94,990	94,990
Disposals/termination	-	-	(283)	-	(1,596)	(1,879)
Less: transfer to right-of-use assets	-	-	-	-	(25,293)	(25,293)
At 31 December 2022	-	289,004	188,495	-	182,540	660,039
Net book value						
At 31 December 2021	262,313	555,341	137,469	1,072	480,040	1,436,235
At 31 December 2022	262,313	552,448	135,721	2,914	618,915	1,572,311

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

Information relating to leases are disclosed in note 11.

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Revenue from rental and rendering of services	638,003	479,152	469,124	359,618

As at 31 December 2022, the net book value of several land held for future projects of the Company are amounting to Baht 244 million (2021: Baht 244 million) which was appraised by an independent valuer base on the market approach was Baht 508 million (2021: Baht 508 million).

As at 31 December 2022, the net book value of other investment properties of the Group and the Company are amounting to Baht 1,632 million and 1,328 million, respectively (2021: Baht 1,307 million and Baht 1,192 million, respectively) which were appraised by an independent valuer base on the income approach and the cost approach was Baht 3,987 million and 3,683 million, respectively (2021: Baht 3,838 million and Baht 3,589 million, respectively).

The fair value measurement for investment property has been categorised as a Level 3 fair value.

Security

At 31 December 2022, the Group and Company has pledged a portion of their investment properties, that has net book value of Baht 174 million and Baht 174 million, respectively (2021: Baht 182 million and Baht 182 million, respectively), as collateral for securities for long-term borrowing from financial institution (see note 12).

10 Property, plant and equipment

Accounting policy

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. Property, plant and equipment denominated in foreign currencies are translated into Thai Baht at exchange rates at the dates of the transactions.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

In case of reclassification to investment property

When the use of a property changes from owner-occupied to investment property that is measured at carrying amount.

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

*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 when 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 assets under construction.

The estimated useful lives are as follows:

Building and improvement	5 - 35	years
Tools and equipment	5 - 10	years
Furniture, fixtures and office equipment	5 - 10	years
Vehicles	5	years
Utility system	5 - 20	years

Impairment losses

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. 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. 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, but only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

The recoverable amount is assessed from the estimated future cash flows 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.

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Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

<i>Cost</i>								
At 1 January 2021	174,671	5,942,773	1,434,412	3,277,099	190,545	2,045,098	25,420	13,090,018
Additions	-	2,783	9,409	38,324	4,565	36,058	13,601	104,740
Transfer from right-of-use assets	-	-	-	-	5,016	-	-	5,016
Transfers	-	7,500	8,319	8,753	-	4,633	(29,205)	-
Transfers to investment properties	-	(246,683)	-	-	-	(27,109)	293	(273,499)
Disposals/write off	-	(1,315)	(76,337)	(39,186)	(4,507)	(2,130)	-	(123,475)
At 31 December 2021 and								
1 January 2022	174,671	5,705,058	1,375,803	3,284,990	195,619	2,056,550	10,109	12,802,800
Additions	-	62,187	35,872	110,445	9,413	56,532	36,418	310,867
Transfer from right-of-use assets	-	-	-	-	11,671	-	-	11,671
Transfers from investment properties	-	182,069	-	115	-	5,961	-	188,145
Transfers	-	1,353	8,227	4,212	-	352	(14,144)	-
Transfers to investment properties	-	(55,234)	-	-	-	(1,808)	-	(57,042)
Disposals/write off	-	(3,017)	(42,029)	(166,530)	(31,199)	(12,192)	-	(254,967)
At 31 December 2022	174,671	5,892,416	1,377,873	3,233,232	185,504	2,105,395	32,383	13,001,474

Sign.....	Sign.....
Mr. Pisith Patamasatayasonthi	Mrs. Kridchanok Patamasatayasonthi
Director	Director



Consolidated financial statements

	Land	Building and improvement	Tools and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Utility system	Assets under construction and installation	Total
Depreciation								
At 1 January 2021	-	2,817,060	1,201,039	2,453,679	175,390	1,032,820	-	7,679,988
Depreciation charge for the year	-	174,501	64,389	184,997	10,668	107,134	-	541,689
Transfer from right-of-use assets	-	-	-	-	2,762	-	-	2,762
Transfer to investment properties	-	(196,799)	-	-	-	(17,200)	-	(213,999)
Disposals/write off	-	(1,078)	(75,554)	(36,657)	(4,503)	(2,110)	-	(119,902)
At 31 December 2021 and 1 January 2022	-	2,793,684	1,189,874	2,602,019	184,317	1,120,644	-	7,890,538
Depreciation charge for the year	-	168,570	55,366	172,816	8,299	108,851	-	513,902
Impairment losses	-	-	-	4,110	-	1,322	2,984	8,416
Transfer from right-of-use assets	-	-	-	-	8,654	-	-	8,654
Transfer from investment properties	-	179,727	-	-	-	5,945	-	185,672
Transfer to investment properties	-	(54,532)	-	-	-	(1,803)	-	(56,335)
Disposals/write off	-	(2,000)	(41,673)	(152,761)	(30,677)	(10,106)	-	(237,217)
At 31 December 2022	-	3,085,449	1,203,567	2,626,184	170,593	1,224,853	2,984	8,313,630
Net book value								
At 31 December 2021	174,671	2,911,374	185,929	682,971	11,302	935,906	10,109	4,912,262
At 31 December 2022	174,671	2,806,967	174,306	607,048	14,911	880,542	29,399	4,687,844

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2022 amounted to Baht 3,866 million (2021: Baht 3,626 million).

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi



Separate financial statements

	Building and improvement	Tools and equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Utility system	Assets under construction and installation	Total
Depreciation							
At 1 January 2021	1,688,449	438,822	2,406,694	135,178	828,031	-	5,497,174
Depreciation charge for the year	130,529	26,182	175,311	7,343	93,028	-	432,393
Transfers from right-of-use assets	-	-	-	2,762	-	-	2,762
Transfers to investment properties	(22,290)	-	-	-	(11,913)	-	(34,203)
Disposals/write off	(707)	(11,670)	(35,166)	(4,500)	(1,690)	-	(53,733)
At 31 December 2021 and 1 January 2022	1,795,981	453,334	2,546,839	140,783	907,456	-	5,844,393
Depreciation charge for the year	130,714	15,748	162,192	4,843	95,489	-	408,986
Impairment losses	-	-	4,110	-	1,322	2,984	8,416
Transfers from right-of-use assets	-	-	-	8,654	-	-	8,654
Transfers	-	(1)	1	-	-	-	-
Disposals/write off	-	(11,111)	(150,733)	(7,362)	(1,190)	-	(170,396)
At 31 December 2022	1,926,695	457,970	2,562,409	146,918	1,003,077	2,984	6,100,053
Net book value							
At 31 December 2021	2,658,398	30,418	628,932	6,965	860,259	8,312	4,193,284
At 31 December 2022	2,590,331	40,064	557,248	9,866	817,718	27,788	4,043,015

Sign.....Director
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Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2022 amounted to Baht 2,341 million (2021: Baht 2,115 million).

Security

At 31 December 2022, the Company has pledged a portion of their building and improvement of building, that has net book value of Baht 829 million (2021: Baht 1,347 million), as collateral for long-term borrowing from financial institution (see note 12).

11 Leases

Accounting policy

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.

As a lessee

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, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. The Group considers impairment of the right-of-use asset as disclosed in note 11.

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 incremental borrowing rate 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.

Sign.....Director
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*As a lessor*

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of rental income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

As a lessee

<i>Rights-of-use assets</i>	Consolidated financial statements			
	Land	Buildings	Vehicles	Total
	<i>(in thousand Baht)</i>			
At 1 January 2022	2,799,863	338,139	71,368	3,209,370
Additions	309,100	6,583	4,509	320,192
Transfer from investment properties - net	4,686	8	-	4,694
Disposal	(12,696)	-	-	(12,696)
Less depreciation	(147,914)	(28,127)	(25,364)	(201,405)
Less termination	(101,433)	(3,927)	(719)	(106,079)
Less transfer to property, plant and equipment - net	-	-	(3,017)	(3,017)
Less transfer to investment properties - net	(258,366)	(6,151)	-	(264,517)
At 31 December 2022	2,593,240	306,525	46,777	2,946,542
At 1 January 2021	2,882,822	365,640	74,292	3,322,754
Additions	92,647	470	30,177	123,294
Less depreciation	(157,736)	(27,971)	(30,620)	(216,327)
Less termination	-	-	(227)	(227)
Less transfer to property, plant and equipment - net	-	-	(2,254)	(2,254)
Less transfer to investment properties - net	(17,870)	-	-	(17,870)
At 31 December 2021	2,799,863	338,139	71,368	3,209,370

Sign.....Director
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<i>Rights-of-use assets</i>	Separate financial statements			
	Land	Buildings	Vehicles	Total
	<i>(in thousand Baht)</i>			
At 1 January 2022	3,154,461	338,139	71,239	3,563,839
Additions	309,100	6,583	4,509	320,192
Transfer from investment properties - net	4,686	125,913	-	130,599
Disposal	(12,317)	-	-	(12,317)
Less depreciation	(183,369)	(43,397)	(25,235)	(252,001)
Less termination	(101,433)	(3,927)	(719)	(106,079)
Less transfer to property, plant and equipment - net	-	-	(3,017)	(3,017)
Less transfer to investment properties - net	(258,366)	(45,176)	-	(303,542)
At 31 December 2022	<u>2,912,762</u>	<u>378,135</u>	<u>46,777</u>	<u>3,337,674</u>
At 1 January 2021	3,366,072	228,126	73,970	3,668,168
Additions	-	196,553	30,177	226,730
Less depreciation	(193,741)	(44,078)	(30,427)	(268,246)
Less termination	-	(42,462)	(227)	(42,689)
Less transfer to property, plant and equipment - net	-	-	(2,254)	(2,254)
Less transfer to investment properties - net	(17,870)	-	-	(17,870)
At 31 December 2021	<u>3,154,461</u>	<u>338,139</u>	<u>71,239</u>	<u>3,563,839</u>

The Group leases several vehicles, land and building for 2 - 44 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract

During 2022, the Group entered into land rental contracts with third parties to extend the rental period for 7 - 30 years from 2036 - 2046 to 2053 - 2066. As a result, the group recognised rights-of-use assets and lease liabilities amounting to Baht 50.9 million.

During 2021, the Group entered into land rental contracts with third parties to extend the rental period for 26 years from 2025 to 2051. As a result, the group recognised rights-of-use assets and lease liabilities amounting to Baht 57.5 million.

On 30 June 2021, addendum to the office building and warehouse service contracts were issued to extend period of office building and warehouse service contracts with Index Interfurn Co., Ltd. (subsidiary) which will be expired in 2023 for 3 time. The period of the first and second extend is 3 years and the period of the third extend is 1 year. The period of contracts are 7 years and will be expired in 2030 as disclosed in note 3 related parties.

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Sign.....Director
Mr. Pisit Patamasatayasonthi

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	Consolidated financial statements		Separate financial statements	
<i>For the year ended 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Interest on lease liabilities	181,502	175,818	200,930	197,062
Expenses relating to short-term leases and leases of low-value assets	10,001	8,371	7,269	5,638

In 2022, total cash outflow for leases of the Group and the Company were Baht 214 million and Baht 288 million, respectively. (2021: Baht 219 million and Baht 301 million, respectively.)

Interest on lease liabilities were included in finance costs on the Statement of financial position.

Security

At 31 December 2022, the Company has pledged a portion of their building and improvement of building, that has net book value of Baht 160.6 million (2021: Baht 229.4 million), as collateral for long-term borrowing from financial institution (see note 12).

As a lessor

The leases of investment properties comprise several lands, building and improvement and utility system that are leased to third parties under operating leases. Each of the leases contains an initial non-cancellable period of 1 - 12 years. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed under the contracts, but some leases require the lessee to reimburse the insurance costs of the Group. When this is the case, the amounts of insurance costs are determined annually.

<i>Maturity of operating lease receivables</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>At 31 December 2022</i>		
1 st year	267,074	22,990
2 nd year	153,711	718
3 rd year	66,377	555
4 th year	1,800	540
5 th year	1,305	45
After 5 th year	17,165	-
Total	507,432	24,848

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<i>Maturity of operating lease receivables</i>	Consolidated financial statements <i>(in thousand Baht)</i>	Separate financial statements
<i>At 31 December 2021</i>		
1 st year	183,270	2,786
2 nd year	82,794	2,006
3 rd year	20,571	662
4 th year	1,800	540
5 th year	1,800	540
After 5 th year	18,465	45
Total	308,700	6,579

12 Interest-bearing liabilities

Accounting policy

The Group recognises and measures financial liabilities as disclosed in note 22.

	Consolidated financial statements					
	Secured	2022 Unsecured	Total	Secured	2021 Unsecured	Total
			<i>(in thousand Baht)</i>			
Bank overdrafts and short-term borrowing from financial institutions	-	793,000	793,000	-	763,000	763,000
Long-term borrowing from financial institutions	343,467	-	343,467	1,212,926	-	1,212,926
Lease liabilities	-	2,964,503	2,964,503	-	2,799,086	2,799,086
Total interest-bearing liabilities	343,467	3,757,503	4,100,970	1,212,926	3,562,086	4,775,012

	Separate financial statements					
	Secured	2022 Unsecured	Total	Secured	2021 Unsecured	Total
			<i>(in thousand Baht)</i>			
Short-term borrowing from financial institutions	-	663,000	663,000	-	321,000	321,000
Long-term borrowing from financial institutions	343,467	-	343,467	1,212,926	-	1,212,926
Lease liabilities	-	3,339,889	3,339,889	-	3,327,379	3,327,379
Short-term loans from related parties	-	710,000	710,000	-	513,000	513,000
Total interest-bearing liabilities	343,467	4,712,889	5,056,356	1,212,926	4,161,379	5,374,305

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**Assets pledged as security for liabilities
At 31 December**

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Investment properties	9	174,391	181,933	174,391	181,933
Building and building improvement	10	828,522	1,347,307	828,522	1,347,307
Right-of-use assets	11	160,568	229,437	160,568	229,437
Total		1,163,481	1,758,677	1,163,481	1,758,677

Unutilised credit facilities

As at 31 December 2022, the Group and the Company had unutilised credit facilities totaling Baht 2,152 million and Baht 1,172 million, respectively (2021: Baht 2,182 million and Baht 1,514 million, respectively)

Changes in liabilities arising from financing activities

	Consolidated financial statements			
	Bank overdraft and short-term borrowing from financial institutions	Long-term borrowing from financial institutions <i>(in thousand Baht)</i>	Lease liabilities	Total
2022				
At 1 January	763,000	1,212,926	2,799,086	4,775,012
Changes from financing cash flows	30,000	(869,459)	(53,070)	(892,529)
Other changes:				
- Increase in lease liabilities	-	-	218,487	218,487
At 31 December	793,000	343,467	2,964,503	4,100,970
2021				
At 1 January	387,001	2,746,417	2,745,789	5,879,207
Changes from financing cash flows	375,999	(1,533,491)	(42,203)	(1,199,695)
Other changes:				
- Increase in lease liabilities	-	-	95,500	95,500
At 31 December	763,000	1,212,926	2,799,086	4,775,012

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	Separate financial statements				
	Bank overdraft and short-term borrowing from financial institutions	Short-term loans from related parties (in thousand Baht)	Long-term borrowing from financial institutions	Lease liabilities	Total
2022					
At 1 January	321,000	513,000	1,212,926	3,327,379	5,374,305
Changes from financing cash flows	342,000	197,000	(869,459)	(113,835)	(444,294)
Other changes:					
- Increase in lease liabilities	-	-	-	126,345	126,345
At 31 December	663,000	710,000	343,467	3,339,889	5,056,356
2021					
At 1 January	362,000	190,000	2,746,417	3,090,728	6,389,145
Changes from financing cash flows	(41,000)	323,000	(1,533,491)	(101,721)	(1,353,212)
Other changes:					
- Increase in lease liabilities	-	-	-	338,372	338,372
At 31 December	321,000	513,000	1,212,926	3,327,379	5,374,305

Bank overdraft and short-term borrowing from financial institutions

As at 31 December 2022, the Group and the Company have bank overdrafts of which bore interest at rates of MOR (2021: MOR). Moreover, the Group and the Company have short-term promissory notes from financial institutions which bore interest at the fixed interest rate as stipulated in the agreements. (2021: fixed interest rate as stipulated in the agreements).

