CENTRALRETAIL

THE NEXT FRONTIER OF GROWTH

Annual Registration Statement | Annual Report 2022

(Form 56-1 One Report)

CONTENTS

Vision and Mission, Principles, and Purpose 4
Core Values 6
Central Retail Ecosystem 7
Financial Highlights 12
Message from the Chairman of the Board of Directors 14
Message from the CEO 16
Board of Directors 18
Managements 20
Awards and Recognitions 21

PART 1 Business Overview and Performance

1. Business Structure and Operations 27
2. Risk Management 159
3. Business Sustainability Development 173
4. Management Discussion and Analysis (MD&A) 199
5. General Information 222

PART 2 Corporate Governance

6. Corporate Governance Policy 259
7. Corporate Governance Structure and Key Data on the Board of Directors, Sub-Committees, Management, Employees, and Others 279
8. Report on Corporate Governance 317
9. Internal Control and Connected Transactions 349

PART 3 Financial Statements 391

Glossary of Terms and Retailing Terms 474

Enclosure

Enclosure 1 Details of Directors, Executive, Controlling Person, Person in charge of Finance and Accounting, Head of Controller and Company Secretary and the representative for contract in case of foreign company

1.1 Details of Directors, Executive, Controlling Person, Person in charge of Finance and Accounting, Head of Controller and Company Secretary 477

1.2 The Company Secretary and agents scope of duties and responsibilities 514

1.3 Details of Directors, executives, controller of central subsidiaries and independent subsidiary operating core business CLICK»

Enclosure 2 Details of the Directors of the Subsidiaries CLICK»

Enclosure 3 Details of Head of Internal Audit and Head of Compliance CLICK»

Enclosure 4 Operating Assets and Details of Asset Assessment CLICK»

Enclosure 5 Corporate Governance Policy, Code of Conduct and Charters CLICK»

Enclosure 6 Audit Committee's Report CLICK»

"In case this Annual Report (Form 56-1 One Report) references information is disclosed on the Company's website, the disclosed information shall be deemed to be part of Form 56-1 One Report. The Board of Directors certifies the correctness and completeness of disclosed information and annual information disclosure in Form 56-1 One Report."

VISION AND MISSION PRINCIPLES AND PURPOSE

Vision and Mission

To be the best, sustainable and most admired customer-centric Omnichannel retailer wherever we operate

Principles

Honesty, Diligence, and Commitment to Customers

Purpose

Central to Life

CORE VALUES
BECAUSE WE CARE.. I•CARE

Central Retail has defined I • CARE as the core values that need to be transferred and instilled in all employees to ensure that its operational goals are aligned, contributing to good organizational culture. I • CARE comprises:

I

Innovation

Creation of new products, welcome every opportunity and challenge to improve quality and produce more effective performance

The Company stands ready to encourage and support all personnel in facing changes without pre-judgement, in overcoming all limitations and achieving all possibilities, inconsistently examining and exchanging knowledge, and in fearlessly innovating.

C

Customer

Focus on customers, determined to provide excellent service with care and attention for internal and external customers

The Company listens to customers' needs and trains its personnel to understand products and customers' requirements in depth to provide service beyond expectation, all the while considering customers' points of view, even in tough times. The Company is ready to admit mistakes when they are made and find immediate solutions to respond to customers' changing requirements.

A

Alliance

Work as a team for the progress of the business group

The Company drives its personnel to work for the corporation under the same overarching goals and bases its business decisions on choices that lead to the highest benefit for all. The Company listens to and respect all viewpoints, building new knowledge networks to raise expertise standards and foster joint experiences, as well as creating cooperation between branches and business groups, to become an organization of unity.

R

Relationship

Common spirits with colleagues, business partners and society, for sustainable growth

The Company recognizes the importance of valuing and respecting differences and diversity in age, culture, and gender to promote a workplace where care, sincerity, flexibility and consideration of colleagues, business partners and society are key factors. The Company emphasizes the keeping of promises to foster confidence and trust in its work, as well as creating an awareness of social responsibility for sustainable growth.

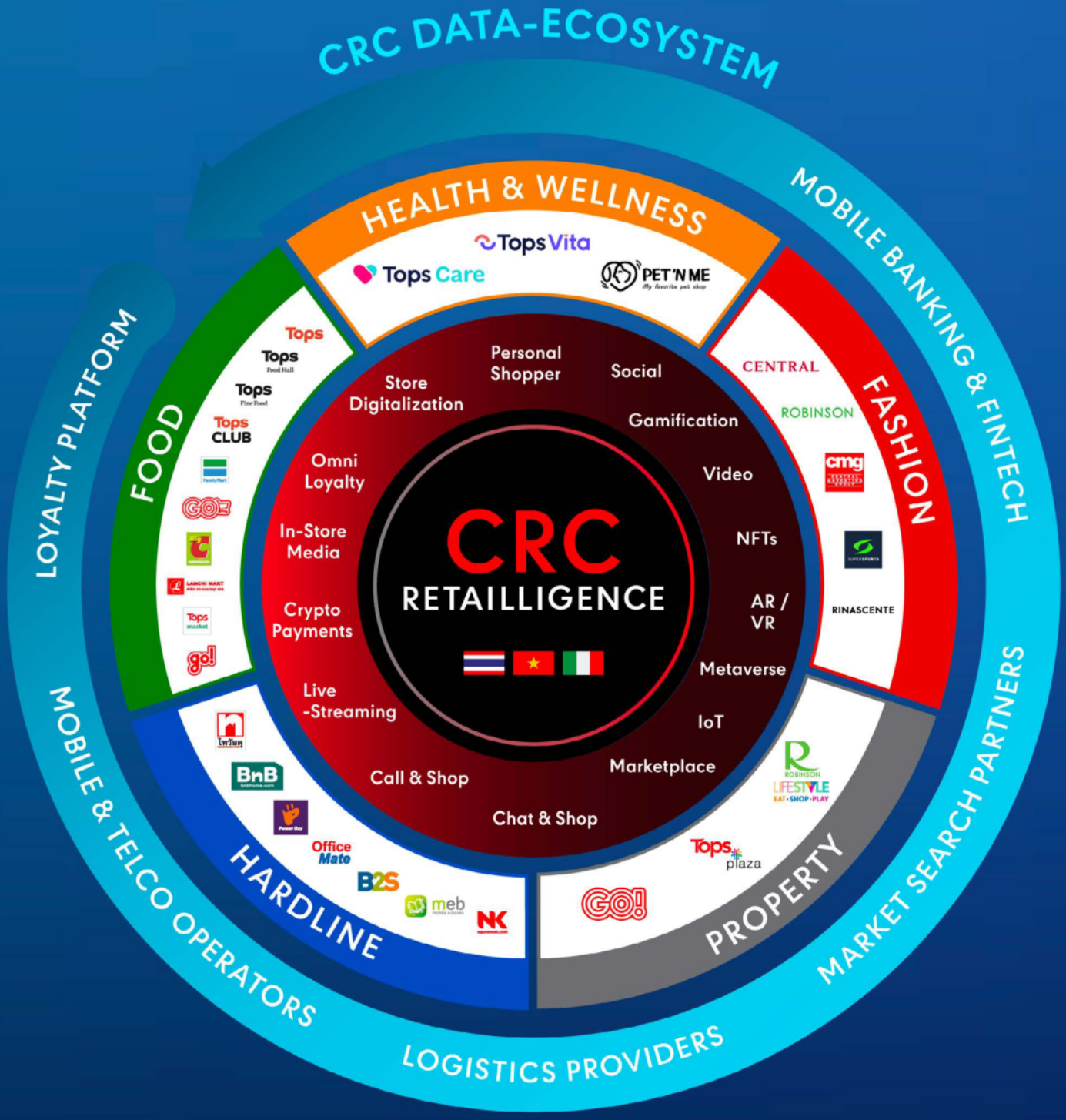
E

Ethic

Respect of ethics in business operations

The Company upholds ethics in all our business dealings, emphasizes good corporate governance, and promotes personnel responsibility in forging integrity and trust worthiness for oneself and others. Our employees work with transparency, full disclosure and accountability, do not tolerate wrongdoings in the company, as well as obey all rules, regulations, and the Company's Code of Ethics.