Long-term borrowing from financial institutions

In 2022

During 2022, the Company made early repayment amounted to Baht 613 million. Under the agreements, the Company can make voluntary prepayment by giving advanced written notice to the financial institutions.

In 2021

During 2021, the Company made early repayment amounted to Baht 1,144 million without prepayment fee. Under the agreements, the Company can make voluntary prepayment without prepayment fee by giving advanced written notice to the financial institutions.

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Mr. Pisit Patamasatayasonthi

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Mrs. Kridchanok Patamasatayasonthi

**13 Other current payables**

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Goods deposit	409,567	473,730	409,567	473,730
Accrued bonus expenses	100,500	46,359	97,982	45,263
Payable for purchase asset	89,790	38,502	80,246	26,313
Accrued advertising expenses	37,177	31,589	36,763	31,368
Revenue department payable	33,390	39,431	27,667	33,768
Accrued utilities expenses	27,184	20,854	19,264	15,268
Accrued export expenses	24,987	45,770	24,987	45,052
Accrued promotion expenses	16,269	19,314	16,144	19,224
Accrued securities expenses	11,799	11,147	8,435	8,376
Accrued rental expenses	6,262	2,359	10,776	6,700
Accrued local and property tax	4,630	778	4,629	778
Accrued interest expenses	169	273	152	184
Others	137,470	144,294	93,574	102,996
Total	899,194	874,400	830,186	809,020

14 Non-current provisions for employee benefits***Accounting policy******Defined contribution plan***

Obligations for contributions to the Group's provident fund 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.

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Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes 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.

At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Defined benefit plan	<u>265,535</u>	<u>243,127</u>	<u>182,127</u>	<u>163,402</u>

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 longevity risk, currency risk, interest rate risk and market (investment) risk.

Present value of the defined benefit obligations	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
At 1 January	243,127	234,806	163,402	165,405
Include in profit or loss:				
Current service cost	22,754	22,089	16,848	16,009
Interest on obligation	<u>3,709</u>	<u>3,132</u>	<u>2,622</u>	<u>2,110</u>
	<u>26,463</u>	<u>25,221</u>	<u>19,470</u>	<u>18,119</u>
Included in other comprehensive income				
Actuarial loss				
- Financial assumptions	-	(7,883)	-	(6,310)
- Experience adjustment	<u>-</u>	<u>19,890</u>	<u>-</u>	<u>13,899</u>
	<u>-</u>	<u>12,007</u>	<u>-</u>	<u>7,589</u>
Benefit paid	<u>(4,055)</u>	<u>(28,907)</u>	<u>(745)</u>	<u>(27,711)</u>
At 31 December	<u>265,535</u>	<u>243,127</u>	<u>182,127</u>	<u>163,402</u>

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<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		(%)		
Discount rate	2.04	2.04	2.04	2.04
Future salary growth	3.00 - 5.00	3.00 - 5.00	3.50 - 4.50	3.50 - 4.50
Employee turnover	0.00 - 50.00	0.00 - 50.00	0.00 - 50.00	0.00 - 50.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2022, the weighted-average duration of the defined benefit obligation was 9.1 years (2021: 9.1 years).

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>	Consolidated financial statements			
	Increase in assumption		Decrease in assumption	
	2022	2021	2022	2021
		(in thousand Baht)		
Discount rate (1%)	(15,838)	(16,255)	17,596	17,839
Future salary growth (1%)	19,580	17,724	(17,762)	(16,134)
Employee turnover (20%)	(20,240)	(17,778)	25,147	21,972

<i>Effect to the defined benefit obligation At 31 December</i>	Separate financial statements			
	Increase in assumption		Decrease in assumption	
	2022	2021	2022	2021
		(in thousand Baht)		
Discount rate (1%)	(11,654)	(11,738)	13,052	13,015
Future salary growth (1%)	14,304	12,860	(12,901)	(11,639)
Employee turnover (20%)	(15,408)	(13,461)	19,255	16,733

15 Reserve and surplus

Reserve and surplus comprise

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) Section 116 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.

During 2022, the Company's allocate legal reserve amounting of Baht 8.9 million (2021: Baht 16.5 million) and was equal to 10% of the registered authorized capital.

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Other components of equity

Translation reserve

The translation reserves comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

16 Segment information and disaggregation of revenue

Accounting policy

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 and volume rebates.

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 and cost of sale for the estimated products to be returned.

Revenue for rendering of services is recognised over time based on stage of completion. The stage of completion is assessed based on surveys of work performed. The related costs are recognised in profit or loss when they are incurred.

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.

Advances received from customers is recognised as revenue when the Group transferred control over the goods to the customers.

(a) Segment information

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. Unallocated items comprise mainly head office expenses, and tax assets and liabilities.

Management determined that the Group has four reportable segments, as described below, which are the Group's strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- *Segment 1* Retail of furniture
- *Segment 2* Manufacturing of furniture
- *Segment 3* Rental area and service
- *Segment 4* Others

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Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

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For the year ended 31 December	Consolidated financial statements								
	Retail of furniture		Manufacturing of furniture		Rental area and service		Others		Total
	2022	2021	2022	2021	2022	2021	2022	2021	

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Separate financial statements						
For the year ended 31 December	Retail of furniture		Rental area and service		Total	
	2022	2021	2022	2021	2022	2021
	(in thousand Baht)					
Major products/ service lines						
Furniture and bedding	6,579,252	5,910,632	-	-	6,579,252	5,910,632
Home decorative product	1,630,217	1,508,761	-	-	1,630,217	1,508,761
Electric appliances	5,413	413,692	-	-	5,413	413,692
Rental and service area income	-	-	469,124	359,618	469,124	359,618
Total revenue	8,214,882	7,833,085	469,124	359,618	8,684,006	8,192,703
Timing of revenue recognition						
At a point in time	8,214,882	7,833,085	-	-	8,214,882	7,833,085
Over time	-	-	469,124	359,618	469,124	359,618
Total revenue	8,214,882	7,833,085	469,124	359,618	8,684,006	8,192,703

(b) *Promotional privileges*

The Group has been granted promotional certificates by the Office of the Board of Investment relating to manufacture furniture, spare part and bedding. The Group has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates, which the Company must comply with.

Consolidated financial statements			
2022			
	Promoted businesses	Non-promoted businesses	Total
	(in thousand Baht)		
Export sales	-	252,516	252,516
Local sales	622,872	9,272,460	9,895,332
Eliminations	(622,872)	(1,274,124)	(1,896,996)
Total revenue	-	8,250,852	8,250,852
Consolidated financial statements			
2021			
	Promoted businesses	Non-promoted businesses	Total
	(in thousand Baht)		
Export sales	-	283,802	283,802
Local sales	566,073	8,814,168	9,380,241
Eliminations	(566,073)	(1,259,978)	(1,826,051)
Total revenue	-	7,837,992	7,837,992

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17 Expenses by nature

Accounting policy

The Group recognises expenses as disclosed in note 5 - 7, 9 - 11, 14, 16.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress	(92,461)	(91,297)	(59,051)	(81,729)
Purchase finished goods and raw materials	4,281,257	4,177,367	5,067,063	4,944,546
Employee benefit expenses	1,561,883	1,430,509	1,159,269	1,038,333
Depreciations and amortization expenses	830,609	871,799	760,617	794,976
Utilities expenses	320,012	265,585	228,997	193,142
Wage and other service expenses	197,568	173,598	175,165	154,952
Transportation expense	180,363	187,428	180,279	187,318
Promotion expenses	176,020	145,080	174,844	142,936
Bank fee	77,283	75,884	76,830	75,604
Vehicle expenses	72,710	59,740	66,911	54,497
Lease-related expenses	45,073	56,649	111,212	113,665
Others	363,312	285,949	308,603	241,382
Total cost of sales of goods, selling and distribution expense and administrative expenses	8,013,629	7,638,291	8,250,739	7,859,622

18 Income tax

Accounting policy

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 and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

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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.

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	70,090	92,181	11,267	43,855
(Over) Under provided in prior years	341	(2,951)	-	(1,419)
	70,431	89,230	11,267	42,436
Deferred tax expense				
Movements in temporary differences	51,932	(13,023)	50,459	(17,085)
Income tax reduction - deferred	(412)	-	(412)	-
Total income tax expense	121,951	76,207	61,314	25,351

Consolidated financial statements						
<i>Income tax</i>	Before tax	2022	Net of tax	Before tax	2021	Net of tax
		Tax benefit			Tax benefit	
Recognised in other comprehensive income						
Defined benefit plan actuarial losses	-	-	-	(12,007)	2,401	(9,606)
Total	-	-	-	(12,007)	2,401	(9,606)

Separate financial statements						
<i>Income tax</i>	Before tax	2022	Net of tax	Before tax	2021	Net of tax
		Tax benefit			Tax benefit	
Recognised in other comprehensive income						
Defined benefit plan actuarial losses	-	-	-	(7,589)	1,518	(6,071)
Total	-	-	-	(7,589)	1,518	(6,071)

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**Reconciliation of effective tax rate**

	<i>Rate (%)</i>	Consolidated financial statements		<i>Rate (%)</i>	<i>(in thousand Baht)</i>
		2022	2021		
Profit before income tax expense		781,017	529,382		
Income tax using the Thai corporation tax rate	20.00	156,203	105,876	20.00	
Income not subject to tax		(24,209)	(18,088)		
Expenses not deductible for tax purposes		2,573	3,652		
Expenses with additional deduction		(9,994)	(13,726)		
(Over) Under provided in prior years		341	(2,951)		
Others		(2,963)	1,444		
Total	15.61	121,951	14.40	76,207	

Reconciliation of effective tax rate

	<i>Rate (%)</i>	Separate financial statements		<i>Rate (%)</i>	<i>(in thousand Baht)</i>
		2022	2021		
Profit before income tax expense		592,481	346,055		
Income tax using the Thai corporation tax rate	20.00	118,496	69,211	20.00	
Income not subject to tax		(51,840)	(34,169)		
Expenses not deductible for tax purposes		1,765	2,910		
Expenses with additional deduction		(7,107)	(11,182)		
(Over) Under provided in prior years		-	(1,419)		
Total	10.35	61,314	7.33	25,351	

**Deferred tax
At 31 December**

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		(in thousand Baht)		
Deferred tax assets	180,970	226,373	124,792	169,096
Deferred tax liabilities	(20,327)	(14,210)	(17,837)	(12,094)
Net deferred tax assets	160,643	212,163	106,955	157,002

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Consolidated financial statements				
(Charged) / Credited to:				
	At 1	Profit or	Other	At 31
<i>Deferred tax</i>	January	loss	comprehensive	December
		(in thousand Baht)	income	
2022				
Deferred tax assets				
Property, plant and equipment (impairment)	-	1,683	-	1,683
Property, plant and equipment (depreciation gap)	-	435	-	435
Right-of-use assets (depreciation gap)	38,724	20,688	-	59,412
Investment properties (impairment)	-	197	-	197
Accounts receivable and other receivable (allowance for expected credit loss)	4,570	(84)	-	4,486
Other non-current assets (impairment)	-	449	-	449
Derivatives	-	967	-	967
Inventories (allowance for decline in value)	24,746	1,369	-	26,115
Inventories (eliminate profit)	36,186	(4,805)	-	31,381
Non-current provision for employee benefits	48,618	4,473	-	53,091
Provisions (customer loyalty program)	3,899	(1,145)	-	2,754
Investment (impairment)	69,630	(69,630)	-	-
Total	226,373	(45,403)	-	180,970
Deferred tax liabilities				
Building and improvement (depreciation gap)	(12,094)	(5,743)	-	(17,837)
Financial assets measured at FVTPL (increase in fair value)	(2,116)	(374)	-	(2,490)
Total	(14,210)	(6,117)	-	(20,327)
Net	212,163	(51,520)	-	160,643

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**Consolidated financial statements****(Charged) / Credited to:**

	At 1 January	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December
<i>Deferred tax</i>				
<i>2021</i>				
<i>Deferred tax assets</i>				
Right-of-use assets (depreciation gap)	24,672	14,052	-	38,724
Accounts receivable and other receivable (allowance for expected credit loss)	3,404	1,166	-	4,570
Inventories (allowance for decline in value)	14,592	10,154	-	24,746
Inventories (eliminate profit)	37,654	(1,468)	-	36,186
Non-current provision for employee benefits	46,961	(744)	2,401	48,618
Provisions (customer loyalty program)	7,780	(3,881)	-	3,899
Investment (impairment)	69,630	-	-	69,630
Derivatives	33	(33)	-	-
Total	204,726	19,246	2,401	226,373
<i>Deferred tax liabilities</i>				
Building and improvement (depreciation gap)	(6,246)	(5,848)	-	(12,094)
Financial assets measured at FVTPL (increase in fair value)	(1,741)	(375)	-	(2,116)
Total	(7,987)	(6,223)	-	(14,210)
Net	196,739	13,023	2,401	212,163

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	At 1 January	Separate financial statements (Charged) / Credited to:		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
2022				
Deferred tax assets				
Property, plant and equipment (impairment)	-	1,683	-	1,683
Right-of-use assets (depreciation gap)	35,872	17,911	-	53,783
Investment properties (impairment)	-	197	-	197
Accounts receivable and other receivable (allowance for expected credit loss)	3,486	(162)	-	3,324
Other non-current assets (impairment)	-	449	-	449
Inventories (allowance for decline in value)	23,527	1,681	-	25,208
Non-current provision for employee benefits	32,681	3,745	-	36,426
Investment in subsidiary (impairment)	69,630	(69,630)	-	-
Provisions (customer loyalty program)	3,900	(1,145)	-	2,755
Derivatives	-	967	-	967
Total	169,096	(44,304)	-	124,792
Deferred tax liability				
Building and improvement (depreciation gap)	(12,094)	(5,743)	-	(17,837)
Total	(12,094)	(5,743)	-	(17,837)
Net	157,002	(50,047)	-	106,955

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	Separate financial statements (Charged) / Credited to:		
	At 1 January	Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income
			At 31 December
2021			
<i>Deferred tax assets</i>			
Right-of-use assets (depreciation gap)	17,799	18,073	-
Accounts receivable and other receivable (allowance for expected credit loss)	2,252	1,234	-
Inventories (allowance for decline in value)	14,069	9,458	-
Non-current provision for employee benefits	33,081	(1,918)	1,518
Investment in subsidiary (impairment)	69,630	-	-
Provisions (customer loyalty program)	7,781	(3,881)	-
Derivatives	33	(33)	-
Total	144,645	22,933	1,518
<i>Deferred tax liability</i>			
Building and improvement (depreciation gap)	(6,246)	(5,848)	-
Total	(6,246)	(5,848)	-
Net	138,399	17,085	1,518

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19 Basic earnings per share

Accounting policy

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.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht / in thousand shares)</i>			
Profit for the year attributable to ordinary shareholders of the Company (basic)	<u>659,066</u>	<u>453,174</u>	<u>531,167</u>	<u>320,703</u>
Number of ordinary shares outstanding				
Number of ordinary shares outstanding at 1 January	<u>505,000</u>	<u>505,000</u>	<u>505,000</u>	<u>505,000</u>
Weighted average number of ordinary shares outstanding (basic) as at 31 December	<u>505,000</u>	<u>505,000</u>	<u>505,000</u>	<u>505,000</u>
Basic earnings per share (Baht)	<u>1.31</u>	<u>0.90</u>	<u>1.05</u>	<u>0.64</u>

20 Dividends

The dividends paid by the Group to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2022				
Annual dividend	22 April 2022	May 2022	0.40	202.00
Interim dividend	8 August 2022	September 2022	<u>0.20</u>	<u>101.00</u>
Total			<u>0.60</u>	<u>303.00</u>
2021				
Annual dividend	23 April 2021	May 2021	0.27	136.35
Interim dividend	5 August 2021	September 2021	<u>0.15</u>	<u>75.75</u>
Total			<u>0.42</u>	<u>212.10</u>

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21 Financial instruments

Accounting policy

(1) Classification and measurement

Debt securities issued by the Group are initially recognised when they are originated. Other financial assets and financial liabilities (except trade accounts receivables (see note 5)) 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 or issue.