CENTRAL RETAIL ECOSYSTEM



MULTI CATEGORY

Hardline

Central to Everyday Living

Selling products that meet all the needs for home, which consists of electronic products, construction materials and equipment, home decoration products, DIY products, stationery, office supplies, and e-Book under retail brands such as Thai Watsadu, BnB home, Power Buy, OfficeMate, B2S, MEB, and Nguyen Kim.

Food

Central to Everyday Consumption

Keeping up with food trends and continuous improvement to meet the needs of consumers, with a wide range of consumer products under various retail brands such as Tops, Tops Food Hall, Tops Fine Food, Tops CLUB, FamilyMart, Big C / GO! Vietnam, Lan Chi Mart, Tops market Vietnam, and go!

Fashion

Central to Everyday Style

Retailing fashion products, covering a wide variety of brands ranging from high-end to everyday use to complete all your fashion needs at Central Retail's stores in Central Department Store, Robinson Department Store, Supersports, Central Marketing Group and Rinascente Department Store.

Property

Central to Everyday Life

Innovator and leader in commercial real estate managed under retail brands such as Robinson Lifestyle, Tops Plaza, and Big C / GO! Vietnam.

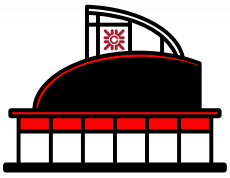
Heath and Wellness

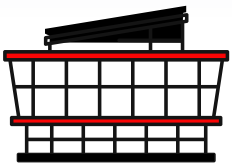
Central to Everyday Health

The hub of good health that sells products of quality to meet all health needs of customers and pets with experts to readily render advice – another alternative for sustainable good health, with stores such as Tops Care, Tops Vita, and PET 'N ME.

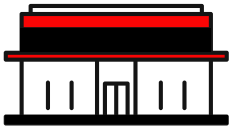
MULTI FORMAT

Physical Platform

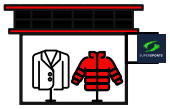

Department Store


Retail Plaza

Supermarket


Hypermarket

Convenience Store


Specialty Store

Brandshop

Sales Counter

Digital Platform

Webstore

Mobile Application

Quick Commerce

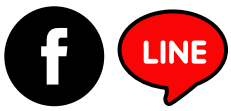
Marketplace

Offline to Online (O2O)