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.

(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.

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.

(3) Derivatives

Derivatives are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(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 or
- 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.

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(5) *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.

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.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

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**(a) Carrying amounts and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

<i>At 31 December</i>	Consolidated financial statement				
	Carrying amount Financial instruments measured at FVTPL	Fair value			Total
		Level 1	Level 2	Level 3	
		<i>(in thousand Baht)</i>			
2022					
Financial assets					
Other non-marketable equity instruments	17,450	-	-	17,450	17,450
Total other financial assets	17,450				
Financial liability					
Other derivatives liabilities	4,835	-	4,835	-	4,835
Total other financial liability	4,835				
2021					
Financial assets					
Other non-marketable equity instruments	15,581	-	-	15,581	15,581
Total other financial assets	15,581				

<i>At 31 December</i>	Separate financial statement				
	Carrying amount Financial instruments measured at FVTPL	Fair value			Total
		Level 1	Level 2	Level 3	
		<i>(in thousand Baht)</i>			
2022					
Financial liability					
Other derivatives liabilities	4,835	-	4,835	-	4,835
Total other financial liability	4,835				

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

Financial instruments not measured at fair value

Type

Equity instruments
Forward exchange contracts

Valuation technique

The net asset value as of the reporting date
Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

(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.

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

**(b.1.1) Trade accounts 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. Detail of concentration of revenue are included in note 16.

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 includes external ratings, if they are available, financial statements, credit agency information and industry information. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the risk management committee.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 3 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/groupings of various customer segments with similar credit risks 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 accounts receivables and contract assets are disclosed in note 5 and 16, respectively.

(b.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative is limited because the counterparties are banks and financial institutions which has reliable credit rating assigned by rating agency, for which the Group considers to have low credit risk.

(b.1.3) Guarantees

The Group's policy is to provide financial guarantees only for subsidiaries' liabilities. At 31 December 2021, the Group has issued a guarantee to certain banks in respect of credit facilities granted to one subsidiary (see note 3).

(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.

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

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

Consolidated financial statements

Contractual cash flows

<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 2 years <i>(in thousand Baht)</i>	More than 2 years but less than 5 years	More than 5 years	Total
2022						
Non-derivative financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	793,000	793,000	-	-	-	793,000
Trade payables	691,260	691,260	-	-	-	691,260
Long-term borrowings from financial institutions	343,467	244,387	88,395	10,685	-	343,467
Lease liabilities	2,964,503	213,602	214,325	624,383	5,280,259	6,332,569
	4,792,230	1,942,249	302,720	635,068	5,280,259	8,160,296
2021						
Non-derivative financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	763,000	763,000	-	-	-	763,000
Trade payables	755,175	755,175	-	-	-	755,175
Long-term borrowings from financial institutions	1,212,926	348,640	399,382	464,904	-	1,212,926
Lease liabilities	2,799,086	221,983	202,775	598,413	4,795,113	5,818,284
	5,530,187	2,088,798	602,157	1,063,317	4,795,113	8,549,385

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

**Separate financial statements****Contractual cash flows**

<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 2 years <i>(in thousand Baht)</i>	More than 2 years but less than 5 years	More than 5 years	Total
2022						
Non-derivative financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	663,000	663,000	-	-	-	663,000
Trade payables	938,929	938,929	-	-	-	938,929
Long-term borrowings from financial institutions	343,467	244,387	88,395	10,685	-	343,467
Short-term loans from related parties	710,000	710,000	-	-	-	710,000
Lease liabilities	3,339,889	287,707	287,830	825,722	5,162,868	6,564,127
	<u>5,995,285</u>	<u>2,844,023</u>	<u>376,225</u>	<u>836,407</u>	<u>5,162,868</u>	<u>9,129,523</u>
2021						
Non-derivative financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	321,000	321,000	-	-	-	321,000
Trade payables	1,236,349	1,236,349	-	-	-	1,236,349
Long-term borrowings from financial institutions	1,212,926	348,640	399,382	464,904	-	1,212,926
Short-term loans from related parties	513,000	513,000	-	-	-	513,000
Lease liabilities	3,327,379	301,291	281,488	823,156	4,966,573	6,372,508
	<u>6,610,654</u>	<u>2,720,280</u>	<u>680,870</u>	<u>1,288,060</u>	<u>4,966,573</u>	<u>9,655,783</u>

(b.3) Market risk

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

Sign.....Director
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Sign.....Director
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(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

Consolidated financial statements						
2022			2021			
<i>Exposure to foreign currency at 31 December</i>	USD	EUR	Total (in thousand Baht)	USD	EUR	Total
Trade accounts receivables	12,124	-	12,124	11,786	-	11,786
Trade payables	(8,800)	(14,135)	(22,935)	(63,532)	(1,339)	(64,871)
Net statement of financial position exposure	3,324	(14,135)	(10,811)	(51,746)	(1,339)	(53,085)
Net forecast transaction exposure	3,324	(14,135)	(10,811)	(51,746)	(1,339)	(53,085)
Forward exchange purchase contracts	4,707	-	4,707	-	-	-
Forward exchange selling contracts	(61,150)	-	(61,150)	-	-	-
Net exposure	(56,443)	-	(56,443)	(51,746)	(1,339)	(53,085)

Separate financial statements						
2022			2021			
<i>Exposure to foreign currency at 31 December</i>	USD	EUR	Total (in thousand Baht)	USD	EUR	Total
Trade accounts receivables	10,939	-	10,939	10,356	-	10,356
Trade payables	(20,778)	-	(20,778)	(62,279)	(109)	(62,388)
Net statement of financial position exposure	(9,839)	-	(9,839)	(51,923)	(109)	(52,032)
Net forecast transaction exposure	(9,839)	-	(9,839)	(51,923)	(109)	(52,032)
Forward exchange purchase contracts	4,707	-	4,707	-	-	-
Forward exchange selling contracts	(61,150)	-	(61,150)	-	-	-
Net exposure	(56,443)	-	(56,443)	(51,923)	(109)	(52,032)

Sign.....Director
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Sign.....Director
Mrs. Kridchanok Patamasatayasonthi



(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see note 12) are mainly fixed. So the Group has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Group.

Exposure to interest rate risk At 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Financial instruments with fixed interest rates				
Financial assets				
- Short-term loan to related party	-	-	-	29,000
Financial liabilities				
- Short-term loan from related parties	-	-	(710,000)	(513,000)
- Long-term borrowings from financial institutions	-	(70,000)	-	(70,000)
- Lease liabilities	(2,964,503)	(2,799,086)	(3,339,889)	(3,327,379)
	<u>(2,964,503)</u>	<u>(2,869,086)</u>	<u>(4,049,889)</u>	<u>(3,910,379)</u>
Financial instruments with variable interest rates				
Financial liabilities				
- Bank overdrafts and short-term borrowings from financial institutions	(793,000)	(763,000)	(663,000)	(321,000)
- Long-term borrowings from financial institutions	(343,467)	(1,142,926)	(343,467)	(1,142,926)
	<u>(1,136,467)</u>	<u>(1,905,926)</u>	<u>(1,006,467)</u>	<u>(1,463,926)</u>

22 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 monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Sign.....Director
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Sign.....Director
Mrs. Kridchanok Patamasatayasonthi

23 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
Capital commitments				
Building and improvement	8,071	-	7,731	-
Furniture, fixtures and office equipment	2,867	29,337	2,867	29,337
Utility system	16,068	-	16,068	-
Computer program	1,581	-	1,581	-
Total	28,587	29,337	28,247	29,337
Other commitments				
Short-term lease commitments	741	800	-	-
Letters of credit for goods	6,253	16,322	6,253	16,321
Bank guarantees	312,557	307,952	293,141	288,535
Security services agreement	38,714	30,119	26,286	17,003
Cleaning services agreement	29,577	15,441	18,033	9,028
Maintenance service agreement	3,469	5,979	2,504	4,013
Total	391,311	376,613	346,217	334,900

As at 31 December 2022, the Group has issued post date cheque amounting to Baht 5.4 million as collateral for project contract.

24 Events after the reporting period

Dividend paid

At the board of directors' meeting of the Company held on 27 February 2023, the Board approved to propose the appropriation of dividend of Baht 0.80 per share in amounting to Baht 404 million. However, during the interim period ended 31 December 2022, the Company has already paid interim dividends of Baht 0.20 per share, amounting to Baht 101 million. The remaining dividends are Baht 0.60 per share, amounting to Baht 303 million. The Board of Directors will propose this matter to the shareholders' meeting for further approval.

Long-term borrowings from financial institutions

In January and February 2023, the Company made early repayment of long-term borrowing from financial institution amounted to Baht 337.1 million without prepayment fee. Under the agreement, the Company can make voluntary prepayment without prepayment fee by giving advanced written notice to the financial institution.

Setup a joint venture company

On 27 February 2023, the Company approved at the meeting to agree on a joint arrangement between Flash Express Company Limited which incorporated in Thailand. The principal activities of the joint venture are transportation, assembly and installation services for products. The registered capital is amounting to Baht 50 million, which the Company has 51% of shareholding.

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi



25 Thai Financial Reporting Standards (TFRSs) that have been issued but are not yet effective

The Federation of Accounting Professions has revised TFRSs which are effective for annual accounting periods beginning on or after 1 January 2023 and have not been adopted in the preparation of the consolidated and separate financial statements because they are not yet effective. The Group has assessed the potential initial impact on the financial statements of these revised TFRSs and expected that there will be no material impact on the financial statements in the year of initial application.

Sign.....Director
Mr. Pisith Patamasatayasonthi

Sign.....Director
Mrs. Kridchanok Patamasatayasonthi



ATTACHMENT



Attachment 1

Details about the Directors, Executives, Controlling Persons, The Highest Responsible Person in Accounting and Finance, The Controller and the Company Secretary

Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
1. Mrs. Pennapha Dhanasarnsilp Independent Director / Chairman of the Board, Chairman of Nomination & Remuneration, Corporate Governance & Sustainable Development Committee Date of Appointment: May 30, 2018	68	<ul style="list-style-type: none"> Bachelor of Economics- Chulalongkorn University Master of Business Administration – Thammasat University Doctorate of Business Administration - Nova University, Southeastern USA Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 3/2003 Director Certification Program (DCP) Batch 68/2005 	0.004	-	2022 - present	Independent Director Chairman of the Board Chairman of Nomination, Remuneration, CG, and SD Committee (This SD committee had been appointed by the resolution of the Board of Directors' Meeting on 8 August 2022)	Index Living Mall PLC/Furniture Retailer
					2020 - present	Directors' Meeting on 8 August 2022)	Index Living Mall PLC/Furniture Retailer
					2018 - 2022	Chairman of Nomination, Remuneration & CG Committee Member of the Audit Committee/ Independent Director	Index Living Mall PLC/Furniture Retailer
					Other Companies 2015 - present 2011 - present	Independent Director/Member of the Audit Committee/ Chairman of the Nomination and Remuneration Committee Chief Executive Officer	Pioneer Motor PLC/ Manufacturer of fan motors, and all kinds of parts and accessories Penn Marketing and Distribution Company Limited/Distributor of Consumer Products



Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
2. Mr. Jirayut Rungsrithong Independent Director/ Chairman of the Audit Committee and Nomination & Remuneration, Corporate Governance & Sustainable Development Committee Date of Appointment: May 30, 2018	56	<ul style="list-style-type: none"> Bachelor of Computer Engineering – King Mongkut's Institute of Technology, Ladkrabang Master of Operations Research - George Washington University, USA Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 36/2005 Director Certification Program (DCP) Batch 60/2005 Financial Institutions Governance Program (FGP) Batch 4/2012 	0.029	-	2020 - present	Independent Director / Nomination, Remuneration, CG, & SD Committee (This SD committee had been appointed by the resolution of the Board of Directors Meeting on 8 August 2022)	Index Living Mall PLC/Furniture Retailer
					2018 - present	Chairman of the Audit Committee/ Independent Director	Index Living Mall PLC/Furniture Retailer
					Other Companies 2017 - present 2016 - 2022	Director Director/President	Universal Utilities PLC/Clean Water Production Contracts Eastern Water Resources Development and Management PLC/Utilities

Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
3. Mr. Adisak Ruckariyaphong Independent Director / Member of the Audit Committee and Nomination & Remuneration, Corporate Governance & Sustainable Development Committee / Chairman of Risk Management Committee and Chairman of Investment Committee Date of Appointment: May 30, 2018	49	<ul style="list-style-type: none"> Bachelor of Business Administration – Assumption University Master of Business Management – Nagoya University, Japan Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 103/2013 Advance Audit Committee Program (AACCP) Batch 29/2020 	-	-	2022 - present	Chairman of Investment Committee	Index Living Mall PLC/Furniture Retailer
					2020 - present	Nomination, Remuneration, CG & SD Committee (This SD committee had been appointed by the resolution of the Board of Directors' Meeting on 8 August 2022)	Index Living Mall PLC/Furniture Retailer
					2563 - present		
					2018 - present	Independent Director Chairman of Risk Management Committee/ Member of the Audit Committee/ Independent Director	Index Living Mall PLC/Furniture Retailer
					Other Companies		
					2018 - present	Director	Meat Store Company Limited/Meat Sales
					2017 - present	Director	Coco Art Company Limited / Manufacturer and Distributor of Coconuts and Coconut Products
					2017 - present	Director	Toyox Asia (Thailand) Company Limited/ Manufacturer that distributes plastic pipes and joints for use in industry



Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
4. Mr. Thakorn Piyapan Independent Director / Member of the Audit Committee and Investment Committee Date of Appointment: April 22, 2022		<ul style="list-style-type: none"> Master of Finance, University of Colorado Denver, USA Bachelor of Economics, Thammasart University Executive Program of Capital Market Academy Class 17, 2013 Certificate, Thai Institute of Directors Association (IOD) Program Director Certification Program (DCP) 2014 	-	-	2022 - present	Independent Director/ Member of Audit Committee/ Investment Committee	Index Living Mall PLC/Furniture Retailer
					Other companies 2022 - present 2021 - 2022 2017 - 2020	President Chief Executive Officer Head of Krungsri Consumer Group/ Head of Digital Banking & Innovation Division	TMB Thanachart Bank PLC / Commercial Bank Thai Group Holding PLC/ Holding Company Bank of Ayudhya PCL / Universal Bank
5. Mr. Ariya Banomyong Independent Director Date of Appointment: May 30, 2018	49	<ul style="list-style-type: none"> Bachelor of Mathematics & IT, University De Marne-La-Vallee, France Master of Mathematics & IT, University De Marne-La-Vallee, France Master of Management, London School of Economics, United Kingdom Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 149/2018 	-	-	2018 - present	Independent Director	Index Living Mall PLC/Furniture Retailer
					Other Companies 2020 - present 2019 - present 2016 - 2019 2011 - 2015	CEO & Founder Director/President Director/Managing Director Thailand Manager	Transformational Co., Ltd./ Consulting of technology & digital BEC World PLC/Broadcasting and Advertising Media and Television Business Line Company (Thailand) Company Limited/ Information and Communication Google (Thailand) Company Limited/ Information Finding Website

Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
6. Mr. Pisith Patamasatayasonthi Director/ Chairman of Executive Committee and Chief Executive Officer Date of Appointment: May 30, 2018	75	<ul style="list-style-type: none"> Honorary Doctorate of Arts, Marketing – Sripatum University Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 147/2018 	2.654	<ul style="list-style-type: none"> Spouse of the person No. 7 Father of the person No. 8-11 	1994 - present	Director/ Chairman of Executive Committee/ Chief Executive Officer	Index Living Mall PLC/Furniture Retailer
					Affiliated Companies 2016 - present		Index Living Mall Inter Company Limited/ Grants rights to Index Living Mall franchises in foreign countries
					2012 - present	Director	The Walk Company Limited/Shopping Center Rentals
					1991 - present	Director	Bangkok Casa Company Limited/ Warehouse Services
					1983 - present	Chairman of the Executive Committee	Index Interfurn Company Limited/Furniture Manufacture
					Other Companies 2019 - present		Patamma Company Limited/Hotel and Resort
					2018 - present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
					2017 - present	Director	Mai Thammada Panich H.Q. Company Limited/Real Estate
					2017 - present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
					2017 - present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate



Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
7. Mrs. Kunthong Udommahuntisuk Director Date of Appointment: May 30, 2018	69	<ul style="list-style-type: none"> Bachelor of Political Science, Bangkok Thonburi University MINI MBA, Commerce and Accountancy, Thammasat University Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 147/2018 	4.595	<ul style="list-style-type: none"> Spouse of the person No.6 Mother of the person No.8-11 	1995 - present	Director	Index Living Mall PLC/Furniture Retailer
					Affiliated Companies 2019 - present	Director	Index Living Mall Inter Company Limited/ Grants rights to Index Living Mall franchises in foreign countries
					2012 - present 2002 - present 1983 - present	Director Director Executive Vice President	The Walk Company Limited/Shopping Center Rentals Bangkok Casa Company Limited/ Warehouse Services Index Interfurn Company Limited/Furniture Manufacturer
					Other Companies 2019 - present 2018 - present 2017 - present 2017 - present 2017 - present	Director Director Director Director Director	Patamma Company Limited/Hotel and Resort Krobkrua Thamada Panich Company Limited/ Holds Company Shares Mai Thamada Panich H.Q. Company Limited/Real Estate Mai Thamada Panich Ekachai Company Limited/ Real Estate

Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
8. Miss Kridchanok Patamasatayasonthi Director/ Risk Management Committee/ Investment Committee/ Executive Committee and Managing Director Date of Appointment: May 30, 2018	46	<ul style="list-style-type: none"> Bachelor of Business Administration, Assumption University Master of Business Administration, International Business, San Francisco State University, USA Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 144/2018 	6.746	<ul style="list-style-type: none"> Child of the person No.6 & 7 Sister of the person No. 9-11 	2022 - present	Investment Committee	Index Living Mall PLC/Furniture Retailer
					2020 - present	Risk Management Committee	Index Living Mall PLC/Furniture Retailer
					2008 - present	Director/ Executive Committee/ Managing Director	Index Living Mall PLC/Furniture Retailer
					Affiliated Companies		
					2016 - present	Director	Index Living Mall Inter Company Limited/ Grants rights to Index Living Mall franchises in foreign countries
					2012 - present	Director	The Walk Company Limited/Shopping Center Rentals
					2009 - present	Director	Bangkok Casa Company Limited/ Warehouse Services
					2008 - present	Director	Index Interfurn Company Limited/Furniture Manufacturer
					Other Companies		
					2019 - present	Director	Patamma Company Limited/Hotel and Resort
					2018 - present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
					2017 - present	Director	Mai Thammada Panich H.Q. Company Limited/Real Estate
					2017 - present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
							Mai Thammada Panich K.N. Company Limited/ Real Estate
							Mai Thammada Panich R.P. Company Limited/ Real Estate



Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
9. Miss Pichapim Patamasatayasonthi Director / Executive Committee and Senior Vice President- Furniture Mattress & HDI Trading Line Date of Appointment: May 30, 2018	44	<ul style="list-style-type: none"> Bachelor of Architecture, King Mongkut's Institute of Technology, Ladkrabang Master of Business Administration, International Business, California State University at Long Beach, USA Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 144/2018 	6.808	<ul style="list-style-type: none"> Child of the person No. 6 & 7 Sister of the person No. 8-11 	2022 - present	Senior Vice President - Furniture Mattress & HDI Trading Line	Index Living Mall PLC/Furniture Retailer
					2008 - present	Director / Executive Committee	Index Living Mall PLC/Furniture Retailer
					Affiliated Companies		
					2016 - present	Director	Index Living Mall Inter Company Limited/ Grants rights to Index Living Mall franchises in foreign countries
					2012 - present 2009 - present 2008 - present	Director Director Director	The Walk Company Limited/Shopping Center Rentals Bangkok Casa Company Limited/ Warehouse Services Index Interfurn Company Limited/Furniture Manufacturer
					Other Companies		
					2019 - present	Director	Patamma Company Limited/Hotel and Resort
					2018 - present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
					2017 - present	Director	Mai Thammada Panich H.Q. Company Limited/Real Estate
					2017 - present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate Mai Thammada Panich K.N. Company Limited/ Real Estate

Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
10. Mr. Ekalak Patamasatayasonthi Director/ Executive Committee/ Senior Vice President Business Development, YOUNIQUE & The Walk Line Date of Appointment: May 30, 2018	41	<ul style="list-style-type: none"> Bachelor of Engineering, Industrial Engineering – Chulalongkorn University Master of International Business, Thunderbird Global School of Management, Arizona, USA Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 144/2018 	6.775	<ul style="list-style-type: none"> Child of the person No.6 & 7 Brother of the person No. 8-11 	2009 - present	Director/ Senior Vice President- Business Development, YOUNIQUE & The Walk Line	Index Living Mall PLC/Furniture Retailer
					Affiliated Companies 2016 - present		Index Living Mall Inter Company Limited/ Grants rights to Index Living Mall franchises in foreign countries
					2012 - present	Director	The Walk Company Limited/Shopping Center Rentals
					2009 - present	Director	Bangkok Casa Company Limited/ Warehouse Services
					2009 - present	Director	Index Interfurn Company Limited/Furniture Manufacturer
					Other Companies 2019 - present		Patamma Company Limited/Hotel and Resort
					2018 - present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
					2017 - present	Director	Mai Thammada Panich H.Q. Company Limited/Real Estate
					2017 - present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
					2017 - present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate



Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
11. Mr. Ekaridhi Patamasatayasonthi Director / Risk Management Committee and Executive Committee Date of Appointment: May 30, 2018	37	<ul style="list-style-type: none"> Bachelor of Computer Engineering – Thammasat University Masters, Global MBA program, University of Michigan, Ross School of Business, Ann Arbor, USA Certificate, Thai Institute of Directors Association (IOD) Program Director Accreditation Program (DAP) Batch 149/2018 	6.997	<ul style="list-style-type: none"> Child of the person No. 6 & 7 Brother of the person No.8-10 	2020 - present 2009 - present	Risk Management Committee Executive Committee/ Director	Index Living Mall PLC/Furniture Retailer Index Living Mall PLC/Furniture Retailer
					Affiliated Companies 2016 - present	Director	Index Living Mall Inter Company Limited/ Grants rights to Index Living Mall franchises in foreign countries
					2014 - present	Director	Index Living Mall Malaysia SDN. BHD./Index Living Mall Shopping Center in Malaysia
					2012 - present 2009 - present	Director Director	The Walk Company Limited/Shopping Center Rentals
					2009 - present	Director	Bangkok Casa Company Limited/ Warehouse Services
							Index Interfurn Company Limited/Furniture Manufacturer
					Other Companies 2019 - present 2019 - present 2018 - present 2017 - present 2017 - present 2017 - present	Director Director Director Director Director Director	Patamma Company Limited/Hotel and Resort Number 8 Company Limited/Restaurant Krobkrua Thammada Panich Company Limited/ Holds Company Shares Mai Thammada Panich H.Q Company Limited/Real Estate Mai Thammada Panich Ekachai Company Limited/ Real Estate Mai Thammada Panich K.N. Company Limited/ Real Estate

Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
12. Mr. Vipon Vorasowharid Chief Operating Officer Date of Appointment: August 1, 2019	57	<ul style="list-style-type: none"> Bachelor of Business Administration, Marketing – Assumption University Master of Business Administration – Bangkok University Certificate, Thai Institute of Directors Association (IOD) Program Director Certification Program (DCP) Batch 154/2011 	0.004	-	2019 - present	Chief Operating Officer	Index Living Mall PLC/Furniture Retailer
					Other Companies 2017 - 2018	Managing Director	Bangkok Insurance PLC/Insurance
					2014 - 2017	First Executive Vice President	Siam Commercial Bank PLC/Financial Institution



Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
13. Mrs. Kanokwanrat Srimaneesiri 1. Mrs. Kanokwanrat Srimaneesiri Senior Vice President Finance & Accounting, Company Secretary Date of Appointment: September 16, 2010	56	<ul style="list-style-type: none"> Bachelor of Business Administration, Accounting – Assumption University Master of Business Administration – Assumption University Certificate, Thai Institute of Directors Association (IOD) Program Company Secretary Program (CSP) Batch 95/2019 Certificate, Capital Market Knowledge Center, The Stock Exchange of Thailand, CFO's Orientation Course for New IPOs 2018 Participated in continuous knowledge development in accordance with qualifications of the responsible person in the accounting and finance department of the Stock Exchange of Thailand, TLCA CFO Professional Development Program (TLCA CFO CPD) 2019-2021 	0.013	-	2010 - present	รองกรรมการผู้จัดการอาวุโสสายบัญชีและการเงิน /เลขาธิการบริษัท	บมจ. อินที็กซ์ ลิฟวิ่งมอลล์ / ร้านค้าปลีกเฟอร์นิเจอร์
					Other Companies 2005 - present 2001 - 2010	Director Corporate Finance Director	Siam B2B Company Limited/ Communication Business Minor International PLC/Food & Beverage Business, Hotel Business, and other businesses related to the Hotel Business

Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
14. Mr. Nattinai Yuttapatsak Senior Vice President- Project Sales and Office Furniture Management Date of Appointment: October 1, 1994	61	<ul style="list-style-type: none"> Bachelor of Engineering, King Mongkut's University of Technology, North Bangkok 	0.411	-	1994 - present	Senior Vice President of Project Sales and Office Furniture Management	Index Living Mall PLC/Furniture Retailer
15. Mr. Kwanchai Kitkongkajornchai Senior Vice President- Product Strategy and Development and Dealer Line Date of Appointment: August 1, 1994	55	<ul style="list-style-type: none"> Bachelor of Arts – Silpakorn University 	0.003	-	1994 - present	Senior Vice President - Product Strategy and Development and Dealer Line	Index Living Mall PLC/Furniture Retailer
					Affiliated Companies 2014 - present	Director	Index Living Mall Malaysia SDN. BHD./ Shopping Center
16. Ms. Pavaravadee Wichaidit Senior Vice President- Supply Chain Distribution Center and Information Technology Date of Appointment: September 7, 2016	53	<ul style="list-style-type: none"> Bachelor of Science, Biotechnology – Mahidol University 	0.003	-	2016 - present	Senior Vice President - Supply Chain Distribution Center and Information Technology	Index Living Mall PLC/Furniture Retailer
					Affiliated Companies 2017 - present	Customer Service Director	Unilever Thai Trading /Manufacturer and Distributor of Consumer Products



Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
17. Mr. Gerard McGurk Senior Vice President Retail Commercial, International Retail & Field Merchandising Line Date of Appointment: May 3, 2016	55	<ul style="list-style-type: none"> Bachelor of Business Studies, Dundee College of Commerce - Scotland 	0.001	-	2016 - present	Senior Vice President of Retail Commercial, International Retail & Field Merchandising Line	Index Living Mall PLC/Furniture Retailer
18. Mrs. Kanjanawan Layluxsiri Senior Vice President Marketing Date of Appointment: March 1, 2019	51	<ul style="list-style-type: none"> Bachelor in Political Science – Chulalongkorn University Mini MBA – Chulalongkorn University 	0.0001	-	2019 - present	Senior Vice President of Marketing	Index Living Mall PLC/Furniture Retailer
					2017 - 2018	Vice President of Marketing	Index Living Mall PLC/Furniture Retailer
					Other Companies 2014 - 2016	Vice President of Marketing	Central Pattana PCL/Development and Leasing Space in Shopping Centers

Name – Last Name/ Position	Age (yrs)	Educational Qualifications / Training History	Proportion of Company Shares Held (percent)	Family Relationship between Directors and Executives	Work Experience		
					Time Period	Position	Company/Type of Business
19. Mr. Suchart Sasivimolvit Accounting Director Date of Appointment: February 16, 1998	56	<ul style="list-style-type: none"> Bachelor of Business Administration Master of Business Administration Participated in continuous knowledge development for accounting in accordance with the criteria specified in the announcement of the Department of Business Development for 2017 for a total of 26 hours, in 2018 for a total of 7 hours and in 2019 for a total of 24 hours. In 2020 for a total of 45 hours, in 2021 for a total of 58 hours and in 2022 for a total of 47 hours. 	-	-	1998 - present	Accounting Director	Index Living Mall PLC/Furniture Retailer
					Other Companies		
					2015 - present 2015 - present	Director Director	At Home Audit Company Limited/Auditor Sasi Accounting Company Limited/Auditor
20. Mr. Thosak Kanjananimmnont Financial Director Date of Appointment: April 1, 2016	67	<ul style="list-style-type: none"> Bachelor of Business Administration, Accounting – Ramkhamhaeng University 	0.015	-	2016 - Present	Financial Director	Index Living Mall PLC/Furniture Retailer
					1998 - 2016	Assistant Chief Financial Officer	Index Living Mall PLC/Furniture Retailer

* Note: Calculated in accordance with the effective rate of shareholding as of January 31, 2023.