Personal Shopper

Call & Shop

Chat & Shop



Social Commerce

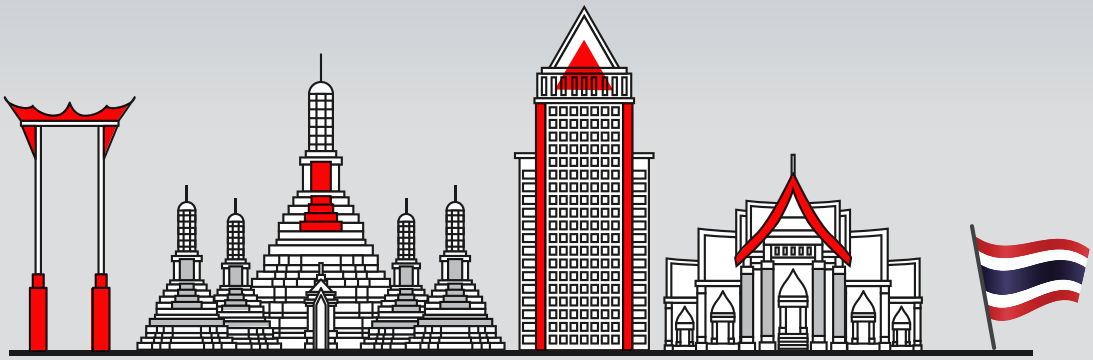
e-Ordering

Call Center

MULTI MARKET

As of 31 December 2022

Thailand



58 provinces

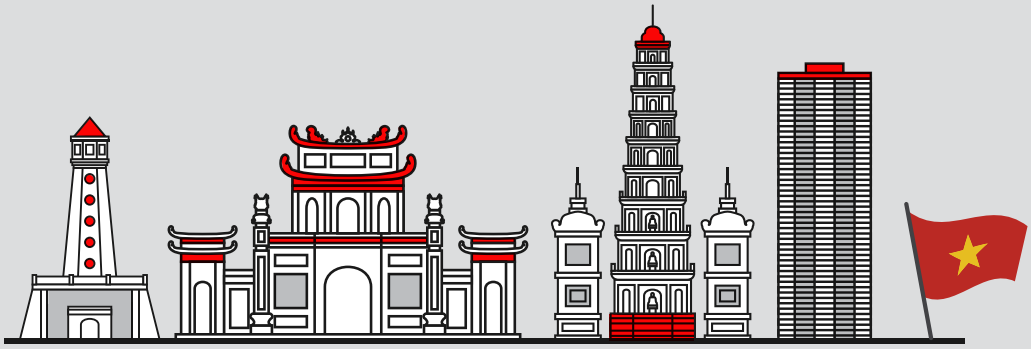
1,706 stores

32 plazas

Total Net Selling Space **2,888,350** sq.m.

Total Net Leasable Space **524,949** sq.m.

Vietnam



42 provinces

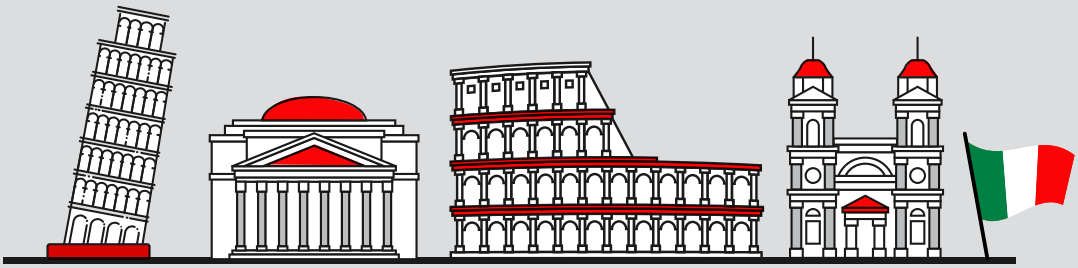
127 stores

39 plazas

Total Net Selling Space **341,736** sq.m.

Total Net Leasable Space **210,030** sq.m.

Italy



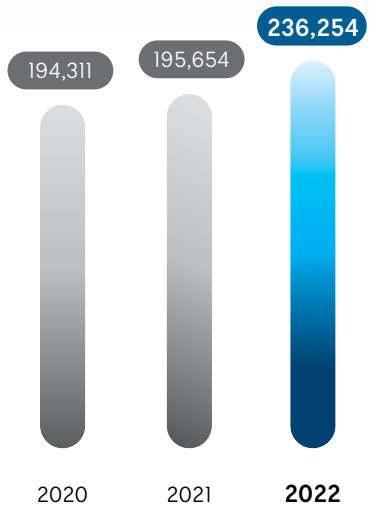
8 provinces

9 stores

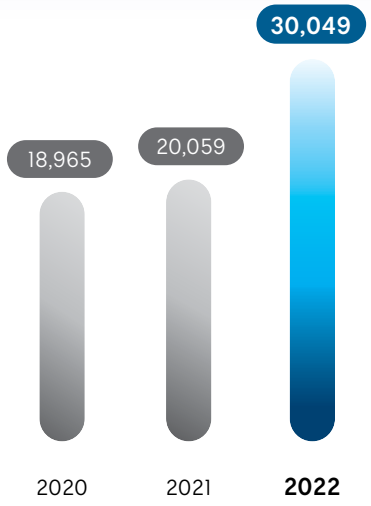
Total Net Selling Space **60,277** sq.m.

Financial Highlights

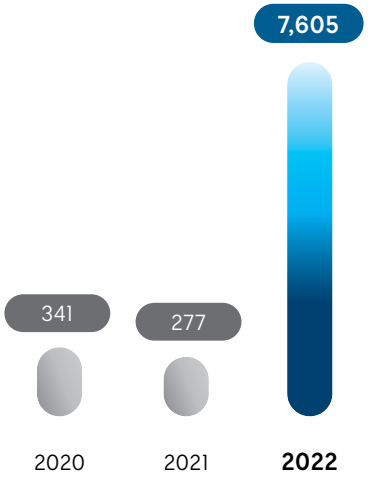
1. Total Revenue (THB million)