Responsibilities of the Company Secretary

The Board of Directors Meeting No. 4/2018, held on March 30, 2018, resolved to appoint Mrs. Kanokwan-rat Srimaneesiri as the Company Secretary in order to comply with Section 89/15 of the Securities and Exchange Act. The Company Secretary has the following duties and responsibilities:

1. Give preliminary advice to the directors in regards to complying with the laws, regulations, and the Article of Association of the Company. Monitor to ensure compliance and report any significant changes in legal requirements to the directors and executives.
2. Give preliminary advice to the directors in regards to complying with the laws, regulations, and the Article of Association of the Company. Monitor to ensure compliance and report any significant changes in legal requirements to the directors and executives.
2. Monitor and oversee the disclosure information and report related information in accordance with the regulations, notifications and requirements of the Stock Exchange of Thailand, the Office of Securities and Exchange Commission, and the Capital Market Supervisory Board.
3. Prepare and keep the following important documents:
 - (A) Director registration
 - (B) Meeting invitation letter for the Board of Directors' Meeting and the minutes of the Committee Meeting
 - (C) Meeting invitation letter for Shareholders' Meeting and the minutes of the Shareholders' Meeting
 - (D) The Company's Annual Report
4. Keep the directors and executives' stakeholder's report and send a copy to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days since the date that the Company received the report.
5. Monitor and ensure that the Shareholders' Meeting and the Board Meetings are in accordance with the laws, Article of Association of the Company and related practices and ensure the compliance with the resolutions of the Shareholders' Meeting and the resolutions of the Board of Directors' Meeting.
6. Supervise the activities of the Board of Directors and undertake any other matters in order to be in compliance with the law and/or as specified by the Capital Market Supervisory Board and/or as assigned by the Board of Directors

Attachment 2

Details of Directorship in Subsidiaries

Name List	ILM	IDF	TW	ILM Inter
1. Mrs. Pennapha Dhanasarnsilp	//, X			
2. Mr. Jirayut Rungsithong	//, Ax			
3. Mr. Adisak Ruckariyaphong	//, A			
4. Mr. Thakorn Piyapan	//, A			
5. Mr. Ariya Banomyong	//			
6. Mr. Pisith Patamasatayasonthi	/,0	/	/	/
7. Mrs. Kunthong Udommahuntisuk	/	/	/	/
8. Miss Kridchanok Patamasatayasonthi	/,0	/	/	/
9. Miss Pichapim Patamasatayasonthi	/	/	/	/
10. Mr. Ekalak Patamasatayasonthi	/,0	/	/	/
11. Mr. Ekaridhi Patamasatayasonthi	/	/	/	/
12. Mr. Vipon Vorasowharid	0			
13. Mrs. Kanokwanrat Srimaneesiri	0			
14. Mr. Kwanchai Kitkongkajornchai	0			
15. Mr. Nattinai Yuttapatsak	0			
16. Ms. Pavaravadee Wichaidit	0			
17. Mrs. Kanjanawan Layluxsiri	0			
18. Mr. Gerard McGurk	0			
19. Mr. Suchart Sasivimolvit	0			
20. Mr. Thosak Kanjananimmnont	0			

Remarks:

x = Chairman of the Board / = Director Ax = Chairman of Audit Committee
 // = Independent Director 0 = Executives A = Audit Committee



Attachment 3

Information about the Head of the Internal Audit of the Company

Name - Surname Position	Age (years)	Educational Qualifications	Work Experience		
			Period	Position	Company
Mr. Phisit Oprapakorn Head of the Internal Audit	36	<ul style="list-style-type: none"> Master of Business Administration in Finance (MBA – Finance), National Institute of Development Administration (NIDA) Bachelor of Business Administration in Accounting (BBA – Accounting), Assumption University (ABAC) Gold Medal Tax Auditor Training courses related to internal auditing from the Federation of Accounting Professions are as follows: <ul style="list-style-type: none"> > 80 Corruption Issues that Organizations Must be Aware of Annual Audit Management Planning > Audit Process, How to Plan the Audit Work System > Internal Audit Certification Training Program (IACP) 	2020 – Present	Senior Internal Audit Manager (Head of Internal Audit)	Index Living Mall Public Company Limited
			2014 – Present	Internal Audit Manager (Head of Internal Audit)	Index Living Mall Public Company Limited
			2013 – 2014	Senior Officer (Audit Tax Account)	Legal and Tax Consulting Company Limited. PricewaterhouseCoopers
			2010 – 2012	Senior Officer (Risk and Internal Control)	KPMG Phoomchai Company Limited, Business Advisory

Attachment 4

Operating Assets & Detail of Assets Assessment

Disclosure on page 40-44



Attachment 5

Corporate Governance Policy and Code of Conduct (Full Version)



Publicize at the Company's Website at <http://investor.indexlivingmall.com/en/cg/policy>
<http://investor.indexlivingmall.com/storage/download/code-of-conduct-en.pdf>

Attachment 6

Report of the Board of Directors' Responsibilities for Financial Reports

Audit Committee Report

Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee Report

Risk Management Committee Report

Executive Committee Report



6. Report of the Board of Directors' Responsibilities for Financial Reports

To shareholders

The Board of Directors is responsible for the consolidated financial statements of Index Living Mall Public Company Limited and its subsidiaries, which was prepared in accordance with financial reporting standards. The accounting policies are appropriately considered and consistently implemented, by using careful discretion and reasonable estimation principles in the preparation of the financial statements. In addition, the important information is sufficiently and transparently disclosed in the notes to financial statements for the benefit of shareholders and general investors.

The Board of Directors established good corporate governance, maintained risk management and internal control systems in order to ensure that accounting information are recorded correctly and completely and display information that is material, significant, timely and sufficient to maintain the property as well as to prevent fraud or significant unusual operations.

The Board of Directors appointed an audit committee consisting of independent directors to oversee and review the reliability and accuracy of financial reports including evaluating the internal control and internal audit systems to be efficient. The opinion of the Audit Committee regarding this matter appears in the Report of the Audit Committee in this Form 56-1 One Report Y2022.

The Board of Directors is of the opinion that the internal control system and the internal audit of the Company can assurance that the consolidated financial statements of Index Living Mall Public Company Limited and its subsidiaries For the fiscal year ended 31 December 2022, show financial position, operating performance and cash flow in all material respects and in accordance with financial reporting standards. The auditor has examined and commented on the auditor's report which has been shown in this Form 56-1 One Report Y2022.

Mrs. Pennapha Dhanasarnsilp
Chairman of the Board

Ms. Kridchanok Patamasatayasonthi
Managing Director

Audit Committee Report

To Shareholders,

The Audit Committee of Index Living Mall Public Company Limited consists of 3 independent directors who are capable, qualified, and independent in accordance with the regulations of the Stock Exchange of Thailand. The Audit Committee consists of Mr. Jirayut Rungsrihong, the Chairman of the Audit Committee, Mr. Adisak Ruckariyaphong, and Mr. Thakorn Piyapan (appointed in accordance with the resolution of the Board of Directors No. 2/2022 on April 22, 2022, in a replacement of Mrs. Pennapha Dhanasarnsilp who was appointed to be the Chairman of the Board) as members of the Audit Committee.

In 2022, the Audit Committee performed its duties within the scope of responsibility as specified by the Audit Committee Charter and the responsibilities assigned by the Board of Directors. There were a total of 4 meetings. In addition to this, auditors were invited to attend the meetings for relevant agenda items. The meeting attendance details of the Board are as follows:

Name - Surname	Position	Number of Meetings Attended
Mr. Jirayut Rungsrihong	Chairman of the Audit Committee	4/4
Mr. Adisak Ruckariyaphong	Audit Committee Member	4/4
Mr. Thakorn Piyaphan*	Audit Committee Member	3/3

Remark: *Mr. Thakorn Piyaphan was appointed as a member of the Audit Committee in accordance with the resolution of the Board of Directors No. 2/2022 on April 22, 2022. Thus, he attended 3 meetings during the year as a member of the Audit Committee.

The Audit Committee has duties and responsibilities in accordance with the Charter of the Audit Committee and as assigned by the Board of Directors. This includes reviewing the accuracy and adequacy of the Company's financial statements and effective governance processes, compliance with laws and regulations, and tending to related transactions that may have a conflict of interest in accordance with the relevant regulations and providing maximum benefit for the Company. The Audit Committee also has duties in selecting and proposing an opinion regarding the appointment of an auditor. The main performance of the Audit Committee can be summarized as follows:

Operational Summary 2022

- 1.1. Reviewed the Company's quarterly and annual financial statements prior to being disclosed to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. This was done during the Meeting agenda item: to review the financial statements of the Company.
2. Proposed the Company's auditors and determined the remuneration to the Board of Directors for approval at the Shareholders' Meeting.
3. Joint meeting with the Internal Audit Department concerning the operations, the scope of work, and the audit plan to ensure that the internal audit was carried out completely, appropriately, and in accordance with the standards of internal auditing. In 2022, the Audit Committee assessed the overall sufficiency and efficiency of the internal control system of the Company and its subsidiaries, acknowledged the audit results, and monitored the results of the improvements as recommended in order to increase the effectiveness and efficiency of internal control.



4. Reviewed regulatory compliance of the Company in regards to securities and exchange laws, SET regulations, and relevant laws concerning the business operations of the Company.
5. Assigned the Internal Audit Department to audit, review, and disclose connected transactions and conflict of interest transactions, and report to the Audit Committee annually in order to ensure that the Company operates its business with reasonableness under normal business conditions.
6. Assessed the sufficiency and appropriateness of the internal control system regarding the organization, environment, risk management, operational control of the management, information, and communication systems, and monitoring system. Emphasized having a sufficient and effective internal control system. Led the organization to have a good governance system.
7. The Audit Committee reviewed and self-assessed the work performance over the past year by using the good practice guidelines and Audit Committee Charter as a standard. The assessment results revealed that the Audit Committee performed its duties effectively in accordance with the specified Charter.
8. Encouraged the Company to create channels to report anti-corruption and blow the whistle through the website that directly reports to the Audit Committee in order to be consistent with the Good Corporate Governance principles.
9. In regards to the supervision of anti-corruption practice guidelines, the Audit Committee assigned the Internal Audit Department to review the measures and established guidelines to prevent fraud and inappropriate behavior that may occur in various systems. These guidelines extend to trading partners by preparing supplier evaluation criteria, a Code of Conduct for Suppliers, and framework guidelines to refrain from accepting gifts during various festivals, etc.

Opinion of the Audit Committee regarding the Performance in 2022

1. The financial statements of the Company were reliable, accurate, complete, and in accordance with the generally accepted accounting principles. The important information was sufficiently disclosed in a timely manner.
2. The Company has a sufficient, efficient, and effective internal control system, operational control system, and monitoring system.
3. The Company did not violate security and exchange law, SET regulations, or any relevant laws related to the Company's business
4. Transactions with associates or conflict of interest transactions were in compliance with the law and SET regulations. Such transactions were reasonable for the maximum benefit of the Company. There were no indications or observations of suspicious activities.
5. The appointed auditors were knowledgeable, capable, experienced, independent, and credible. They did not have any relationships or conflict of interest transactions with the Company. This ensured that the audit was complete, appropriate, effective, and transparent in accordance with the auditing standards.

6. The Audit Committee reviewed the independence of the annual internal audit plan, and the scope of work of the Internal Audit Department, and considered the evaluation results of the internal audit. This included evaluating the performance of the head of the internal audit department. The Audit Committee is of the opinion that the internal audit of the Company was independent, sufficient, and effective.
7. The Audit Committee performed its duties independently, completely, and accurately in accordance with the Audit Committee Charter and received good cooperation from all relevant parties.



Mr. Jirayut Rungsithong
Chairman of the Audit Committee



Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee Report

To Shareholders,

The Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee performed duties as assigned by the Board of Directors in accordance with the Charter of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee. In accordance with Board of Directors Resolution No. 4/2022 dated August 8, 2022, the Board of Directors appointed the Sustainable Development Committee in recognition of the significance of corporate sustainable development in all its dimensions, including the environment, society, and corporate governance.

In the previous year, this committee established a method and criteria for the nomination of directors and the Chief Executive Officer, determined methods and criteria for remuneration payment and other benefits to the Board of Directors and subcommittees, and considered a budget for salary increases, annual bonuses, welfare, and other employee benefits. This committee evaluated corporate governance and sustainability strategies' performance, which included the management of the environment, energy, water, garbage, and waste, as well as the management of greenhouse gas emissions, human rights, and fair labor practices.

In 2022, the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee held a total of 3 meetings. The meeting attendance details of the Board are as follows:

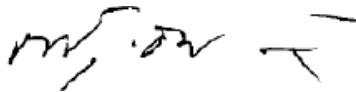
Name – Surname	Position	Number of Meetings Attended
Mrs. Pennapha Dhanasarnsilp	Chairman of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee	3/3
Mr. Jirayut Rungsritthong	Member of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee	2/3
Mr. Adisak Ruckariyaphong	Member of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee	3/3

Summary of significant performance in 2022 are as follows:

1. Considered the recruitment and selection of nominees to serve as directors of the Company and subcommittees to replace directors who have completed their terms. Mr. Thakorn Piyapan was nominated as an independent director in a replacement of Mrs. Kannikar Chalitaporn whose term had expired. This was proposed to the Board of Directors' meeting in order to be approved by the Shareholders' Meeting. The nomination was based on the recruitment of personnel who have complete and suitable qualification in accordance with the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The nominee does not have any characteristics that are prohibited by law, having qualifications, experience, knowledge, and skills that are beneficial to the Company. In addition, the Company provides an opportunity to minority shareholders to nominate a candidate to be a director of the Company between December 1, 2022 and January 14, 2023. These were proposed to the Board of Directors and the Annual General Meeting of Shareholders in 2023. None of the shareholders nominated a candidate for consideration.

2. Stipulated methods and criteria for setting remuneration and other benefits for directors and the subcommittees.
3. Evaluated the performance of the Chief Executive Officer based on the target achievement in order to consider appropriate remuneration.
4. Considered salary budget increases, annual rewards, welfare, and other benefits for the Company's employees at a reasonable rate that is in line with the Company's operating results and remuneration in the retail business market.
5. Considered and reviewed the Good Corporate Governance Policy. No amendments have been made because the current policy is complete and appropriate.
6. In 2022, The Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee considered the sustainability performance in environmental, social, and governance dimensions in order to ensure that they are consistent with the disclosure of information on Driving Business for Sustainability in Form 56-1 One Report and propose to the Board of Directors.

The Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee performed its duties in accordance with good corporate governance principles and took into account the best interests of the Company and all stakeholders.



Mrs. Pennapha Dhanasarnsilp

Chairman of the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee



The Risk Management Committee Report

To Shareholders,

The Risk Management Committee consists of 3 members which include Mr. Adisak Rakariyapong, Chairman of the Risk Management Committee. Ms. Kridchanok Patamasatayasonthi and Mr. Ekaridhi Patamasatayasonthi are members of the Risk Management Committee.

The Board of Directors determined the scope of duties and responsibilities of the Risk Management Committee to be in line with the Risk Management Charter under the Enterprise Risk Management: ERM of the Company which is aligned with the international standard of COSO ERM Framework by increasing the efficiency and the effectiveness of risk management at the operational level. This was achieved by assessing operational risk, information technology system risk, fraud risk, and corruption risk by defining procedures, as well as monitoring and creating tools to support the achievement of the set objectives so that personnel can perform their duties and reduce risks effectively.

In 2022, the Risk Management Committee held a total of 2 meetings. There were monthly sub-meetings of the Risk Management Working Group. The performance of the Risk Management Committee is summarized as follows:

1. Set and reviewed the enterprise risk management framework to be appropriate and in line with the Company's strategic plans and business operations.
2. Regularly monitored, evaluated, and provided recommendations to the Company in order to ensure that the Company operates the business at an acceptable risk level. There is a concrete mitigation plan that is practical and is able to follow up in order to minimize damages that may occur in a timely manner.
3. Provided an opinion on the issues and scope of the enterprise risk. This included operational risk, information technology system risk, fraud risk, corruption risk (in accordance with the Anti-Corruption Policy), and risk from external factors such as the exchange rate fluctuation risk, financial risk, and the risk of impact from competitors and market trends that changed toward the online market, etc.
4. Reviewed to ensure that the Company has an appropriate management and risk management system which is efficient and effective. Regularly communicated with the Risk Management Working Group in order to understand any critical risks, whether internal or external risks on a quarterly basis.
5. Gave advice and commented on corporate risk reporting for 2022, so that it is in accordance with the direction of the business operations, strategic plans, and corporate goals.
6. Reported the results of enterprise risk management to the Board of Directors for acknowledgment.

On behalf of the Risk Management Committee,

Mr. Adisak Ruckariyaphong

Chairman of the Risk Management Committee

The Executive Committee Report

To Shareholders,

The Executive Committee is appointed by the Board of Directors to supervise, manage, and control the Company's operations in accordance with the policies and business strategies determined by the Board of Directors. This includes adhering to the Executive Committee Charter, the business code of conduct, and business-related laws.

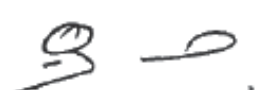
In 2022, the Executive Committee held a total of 11 meetings and reported the operating results to the Board of Directors for their acknowledgment on a regular basis. The meeting attendance details of the Executive Committee are as follows:

Name-Surname	Position	Number of Meetings Attended
Mr. Pisith Patamasatayasonthi	Chairman of the Executive Committee/ Chief Executive Officer	11/11
Miss Kridchanok Patamasatayasonthi	Executive Committee/ Managing Director	11/11
Miss Pichapim Patamasatayasonthi	Executive Committee	10/11
Mr. Ekalak Patamasatayasonthi	Executive Committee	10/11
Mr. Ekaridhi Patamasatayasonthi	Executive Committee	11/11

Significant operation details in 2022 can be summarized as follows:

1. Considered and monitored monthly operation performance to meet the set goals, scrutinized the Company's strategic plan and matters that required an initial decision before proposing to the Board of Directors for further consideration.
2. Supervised the business operation in accordance with the policy, goals, action plans, and financial goals and scrutinized the use of the budget approved by the Board of Directors in an effective and efficient way to foster the business growth of the Corporate Group.
3. Considered and scrutinized the feasibility of crucial investment projects as well as provided managerial advice to the Managing Director and executives.
4. Supported and encouraged employees to continually create new innovations and add value to the product.
5. Considered and approved the annual budget and the Company's investments which included transactions and credits that are important to the business prior to proposing them to the Board of Directors for approval.
6. Considered and provided recommendations to management regarding cash flow management to enhance opportunities for higher returns under reasonable risks. The credit limit for each transaction is as specified in the delegation of authority and budget approval by the Board of Directors, as well as the contracts made for each matter.
7. Approved other items that were assigned by the Board of Directors

The Executive Committee is committed to managing the business in order to achieve the organization's vision, mission, goals, and business strategies in accordance with good corporate governance principles to be transparent, verifiable, and fair, as well as conducting business with social and environmental responsibility. This included continuous support to fight against corruption in order for the organization to have growth and stability.



Mr. Pisith Patamasatayasonthi
Chairman of the Executive Committee



Attachment 7

Internal Control Sufficiency Evaluation Form



Index Living Mall Public Company Limited

This evaluation was prepared by the Board of Directors, which expresses their opinions on the adequacy of the internal control system in accordance with the Board of Directors' resolution on February 27, 2023.

Internal Control Sufficiency Evaluation Form

Concept and Objectives

Good internal control is essential for a listed company or a public company as it can help prevent, manage, and mitigate risks and damages that may occur to the company and the stakeholders. It is therefore a duty of the company's board of directors to ensure that the company has in place an appropriate and adequate internal control system for goals and objectives achievement, compliance with applicable laws and regulations, safeguarding of the assets from frauds and damage, and preparing reliable accounts and reports.

The Securities and Exchange Commission (the "SEC"), in cooperation with the PricewaterhouseCoopers Thailand ("PwC Thailand"), has developed this internal control sufficiency evaluation form ("evaluation form") as a guidance for companies to evaluate their internal control adequacy.

This evaluation form is based on COSO's framework (The Committee of Sponsoring Organizations of the Treadway Commission) revised in May 2013. It was simplified for users to easily understand and was adjusted to be applicable for Thai listed companies. The main questionnaires in the evaluation form are classified into 5 components similar to the original COSO framework and elucidated into 17 principles to clarify the concept.

Application

The companies are recommended to use this evaluation form as a guidance for evaluating and reviewing the adequacy of the internal control at least once a year. Extra revision may be necessary in case of any incidents which have significant impacts on the companies' operations. Such assessment should be considered by the audit committee and the board of directors so that they can exchange their views, align their understandings and decide on appropriate practical guidelines for the companies.

The answers to each questionnaire should be based on actual practices. If the assessment results in deficiencies in any internal control components (whether it is the reason for neither system existence nor appropriateness of the existing one), the companies should provide the explanations and solutions from such findings.

¹ COSO is a joint committee of 5 professional associations including the American Institute of Certified Public Accountants (AICPA), Financial Executives International (FEI), the American Accounting Association (AAA), The Institute of Internal Auditors (IIA), and the Institute of Management Accountants (IMA)



Control Environment

1. The organization demonstrates a commitment to integrity and ethical values.

Questions	Yes	No
<p>1.1 The Board of Directors and the management set up principles and guidelines based on integrity and codes of conduct in the following areas:</p> <p>1.1.1 Daily routine operation and decision making;</p> <p>1.1.2 Treatment of trade partners, clients, and other parties</p> <p>Explanation</p> <p>The Company established the duties and responsibilities of the Board of Directors, executives, and employees to carry out their responsibilities with integrity and in accordance with the Code of Business Conduct. The Company also requires that stakeholders such as shareholders, employees, business partners, customers, creditors, or competitors be treated fairly. This is stated in the Code of Business Conduct and the Company's Good Corporate Governance Policy.</p> <p>Additionally, the Company communicated the Code of Business Conduct and policies to its executives and employees to comply and conduct business with integrity in accordance with the Company's regulations.</p>	<p>✓</p> <p>✓</p>	
<p>1.2 Following written rules are provided to ensure that executives and employees perform the duties with integrity and ethics:</p> <p>1.2.1 Appropriate code of conduct for executives and employees;</p> <p>1.2.2 Prohibitions on any actions by the executives and employees that could cause conflicts of interest with the business; and prohibitions on corruptions which will cause damages to the organization .</p> <p>1.2.3 Appropriate penalties in the case of violation of the aforementioned rules.</p> <p>1.2.4 Communication of the aforementioned rules and penalties to the executives and the employees. For example, they are included in the orientation session for new employees; employees annually sign for acknowledgement of the rules and penalties; the code of conduct is publicized for employees and outsiders.</p> <p>Explanation</p> <p>The Company established a written Code of Business Conduct to which executives and employees must adhere. Additionally, directors, executives, and employees are prohibited from using their position as an executive, director, or employee of the Company to pursue personal gain and operate a business in competition with the Company, as well as avoiding entering into transactions involving themselves that could create conflicts of interest with the Company. This includes requiring that disciplinary action be considered in accordance with the Company's rules and regulations if any actions are found to be in violation of the Company's policy.</p> <p>The Company has an anti-corruption policy that prohibits its directors, executives, and employees from accepting or supporting corruption in any form, both directly and indirectly, and establishes measures to prevent and correct corruption.</p> <p>The Company has communicated the Code of Business Conduct and Anti-Corruption Policy to executives and employees via email and the Company's internal website (Intranet), as well as to third parties for acknowledgment via the Company's website.</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	

² The Company should specify anti-corruption measures suitable to the risk profile of the Company.

Questions	Yes	No
<p>1.3 There are procedures to monitor and assess whether the code of conduct is complied:</p> <p>1.3.1 Monitoring and assessment by an internal audit unit or a compliance unit;</p> <p>1.3.2 Self-assessment by executives and employees;</p> <p>1.3.3 Assessment by independent professionals, outsiders of the organization.</p> <p>Explanation</p> <p>The Company established the Code of Conduct as part of the competence evaluation criteria for the executive and employees. This is evaluated on an annual basis. Additionally, the Internal Audit Unit evaluates the compliance of the Code of Business Conduct of employees by randomly verifying employees' signatures on the Declaration of a Conflict of Interest Form.</p>	<p>✓</p> <p>✓</p>	
<p>1.4 There is timely management upon detection of non-compliance with rules on integrity and code of conduct.</p> <p>1.4.1 There are procedures for timely detection of the violations;</p> <p>1.4.2 There are procedures for suitable and timely punishment or management of the violations;</p> <p>1.4.3 There are timely and suitable corrections for the violations of rules for integrity and code of conduct.</p> <p>Explanation</p> <p>In addition to the monitoring and evaluating compliance process with the Code of Conduct in Article 1.3, the Company established channels for reporting fraudulent activity via the Company's website. The Internal Audit Unit is in charge of investigating violations of integrity and the Code of Business Conduct as well as fraudulent reports.</p> <p>If any actions are taken that are contrary to the Company's policy, disciplinary action will be taken. There is a time limit for complaints to be resolved, and they must be resolved within seven days (from the date the complaint is reported). This is specified in the rules and regulations at the workplace Section 9: Reporting Complaints.</p>	<p>✓</p> <p>✓</p> <p>✓</p>	

2. The Board of Directors demonstrates independence from the management and exercises oversight of the development and performance of internal control.

Questions	Yes	No
<p>2.1 The roles and duties of the Board of Directors are set separately from those of the management. The authorities of the Board of Directors are clearly defined.</p> <p>Explanation</p> <p>The Company defines the authorities, duties, and responsibilities of the Board of Directors in the Board of Directors Charter and good corporate governance policy. These are the specific duties and responsibilities of the Board of Directors which separates the authority and responsibility from the Management.</p>	<p>✓</p>	
<p>2.2 The Board of Directors oversees whether the Company goals are clear and measurable to be used as guidelines for executives' and employees' operations.</p> <p>Explanation</p> <p>The Company determines the Board of Directors' authorities and duties in considering and giving approval, as well as setting operational goals and business plans for the Company and its subsidiaries. They are prepared and proposed by the Executive Committee and the Management to serve as operational guidelines for various departments.</p>	<p>✓</p>	



Questions	Yes	No
<p>2.3 The Board of Directors oversees that the Company follows the laws and charters in specifying roles and duties of the Board of Directors, the executives, the Audit Committee, auditors, internal auditors, and the personnel who are responsible for financial statements.</p> <p>Explanation</p> <p>The Company established the roles, authorities, duties, and responsibilities of the Board of Directors, the Chief Executive Officer, the Managing Director, and executives in writing such as the Board of Directors Charter and the Executive Committee Charter, etc. The Company also established the Audit Committee Charter that determines the duties and responsibilities of the Audit Committee. This includes the review of the accuracy of the Company's financial reports.</p> <p>The Board of Directors Meeting No. 7/2019, held on November 11, 2019, resolved to approve the appointment of the Nomination, Remuneration, and Corporate Governance Committee, and the Board of Directors' Meeting No. 4/2022 held on August 8, 2022 resolved to approve the addition of the Sustainable Development Committee to the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee.</p> <p>The Board of Directors Meeting No. 1/2020, held on February 24, 2020, approved the appointment of the Risk Management Committee.</p> <p>The Board of Directors Meeting No. 1/2022 held on February 25, 2022 resolved to approve the appointment of the Investment Committee.</p>	✓	
<p>2.4 The Board of Directors is knowledgeable about the Company business and has expertise beneficial to the Company or can seek advice from experts in a particular area.</p> <p>Explanation</p> <p>The Board of Directors is composed of knowledgeable individuals with expertise and experience in the various fields necessary for the business operations of the Company and its subsidiaries. This includes expertise in retail, finance, information technology, risk management, etc.</p>	✓	
<p>2.5 The Board of Directors is comprised of independent directors who are knowledgeable, reliable, and truly independent in performing their duties. For example, independent directors should have no business relationship with the Company or any relationship that could influence their judgment and independent performance.</p> <p>Explanation</p> <p>The Company has a total of 11 directors, comprising 4 independent directors. This represents at least one-third of all directors. There are 3 Audit Committee members as required by the Board of Directors Charter and the Notification of the Capital Market Supervisory Board's No. TorJor. 39/2559, regarding the request and permission to offer newly issued shares (including any amendments). All independent directors and Audit Committee members are third parties who have sufficient knowledge, capabilities, and experience to perform the duties of a director. This is beneficial to the Company's business operations as well as being impartial and independent in performing duties.</p>	✓	
<p>2.6 The Board of Directors oversees the development and implementation of internal control in the organization. This includes creating a controlled environment, risk assessment, control activities, information and communication, and monitoring activities.</p> <p>Explanation</p> <p>The Board of Directors has the authority to monitor the operations of the Company and its subsidiaries to ensure that there is an appropriate internal control and risk management system by delegating authority and responsibility to the Audit Committee to review the internal control and audit systems of the Company and its subsidiaries to comment on the adequacy of the Company's internal control system, and also review and follow up on the management of the significant risks as specified in the Company's Audit Committee Charter.</p>	✓	

3. Management establishes, with Board oversight, structures, reporting line, appropriate authorities, and responsibilities in the pursuit of objectives

Questions	Yes	No
<p>3.1 Top management set up the organizational structure which supports the pursuit of the Company's objectives by considering the appropriateness of business functions and legal requirements. Also, there is an effective internal control function. For example, there is a separation of duties in important business units which would result in checks and balances; there is an internal audit unit that reports directly to the Audit Committee; there is a clear line of reporting.</p> <p>Explanation The Company established an organizational structure to support operations in order to achieve the Company's objectives and manage internal controls effectively. There is an internal audit unit that reports directly to the Audit Committee.</p>	✓	
<p>3.2 Top management establishes a reporting line by considering the appropriateness of authorities, responsibilities, and communication.</p> <p>Explanation Senior executives established a chain of command structure. This includes the reporting lines specified in the job description of each position. The Company established the delegation of authority to define authorities, roles, and structure for approving significant business transactions.</p>	✓	
<p>3.3 Authorities and responsibilities among the Board of Directors, top management, management, and employees are appropriately defined and assigned.</p> <p>Explanation The Company established the roles, authorities, and duties of the Board of Directors, the Chief Executive Officer, and the managing director in writing. The duties of executives and employees are stated in the job description.</p>	✓	

4. The organization demonstrates its commitment to attracting, developing, and retaining competent individuals in alignment with the objectives

Questions	Yes	No
<p>4.1 The Company has policies and practices to recruit, develop and retain competent employees and regularly reviews such policies and practices.</p> <p>Explanation The Company established a Code of Business Conduct that specifies the treatment of employee principles by taking into account fair remuneration for employees and emphasizes the development of knowledge, skills, and expertise for employees thoroughly, adequately, and continuously as appropriate for their duties and responsibilities.</p> <p>Additionally, the Company has a written human resource management policy that covers personnel recruitment and selection, labor relations remuneration, and personnel development and training.</p> <p>The Board of Directors Meeting No. 7/2019, held on November 11, 2019, resolved to approve the appointment of the Nomination, Remuneration and Corporate Governance Committee and the Board of Directors' Meeting No. 4/2022 held on August 8, 2022 resolved to approve the addition of the Sustainable Development Committee by adding it to the Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee.</p>	✓	



Questions	Yes	No
<p>4.2 The Company has an evaluation process, incentives or rewards for employees with good performance, and management measures for employees who do not achieve the targets. Such processes are well informed to executives and employees.</p> <p>Explanation The Company sets the performance evaluation criteria and evaluates the performance of executives and employees once a year. The evaluation results will be used to determine the annual bonus, salary and promotions. Supervisors in the chain of command will communicate evaluation results to subordinates whose performance meets the KPI or falls short of it.</p>		
<p>4.3 The Company has a process of timely solutions and preparation when lacking competent employees.</p> <p>Explanation The Company prepared Human resource planning to determine the suitable number of personnel for the Company's operations. If personnel is insufficient for the operations, the Company may recruit through a variety of methods, including hiring external experts/consultants or part-time employees.</p> <p>The Company has a policy to recruit and select personnel who are knowledgeable, capable and qualified in accordance with the needs of the Company by recruiting personnel from inside and outside the organization.</p> <p>In addition, the Company prepared a written succession plan policy to plan the selection and preparation of potential successors in the Company's important positions.</p>		
<p>4.4 The Company has a process of recruitment, development, and retention for executives and employees such as providing a mentoring system and training.</p> <p>Explanation The Company established the selection and recruitment personnel policy in writing to select, train and develop potential personnel.</p> <p>In addition, the Company set up the promotion and development of personnel by organizing training in accordance with the established annual training plan, focusing on departments with urgent needs as well as encouraging personnel to attend seminars and academic training in various fields in order to further develop their knowledge and abilities as needed.</p>		
<p>4.5 The Company has a succession plan for important positions.</p> <p>Explanation The Company established a written succession plan policy for the selection and preparation of potential employees who will be the successors for the Company's significant positions. The Company set the management positions and the selection criteria for potential successors.</p> <p>Additionally, the Company developed a succession support plan that identifies successors and a succession development plan for the significant positions described in the preceding policy. The succession support plan was approved by the Managing Director and/or the Chief Executive Officer and/or the Board of Directors.</p>		

5. The organization holds personnel accountable for their internal control responsibilities in the pursuit of objectives.