2. EBITDA (THB million)

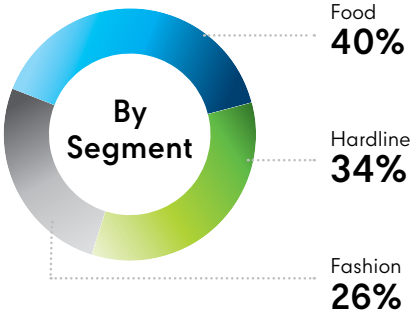


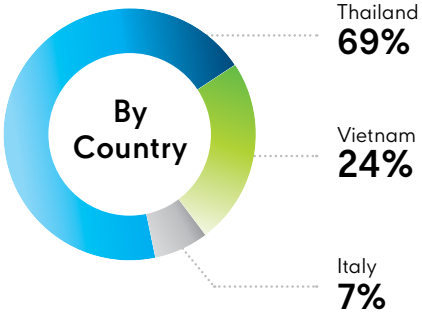
3. Net Profit (THB million)

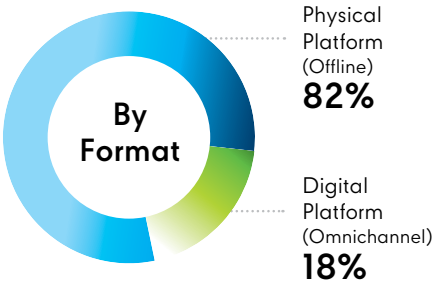


Note: EBITDA and net profit from continuing operations

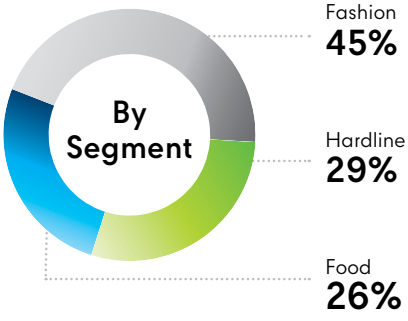
Sales Contribution 2022

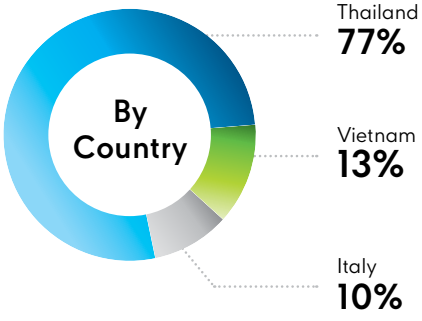






EBITDA Contribution 2022





Note: Sales and EBITDA from continuing operations contribution in Thailand include other countries.

Financial Highlights

	2020	2021	2022
Statement of Comprehensive Income (THB million)			
Total revenue	194,311	195,654	236,245
Total cost of sales of goods[1]	134,948	135,847	159,647
Gross profit[2]	44,999	45,944	60,251
Selling and administrative expenses	57,088	57,068	64,540
EBITDA from continuing operations	18,965	20,059	30,049
Core EBITDA	18,149	20,110	29,743
Net profit from continuing operations	341	277	7,605
Core net profit	(614)	407	7,360
Profit attributable to owners of the parent	46	59	7,175
Statement of Financial Position (THB million)			
Total assets	239,180	263,228	275,984
Total liabilities	183,465	204,147	211,099
Total equity	55,715	59,081	64,885
Financial Ratios			
Gross profit margin[2] (%)	25.0	25.3	27.4
Core EBITDA margin (%)	9.3	10.3	12.6
Net profit margin from continuing operations (%)	0.2	0.1	3.2
Core net profit margin (%)	(0.3)	0.2	3.1
Return on total assets (ROA)[3] (%)	0.2	0.1	2.8
Return on equity (ROE)[4] (%)	0.7	0.5	12.3
Net interest-bearing debt / Equity (times)	0.9	1.0	1.0
Earnings per share (THB / share)	0.01	0.01	1.19

Notes:
[1] Cost of sales of goods and cost of rental and rendering of services
[2] Gross profit and gross profit margin from sale of goods, rental services, and rendering of services
[3] ROA = Net profit margin from continuing operations / Average total assets
[4] ROE = Net profit margin from continuing operations / Average total equity

Message from the Chairman

Dear Shareholders

Central Retail, Thailand's leading retail company with global standard has been committed to advance our business to become an organization that progresses with sustainability, in line with the theme "The Next Frontier of Growth" and the context of generating value together with all stakeholders to drive the business with all relevant sectors to grow stronger together in the same direction, taking into account the dimensions of ESG, namely Environment, Social and Governance. These three aspects have been incorporated harmoniously into the principles of business management that the Company has always adhered to.