Questions	Yes	No
<p>5.1 The Board of Directors and executives have procedures and communication tools to enforce all employees to take responsibility for internal control and to provide corrective measures for such procedures, if necessary.</p> <p>Explanation</p> <p>The Company established a written corporate governance policy and communicated the policy to the management and employees of the Company and subsidiaries for acknowledgment and to be aware of good internal control and manage the remedial processes to achieve good internal control.</p>	✓	
<p>5.2 The Board of Directors and executives set suitable indicators for performance appraisal, incentives, and rewards with regard to the code of conduct, and the Company's short-term and long-term objectives.</p> <p>Explanation</p> <p>The Company established Individual KPIs and competency evaluation criteria based on corporate KPIs, strategic plans, and short-term and long-term goals approved by the Board of Directors.</p> <p>In this regard, the Company established the Code of Conduct as part of the Competency Evaluation Criteria to evaluate the abilities of executives and employees once a year. The evaluation results will be used to determine promotions, salary, bonuses, etc.</p>	✓	
<p>5.3 The Board of Directors and executives continuously assess the incentives and rewards by focusing on the connection between the success of the performance and compliance with the internal control.</p> <p>Explanation</p> <p>The Company evaluates the performance of the executives and employees once a year. The evaluation results will be used to determine promotions, salary, bonuses, etc., in order to motivate employees.</p>	✓	
<p>5.4 The Board of Directors and executives do not put excessive pressure on each personnel's duties.</p> <p>Explanation</p> <p>The Company established a work ethic that specifies the principles of employee treatment. Employees must be treated fairly and equally without being threatened, harassed, or subjected to similar behavior.</p> <p>The Company established Individual KPIs and competency evaluation criteria based on corporate KPIs, strategic plans, and short-term and long-term goals approved by the Board of Directors.</p>	✓	



Risk Assessment

6. The organization specifies the objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives.

Questions	Yes	No
<p>6.1 The Company is able to comply with the generally accepted accounting principles which are suitable to the business at that time by presenting that transactions in financial statements exist, are complete, correctly show the rights or obligations of the Company, have the right value as well as properly disclosed.</p> <p>Explanation</p> <p>The Company prepared financial reports in accordance with generally accepted accounting principles that have been audited/reviewed by a certified public accountant approved by the Securities and Exchange Commission, who express their opinion that the consolidated financial statements and the Company's financial statements for 2022, which were prepared in a comparative financial statement format, demonstrated the financial position, performance, and cash flow accurately and in all material respects in accordance with the financial statements.</p>	✓	
<p>6.2 The Company determines the materiality of the financial statement by considering key factors including financial report users, transaction sizes, and business trends.</p> <p>Explanation</p> <p>The Company prepared financial reports in accordance with generally accepted accounting principles that were audited/reviewed by a certified public accountant approved by the Securities and Exchange Commission, who expressed their opinion that the consolidated financial statements and the Company's financial statements for 2022, which were prepared in a comparative financial statement format, demonstrated the financial position, performance, and cash flow accurately and in all material respects in accordance with the financial statements.</p>	✓	
<p>6.3 Financial statements reflect the true business operation activities of the Company.</p> <p>Explanation</p> <p>The Company prepared financial reports in accordance with generally accepted accounting principles that were audited/reviewed by a certified public accountant approved by the Securities and Exchange Commission, who expressed their opinion that the consolidated financial statements and the Company's financial statements for 2022, which were prepared in a comparative financial statement format, demonstrated the financial position, performance, and cash flow accurately and in all material respects in accordance with the financial statements.</p>	✓	
<p>6.4 The Board of Directors or Risk Management Committee approves and communicates risk management policy to executives and all employees. The policy is acknowledged and accepted for practices as a part of the organization's culture.</p> <p>Explanation</p> <p>The Company established a risk management policy, which was approved by the Board of Directors, to define the framework for risk management practices. The Company communicated the risk management policy to various departments within the Company and its subsidiaries via email or the Company's internal website (Intranet) for the executives and employees of the Company and its subsidiaries to acknowledge and adhere to the policy.</p> <p>Additionally, the Company established a Risk Management Committee to support and encourage risk awareness among all executives and employees.</p>	✓	

7. The organization identifies risks to the achievement of the objectives across the entity and analyzes risks as a basis for determining how the risk should be managed.

Questions	Yes	No
<p>7.1 The Company identifies all risks which may affect business operations at the levels of the organization, business unit, department, and working functions.</p> <p>Explanation</p> <p>The Company's Risk Management process covers corporate risks and line levels.</p> <p>In regards to corporate risk, the Risk Management Working Group is responsible for collecting risks from the Company and subsidiaries annually to assess and prepare the corporate risk assessment report and then, propose the significant evaluation results/ risk management to the Risk Management Committee and report the results to the Board of Directors for consideration immediately in the case that important factors or events may have a significant impact on the Company.</p> <p>In regards to line-level risk, the executives in each line level assess risks related to their own line of work. Most of the executives in each line of work are part of the Risk Management Working Group.</p>	✓	
<p>7.2 The Company analyzes all risks that could come from both internal and external factors. This includes risks from business strategies, operations, reporting, compliance with laws and regulations, and information technology.</p> <p>Explanation</p> <p>The Company set a risk management process based on internal and external risk factors and prepared risk assessment documents that cover various types of risks, such as business strategy, operations, reporting, compliance, information technology, etc.</p>	✓	
<p>7.3 Executives at all levels participate in risk management.</p> <p>Explanation</p> <p>The Company assigns executives and employees to be responsible for assessing and managing various risks related to their own line of work.</p> <p>The Company established a Risk Management Committee which consists of no less than three (3) directors. The Managing Director is the Risk Management Committee by position and the Chairman of the Risk Management Committee is not the Chairman of the Board of Directors.</p> <p>In addition, the Company set up the Risk Management Working Group to be responsible for collecting risks from the Company and subsidiaries annually to assess and prepare the corporate risk assessment report and then propose the significant evaluation results/ risk management to the Risk Management Committee and report the results to the Board of Directors for consideration immediately in the case that important factors or events may have a significant impact on the Company.</p>	✓	
<p>7.4 The Company assesses the significance of risks by considering the likelihood and the possible effects.</p> <p>Explanation</p> <p>In risk management, the Company requires executives in each line of work to analyze and assess various risks that may occur by considering the likelihood of the risk and the potential impact that may occur in order to be aware of the risk levels. The risk management working group collected the risk assessment results and presented it in the form of a risk map to the Risk Management Committee and the Board of Directors (in the event that significant factors or events may have a significant impact on the Company).</p>	✓	



Questions	Yes	No
<p>7.5 The Company has measures and operational plans to handle risk by either accepting, reducing, avoiding or sharing risks.</p> <p>Explanation</p> <p>The executives responsible for risk management jointly determined the Company's risk management guidelines and measures to manage risk at an acceptable level in order to prevent or minimize damage that may occur by considering various approaches such as risk tolerance, risk reduction and risk avoidance, etc.</p> <p>In addition, the Company requires executives responsible for risk management to have a meeting and follow up on risk management results from various departments regularly and continuously.</p>	✓	

8. The organization considers the potential for fraud in assessing risks to the achievement of the organization's objectives.

Questions	Yes	No
<p>8.1 The Company assesses the potential for fraud covering all types of fraud including fraudulent financial reporting, losses of assets, corruption, management override of internal controls, manipulations on important financial information, unauthorized acquisition or disposition of assets, etc.</p> <p>Explanation</p> <p>The Company assessed the risks and likelihood of corruption. This is part of the Company's risk management process in order to find ways to prevent and increase good internal control.</p>	✓	
<p>8.2 The Company carefully reviews the operational objectives, considering the possibility of achieving the goals. Also, incentives and rewards granted to the employees should be reasonable and would not instigate wrongdoing. For example, the Company does not set expected sales much higher than its capabilities so that it will lead to sales manipulation.</p> <p>Explanation</p> <p>The Company's senior management had meetings to formulate or review the strategic plan/business plan, operational goals, and Corporate KPIs which indicate the performance of various departments of the Company.</p> <p>The Company established Individual KPIs by referring to the Corporate KPIs. The evaluation results were used to determine promotions, salary, bonuses, etc.</p>	✓	
<p>8.3 The Audit Committee considers and inquires about executives in accordance with the potential for fraud and measures that the Company establishes to prevent or correct the fraud.</p> <p>Explanation</p> <p>The Company considered the likelihood of corruption and the preventative and corrective measures taken by the Company. This is part of the risk management process and operational processes of every line level of the Company and its subsidiaries. This includes reporting to the Audit Committee for acknowledgment.</p>	✓	

Questions	Yes	No
<p>8.4 The Company communicates to all employees to understand and comply with the policies and guidelines.</p> <p>Explanation The Company established an anti-corruption policy including preventive and corrective measures. The policy was disseminated and communicated to executives and employees of the Company and its subsidiaries to acknowledge and comply via the Company's email.</p>	✓	

9. The organization can identify and assess changes that could have impacts on the system of internal control.

Questions	Yes	No
<p>9.1 The Company assesses changes in external factors that could affect the business operations, internal control, and financial reporting. Moreover, the Company launches measures to deal with the changes sufficiently.</p> <p>Explanation The Company identified and assessed risks arising from external change factors that may affect the business operations of the Company and its subsidiaries. The Company established measures to prevent and respond to such changes. This includes assigning a person responsible for the risk management.</p>	✓	
<p>9.2 The Company assesses changes in business models that could affect business operations, internal control, and financial reporting. Moreover, the Company launches measures to deal with the changes sufficiently.</p> <p>Explanation The Company considered changes in the business model that may affect the operations of the Company and its subsidiaries. This is part of the Company's risk management. The Company will arrange a joint meeting between the top management to formulate a business plan and assess changes that affect the Company's business model.</p>	✓	
<p>9.3 The Company assesses changes in the organizational leaders that could affect the business operation, internal control, and financial reporting. Moreover, the Company launches measures to deal with the changes sufficiently.</p> <p>Explanation The Company assessed changes in organizational leadership and considered the impact in various fields that may occur to the Company. The Company has a succession plan for senior management positions so that the Company can continue its business operations..</p>	✓	



Control Activities

10. The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of the objectives to the acceptable levels.

Questions	Yes	No
<p>10.1 The Company's control measures are suitable to the risks and specific characteristics of the organization such as the environment; the work complexity, the characteristics of work, the scope of the operations, and other specific conditions.</p> <p>Explanation</p> <p>The Company established control measures, both at the corporate level and the business process level of the Company and its subsidiaries through various policies and procedures, by considering the appropriateness to the nature of the business environment and the risks obtained from the risk assessment results.</p>	✓	
<p>10.2 The Company has written internal control measures covering all procedures appropriately. For example, the Company has policies and procedures in regard to financial transactions, procurement, and general administration. The Company also gives clear scope of authorities and approval hierarchy of each management level to prevent fraudulence. For example, the Company established a chart of authority approval to each management level to limit amounts of expenditures; a project/investment approval manual; a procurement and vendors selection manual; decision-making on procurement process manual; or an equipment/tools disbursement manual. Therefore, the following procedures are provided:</p> <p>10.2.1 Collection of information of major shareholders, directors, executives, and related persons, as well as connected persons' benefits for monitoring and reviewing related transactions or transactions with conflict of interests. The collection will be consistently up-to-date.</p> <p>10.2.2 In the case that the Company has already approved transactions or entered into contracts with long-term obligations, such as purchasing and selling contracts, lending, and guaranteeing, the Company monitors whether the conditions of the agreements are followed through the contract periods. For example, monitoring compliance with loan repayment agreements or contracts is regularly reviewed for appropriateness.</p> <p>Explanation</p> <p>The Company established the revised edition of Delegation of Authority (DOA), which was approved by the resolution of the Board of Directors' Meeting No. 1/2022 held on February 25, 2022. This covers the authority to approve the transactions of the Company and its subsidiaries.</p> <p>In addition, the Company established policies and operating procedures related to finances, procurement, and general management transactions, such as financial and accounting regulations, procurement and purchasing regulations, sales regulations, and a manual on assets, etc. These were approved by the Managing Director. The connected or related transactions policy was clearly defined and was able to be complied with properly.</p>	✓	

Questions	Yes	No
<p>10.3 The Company sets up suitable varieties of internal control such as manual and automated controls or preventing and monitoring controls.</p> <p>Explanation</p> <p>The Company set up internal controls as part of the operating procedures in each business process. This included setting credit limits for the approval of procurement and payments. The meetings were arranged to report the performance to the management on a monthly basis, etc.</p> <p>In addition, the Company used various information technology systems such as SAP and IAM, etc., which were automated controls such as granting authority to access for those involved only, the determination of approval authority via the approval authority system set by the Company, etc.</p>	✓	
<p>10.4 The Company builds internal control throughout all levels of the organization such as the group of companies, business unit, function, department, division or process.</p> <p>Explanation</p> <p>The Company established enterprise internal controls and the Company's business processes through various policies and operating regulations. In addition, the Company set up an internal audit unit to monitor the internal control of each process of the Company and its subsidiaries by auditing an audit plan approved by the Audit Committee.</p>	✓	
<p>10.5 The Company conducts segregation of duties into the 3 parts as followed for check and balance purposes:</p> <p>(1) Authorization;</p> <p>(2) Recording accounting entries and information and;</p> <p>(3) Custody of assets.</p> <p>Explanation</p> <p>The Company separated duties and responsibilities into significant tasks by separating the authorizers, responsible persons for recording accounting entries and information, and the responsible persons for separating assets for efficient and effective internal control.</p>	✓	

11. The organization selects and develops general control activities over technology to support the achievement of objectives.