The result of our commitment in operating our business on the path towards sustainable development, fostering strong corporate culture, building firm mindset in being aware of the impact in all dimensions, as well as laying down the strategy to promote and initiate various work directions that are beneficial in pursuing sustainability in every step of our work, is the CRC ReNEW strategy. The strategy aims stipulates the net zero emissions target for greenhouse gas emission by 2050. In the past year, CRC aimed to reduce greenhouse gases through the use of renewable energy such as installation of solar cells on the roofs of more than 80 department stores, and the use of electric vehicles in our logistics system, as well as installation of EV charging stations to facilitate and promote the use of EVs among customers. In addition to these, the Company has put a lot of emphasis on waste management through the application of circular economy principles in the Journey to Zero project that aims at supporting activities to reduce waste by installing food waste digester which transform food waste into compost and biogas, upcycling products to reduce waste and create additional values, as well as promoting and changing behavior of all stakeholders in a positive way.

In terms of society, the Company emphasizes equality by being committed to reduce inequality in various aspects, focusing on creating and spreading revenue to communities, especially communities around our businesses. This is in accordance with our intention to develop every communities that we conduct businesses in a sustainable manner together with the Company. We also aim to uplift the wellbeing of persons with disabilities through enabling the disabled to earn income which will in turn allow them to live happy life. With this commitment, the Company has received an Award of Excellence for Supporting Persons with Disabilities from the Department of Empowerment of Persons with Disabilities, Ministry of Social Development and Human Security, for three consecutive years. Central Retail also received an award of excellence as a model organization in the Thai capital market on Supporting Persons with Disabilities, given for the first year, from the Securities and Exchange Commission.

In terms of governance, the Company values good management and good corporate governance. The Company has been operating with transparency, accountability and measures to prevent corruption and robust punishments for offenders. These are aimed at maintaining the confidence and trust that all stakeholders have given to the Company. To this end, the Company has been endorsed as a member of the Thai Private Sector Collective Action Against Corruption : CAC and in 2022, received several prizes in the area of good corporate governance. These include receiving "excellent" ranking or "5 stars" rating for two consecutive years, being in the Top Quartile of the listed companies with market capitalization of higher than THB 10,000 million from the Corporate Governance Report for Thai Listed Companies (CGR), receiving an ASEAN CG Scorecard with the type ASEAN Asset Class PLCs which was given to the listed companies with the score of 97.50 and above from the ASEAN Corporate Governance Scorecard project in 2021 in which the announcement was made in the late 2022. Moreover, the Company is still committed to manage risks from various factors that may challenge the Company in line with the changing situations in order to protect the highest interest of all stakeholders to its full potential.

Given our approach and principles that have stressed sustainable development, Central Retail has been selected to become a member of DJSI in Emerging Markets group. This is considered an expansion of success in being the first model organization for retail trading on Green & Sustainable Retail, based on its work that has sought to balance the three dimensions namely the environment, society, and governance (ESG) and the CRC ReNEW which seeks to achieve net zero emissions by 2050 through fostering the organizational culture and mindset on sustainable development among every level of employees.

All of these form an important set of context in conducting businesses under the overall integration of the strategy for sustainable development, by growing together with all stakeholders.

Dr. Prasarn Trairatvorakul
Chairman of the Board of Directors

Message from the CEO

Dear Shareholders,

In 2022, overall retail and service businesses began to recover after the ease of COVID-19 restrictions and the full reopening of the country. However, it is still challenging due to several uncertainties in the global economy, be they the energy cost crisis, higher interest rates, or inflation that occur from time to time. Even amidst the unpredictable challenges, the goal Central to Life and our commitment to active development have led Central Retail to achieve consistent growth. The Company generated a total revenue of THB 236,245 million, an increase of 21 percent and core net profit of THB 7,360 million, an increase of 1,710 percent compared to that of 2021, thus reinforcing its leading position in Thailand's retail business.