Questions	Yes	No
<p>11.1 The Company should define the relationship between the uses of information technology in the operation process and the general control of the information technology system.</p> <p>Explanation</p> <p>The Company considers the connection between the use of information technology systems in its operational processes and the provision of general control over the information systems. The Company established policies that cover policy-related business structure control, safety controls, and the process control of acquisition, development, and maintenance. They are divided into policies related to security, information technology, and the Company's information technology service policy.</p>	✓	



Questions	Yes	No
<p>11.2 The Company should define suitable control measures for the infrastructure of technology systems.</p> <p>Explanation</p> <p>The Company assigned the Information Technology Department to oversee the structure of the Company's technology system.</p> <p>In this regard, the Information Technology Department established written policies related to the management and supervision of the structure of the information technology system of the Company and its subsidiaries. This includes various policies such as computer application policy, electronic mail policy, and computer networks policy, etc.</p> <p>In addition, the Company prepared a detailed network infrastructure diagram to illustrate the overview and the Company's IT structure controls.</p>	✓	
<p>11.3 The Company should define suitable security control for the technology system.</p> <p>Explanation</p> <p>The Company established the security control of the information technology system in accordance with the business standards of the Company and its subsidiaries and the law.</p> <p>The Information Technology Department prepared various written policies related to security controls of the information technology system. This includes disaster recovery planning policies, computer network policies, access control to data center room policies and password policies for information technology systems, etc.</p>	✓	
<p>11.4 The Company should define suitable control measures on the process of procurement, development, and maintenance of the technology system.</p> <p>Explanation</p> <p>The Company set a project management policy to plan, monitor and control system development projects and monitor management policies. This covers daily monitoring systems, round-the-clock monitoring systems, and preventive maintenance.</p>	✓	

12. The organization deploys control activities through policies that establish what is expected and procedures that put the policies into action.

Questions	Yes	No
<p>12.1 The Company has strict policies to monitor that transactions made by major shareholders, directors, executives, or the related persons must be passed through approval procedures as defined in, for example, by the articles of corporation, the regulation of the Stock Exchange of Thailand and SEC, etc. This is to prevent the exploitation of company benefits against the use for personal gains.</p> <p>Explanation</p> <p>The Company has a policy to prevent conflicts of interest. Directors, executives, and employees are prohibited from pursuing personal gain or that of others, regardless of whether the action will damage the Company.</p> <p>The Company established a policy for connected transactions enactment to serve as a guideline in the event that the Company enters into transactions with individuals who may have conflicts of interest or connected persons.</p>	✓	

Questions	Yes	No
<p>12.2 The Company has a policy that a transaction must be approved by a person who has no personal interests in such a transaction.</p> <p>Explanation</p> <p>The Company established a policy to prevent conflicts of interest and a connected transaction policy that prohibits directors, executives, or employees who are stakeholders to take part in considering and approving such transactions.</p>	✓	
<p>12.3 The Company has a policy to approve transactions by considering the company's best interests, and consider the transactions as an arm's length basis.</p> <p>Explanation</p> <p>The Company established a connected transactions policy which requires connected transactions to have fair trading terms and fair prices without causing a transfer of benefits. The transaction's enactment must take into account the best interests of all shareholders.</p>	✓	
<p>12.4 The Company has a monitoring process for the operations of subsidiaries or associated companies. This includes setting guidelines for the person who is appointed as a director or an executive in the subsidiaries or associated companies. (The answer to this question is not required if the Company is not invested in the subsidiary or associated companies).</p> <p>Explanation</p> <p>The Company established investment policies and the supervision policy of operations in subsidiaries, joint ventures, and associated companies (currently the Company has investments only in subsidiaries). This includes policies and operating regulations that cover the subsidiaries in writing in order to supervise the operations of the subsidiaries. The Company sent representatives of the Company to the directors of the subsidiaries to monitor and review the performance of the subsidiary. This ensures that they are in line with the Company's business plans. In the Executive Committee's meeting, the executives will jointly consider the performance of the subsidiaries and monitor the management of subsidiaries to align with the direction and goals set by the Company, both strategically and operationally. U</p>	✓	
<p>12.5 The Company assigns roles and responsibilities that executives and employees are to implement regarding the policies and procedures in their operation.</p> <p>Explanation</p> <p>The Company set the duties and responsibilities for the involved employees in each policy and operating regulation. This was communicated to the involved employees and subsidiaries for acknowledgment via email and store policies and regulations for each topic in the Company's internal server.</p>	✓	
<p>12.6 The Company's policies and procedures are timely implemented by competent personnel including the process of operation correction.</p> <p>Explanation</p> <p>The Company communicates the policies to related parties via email. The Internal Audit Unit is responsible for reviewing the operation and effectiveness of the internal control system of the Company and its subsidiaries in accordance with the annual audit plan. In the case where errors were found, the Internal Audit Unit will report the detected issues and give recommendations to the relevant departments to find correct ways to improve.</p>	✓	



Questions	Yes	No
<p>12.7 The Company regularly reviews its policy and procedures.</p> <p>Explanation</p> <p>The Company held executive-level meetings to report performance on a monthly basis. In the event that the policy or operating procedure is inappropriate with the current actual operations, the management will improve the policy and operating procedures to align with the changing environment.</p> <p>In addition, the Internal Audit Unit is responsible for monitoring the actual operations of the Company and its subsidiaries to be in accordance with the policies and procedures prescribed by the Company. In the event that the policies or procedures are inappropriate, management will be notified in order to find corrective ways to improve.</p>	✓	

Information & Communication

13. The organization obtains or generates and uses relevant and quality information to support the functioning of internal control as intended.

Questions	Yes	No
<p>13.1 The Company specifies the information required for business operations. The information should be from both internal and external sources, which are quality and related to the Company's business.</p> <p>Explanation</p> <p>The Company considers the use of internal and external information to support the analysis and decision-making in the operations of the Company and its subsidiaries. The Management Analysis Department is responsible for collecting and reporting the performance results of the Company and its subsidiaries to the Company's management for acknowledgment.</p>	✓	
<p>13.2 The Company reviewed the cost and benefits to gain the information, including the quality and accuracy of such information.</p> <p>Explanation</p> <p>In order to develop and increase the efficiency of the information technology system to be accurate and reflect reality, the Company considered the cost-benefit analysis and the feasibility study of the project of investment.</p>	✓	
<p>13.3 The Company provides the Board of Directors with essential and sufficient information for their decision-making. Examples of essential information include details of the proposed agenda, reasons and impacts on the Company, and alternatives available.</p> <p>Explanation</p> <p>The Company requires the Board of Directors to hold meetings at least every quarter to report on the previous performance of the Company and its subsidiaries.</p> <p>The Company prepares the invitation letter for the meeting together with supporting documents and delivers it to the Board of Directors in advance prior to the meeting so that the Board of Directors has sufficient detailed information to support the decision-making and has adequate time to study important information.</p>	✓	

Questions	Yes	No
<p>13.4 The Company provides the Board of Directors with the invitations to the Board of Directors' meetings and documentation for the meetings which contain necessary and sufficient information for consideration. The documents should be delivered before the meeting date at least as minimum requirement period by the regulations.</p> <p>Explanation</p> <p>The Company prepared a meeting invitation letter together with meeting documents and delivered it to the Company's directors 7 days prior to the meeting. This is consistent with the minimum time required by the law which is specified in the Board of Directors Charter.</p>	✓	
<p>13.5 The Company provides minutes of Board of Directors Meeting with sufficient details in order to be used for subsequent audits on the appropriateness of each director's responsibilities; such as records of directors' questions; directors' views and remarks of the issues; their opposing views and reasons against the proposed agenda, etc.</p> <p>Explanation</p> <p>At each board meeting, the Company Secretary is assigned to prepare the meeting minutes which will specify details of the meeting agenda as well as questions and opinions or observations of directors. This includes the approval results/the resolution of the meeting agenda item. In each meeting of the Board of Directors, there will be an agenda item to consider and certify the minutes of the previous meeting.</p> <p>In addition, the Company Secretary is responsible for storing the minutes of the Board of Directors' meetings in an orderly manner for future reference.</p>	✓	
<p>13.6 The Company has the following procedures:</p> <p>13.6.1 Filling and classification with completeness on important documents.</p> <p>13.6.2 In the case of a report of deficiency found by the external auditor or internal auditor on deficiencies in internal control, the Company fixes the deficiency thoroughly.</p> <p>Explanation</p> <p>The Company assigns each department to keep and control their important documents in an orderly manner.</p> <p>In the event that the Company receives a report regarding the deficiencies in internal control from the auditor or internal auditor, the Company will assign the related parties to rectify the detected issues and assign the Internal Audit Unit to be responsible for monitoring the status of the improvements in various issues to ensure that such issues are resolved correctly and completely.</p>	✓	



14. The organization internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.

Questions	Yes	No
<p>14.1 The Company has an effective process of internal communication and appropriate channels of communication to support internal control.</p> <p>Explanation</p> <p>The Company established several communication channels for employees, such as posting announcements on the board within the Company, using email to communicate information to certain employees or groups, or communicating through the Company's intranet. The Company chooses a communication channel for employees depending on information and staff group to ensure that the information communicated to the target employees is complete.</p>		
<p>14.2 The Company regularly reports important information to the Board of Directors. The Board of Directors has access to information sources that are vital to the operations or to review any transactions as required. For example, the Company assigned contact personnel to provide other information except those received from management; requested information from external auditor and internal auditor; arranged meetings between the Board of Directors and executives as requested by the Board of Directors; conducted other meetings for the Board of Directors and executives except the regular Board of Directors' meetings, etc.</p> <p>Explanation</p> <p>The Company specifies the information reporting to the Board of Directors in the policy on good corporate governance regarding the supervision of the operation of the Board of Directors and the access to necessary information. The meetings between the Board of Directors and the executives were arranged to report important information to the Board of Directors at least once a quarter.</p>		
<p>14.3 The Company establishes a whistle-blower hotline in order that personnel could safely inform information or traces of fraud or corruption to the Company.</p> <p>Explanation</p> <p>The Company established a whistleblowing policy for employees in the Company and subsidiaries to be able to safely report information or clues about corruption to the Company through the electronic mail channel at ethics_hotline@indexlivingmall.com and the Company's website channels at http://investor.indexlivingmall.com/th/cg/whistleblowing-channel</p>		

15. The organization communicates with external parties about matters affecting the functioning of internal control.

Questions	Yes	No
<p>15.1 The Company has effective procedures of communication with external stakeholders and appropriate channels of communication to support internal control. For example, the Company sets up an investor relations officers/center or complaint center, etc.</p> <p>Explanation The Company assigns Investor Relations to be responsible for communicating the Company's information to third parties. The Company created a website that consists of important content such as information about the Company, corporate governance, and whistleblowing channels, etc. for the preparation of information about investor relations on the Company's website.</p>	✓	
<p>15.2 The Company establishes a whistleblower hotline in order that external stakeholders can safely inform information or traces of fraud or corruption in the Company.</p> <p>Explanation The Company set up a written whistleblowing policy in writing and provided a whistleblowing channel on the Company's website (www.indexlivingmall.com/contact and http://investor.indexlivingmall.com/th/cg/whistleblowing-channel) or via email at ethics_hotline@indexlivingmall.com. Stakeholders outside the organization can safely report complaints, information or clues about corruption to the Company. The complaints reports or clues will be sent to the manager of the internal audit unit who is responsible for the inspection and collects important corruption complaints to present to the Audit Committee and the Board of Directors.</p>	✓	

Monitoring Activities

16. The organization monitors and evaluates to ascertain whether the components of internal control are completely present and suitably functioning.

Questions	Yes	No
<p>16.1 The Company has a process to monitor the compliance with code of conduct and prohibit the executives and employees from conducting themselves in a manner that is likely to cause conflicts of interest. The Company, for example, assigns each individual unit to monitor operations and report to the respective supervisors. Alternatively, the Company assigns an internal auditor to monitor operations and report to the Audit Committee, etc.</p> <p>Explanation The Company has a written policy on the prevention of conflicts of interest and a code of business conduct. This includes requiring that there be monitoring of compliance with the above policy. The Code of Conduct has been set as part of the competence assessment criteria for executives and employees which is evaluated by the supervisor once a year.</p> <p>In addition, the Internal Audit Unit monitors the compliance of the employee with the Code of Conduct by randomly verifying the employee's signature on the conflict of interest disclosure form.</p>	✓	



Questions	Yes	No
<p>16.2 The Company provides inspection on compliance with internal control procedures by self-assessment and /or by independent assessment of internal auditors.</p> <p>Explanation</p> <p>The Company established an internal audit unit that reports directly to the Audit Committee to monitor the internal control system of the Company and subsidiaries and reports the results to the Audit Committee.</p>	✓	
<p>16.3 The frequency of monitoring and assessment activities is suitable for the Company's change.</p> <p>Explanation</p> <p>The Company established an annual internal audit plan which considers the risks and the nature of the business of the Company and its subsidiaries. The Internal Audit Unit will review the internal audit plan to ensure that it is consistent and appropriate with the nature of the business of the Company and subsidiaries which may change during the year or when necessary.</p> <p>In addition, the Audit Committee has duties and responsibilities to consider and give opinions on the internal audit plan. This is in accordance with the duties and responsibilities stipulated in the Audit Committee Charter of the Company.</p>	✓	
<p>16.4 The monitoring and assessment activities on the internal control are carried out by knowledgeable and competent personnel.</p> <p>Explanation</p> <p>The Company established an internal audit unit to assess the internal control system of the Company and its subsidiaries. Currently, the manager of the Internal Audit Unit has 11 years of working experience and a team of 2 people.</p>	✓	
<p>16.5 The Company specifies that the internal control evaluation is directly reported to the Audit Committee.</p> <p>Explanation</p> <p>According to the Company's organizational structure which was approved by the Board of Directors Meeting No. 5/2018, held on May 11, 2018, it requires the Internal Audit Unit to report directly to the Audit Committee. The Audit Committee is responsible for considering the independence of the internal audit unit as stipulated in the Company's Audit Committee Charter. This was approved by the Board of Directors Meeting No. 3/2018, held on February 7, 2018.</p>	✓	
<p>16.6 The Company encourages the internal auditors to comply with International Standards for the Professional Practice of Internal Auditing (IIA).</p> <p>Explanation</p> <p>The Company encourages personnel in the Internal Audit Unit to regularly attend training courses related to auditing practice and international standards for the professional practice of internal auditing.</p>	✓	

17. The organization evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the Board of Directors, as appropriate.

Questions	Yes	No
<p>17.1 The Company evaluates and communicates internal control deficiencies and monitors for correcting immediately, in case the results of the performance significantly deviate from the target.</p> <p>Explanation</p> <p>The Internal Audit Unit is responsible for reporting any defects or issues that should be improved on the internal control system of the Company and subsidiaries to the related executives by preparing an audit report stating observations/issues, suggestions, and responsible persons to propose and discuss corrective ways for improvement with the responsible executives and the Audit Committee.</p>	✓	
<p>17.2 The Company has a reporting policy as follows:</p> <p>17.2.1 Management must report to the Board of Directors immediately if there is an incident or a suspicion of serious fraudulence, law violation, or other unusual actions that could significantly affect the reputation and financial position of the Company.</p> <p>17.2.2 Significant internal control deficiencies including solutions (although the problems may have already been managed) are timely reported to the Board of Directors/the Audit Committee for consideration.</p> <p>17.2.3 The progress on remedies for the significant internal control deficiencies is reported to the Board of Directors/Audit Committee.</p> <p>Explanation</p> <p>The Company requires immediate action on the consideration, fact collection, investigation, and report to management, the Internal Audit Unit, the Audit Committee, and the Board of Directors when fraud, wrongdoings, or significant deficiencies occur which may affect the reputation, image, financial position and business operations of the Company. The Company assigned the Internal Audit Unit to assess and report the results of internal control and the status of the improvements and corrections of defects found in the Company and subsidiaries to the Audit Committee at least once a quarter.</p>	✓	

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