With robust business models driven by CRC Retailligence, adjustment of operational strategies in conformity to the changing lifestyles of post COVID-19 consumers, the development of the Central Retail Ecosystem and Omnichannel platform, as well as future upgrades with digital technology, the Company is able to adapt and thrive in all situations by adhering to 3 pillars of sustainability to promote long-term growth:

Business Growth: Generating growth by expanding business portfolios, the Company has been proactively introducing new branches in all business segments and launched new business models, e.g., Thai Watsadu Hybrid Format, which showcases products from both Thai Watsadu and BnB home, Tops CLUB – a member store that gathers imported products of notable exclusive brands, and the renovations of existing branches, especially department stores, to offer world-class brands and ensure they touch the taste of customers with modern elements. Last year, we also organized an event to celebrate the 75th anniversary of Central Department Store "The Celebration of Central 75th Anniversary" to appreciate the support of all loyal customers with the memorable time. Additionally, the Company has entered a new business sphere, adding the health and wellness segment that fulfills health needs of both humans and pets through Tops Vita, Tops Care, and PET 'N ME. On top of that, Central Retail is also committed to developing the Next-Gen Omnichannel Platform to enhance ultra-personalized shopping experience as an alternative to enjoy a seamless connection between offline and online platforms. In part of overseas business success, the Company aims at fortifying the business in Vietnam, especially in food and property segments, by expanding GO! Mall, go! Supermarket, and Tops market across the country to reinforce the image of the largest foreign retail leader that will achieve a leap growth alongside Vietnam's economic development.

Inclusive Growth: Build networks with business partners, both domestically and internationally, to shape new businesses and enhance sustainable growth together. In the previous year, the Company had partnered with Gulf Energy Development PCL, or GULF, Thailand's leading energy company, forging forward the solar energy production and distribution business and targeting to be a leader in clean energy for Thais by 2026. Moreover, it has entered a joint venture with MP Synergy Co., Ltd., a leader in healthcare furniture solutions under popular brand "Ergotrend" to strengthen product lines in the Health and Wellness segment, which potentially attain a greater growth.

Sustainable Growth: The Company has cultivated an organizational culture and mindset on sustainable development based on the ESG framework, which encompasses Environment, Society, and Governance & Economy, in employees of all levels and also integrated the same to every business process. It is determined to drive the organization to become the first "Green & Sustainable Retail" in Thailand under the CRC ReNEW strategy, which focuses on developing businesses on the basis of sustainability to achieve tangible results. Last year, Central Retail has been selected as a 'Thailand Sustainability Investment (THSI)'s stock of 2022 for the 2nd consecutive year by the Stock Exchange of Thailand and was selected as a member of the Dow Jones Sustainability Indices (DJSI) of 2022 with a score ranked in the top 3 of the retail sector out of 476 participating companies around the world.

These successes and growth achievements in 2022 reflect both strategic readiness, digital technology, and potential of personnel that will jointly soar the Company toward growth, robust investments and business expansion through various channels and business models, becoming the sole Omnichannel leader in Thailand that represents the country in the global arena in order to become Asia's No. 1 Next-Gen Omni Retailer, driving comprehensive growth that arcs over all business segments, whether in Thailand, Vietnam, or Italy, and opening new frontiers to other new businesses in the future in a strong and sustainable manner.

Finally, I would like to take this opportunity to express my appreciation to our customers, partners and investors for your trust, support and confidence in cooperation for sustainable growth, and, last but not least, all employers who are key drivers that lead the organization to achieve goals and flourish as targeted, and even more strongly, and for all the unrivaled experiences you have delivered, at your fullest potential, to meet all facets of customers' lifestyle.

Mr. Yol Phokasub
Chief Executive Officer

Board of Directors

1. **Dr. Prasarn Trairatvorakul**
   - Chairman
2. **Mr. Suthikiati Chirathivat**
   - Vice Chairman
3. **Mr. Sudhitham Chirathivat**
   - Director
4. **Mrs. Pratana Mongkolkul**
   - Independent Director
   - Chairman of the Audit Committee
5. **Mrs. Patareeya Benjapolchai**
   - Independent Director
   - Chairman of the Corporate Governance and Sustainability Committee
   - Member of the Audit Committee
   - Committee and Member of the Risk Policy Committee
6. **Mr. Sompong Tantapart**
   - Independent Director
   - Member of the Audit Committee
   - Member of the Nomination and Remuneration Committee
7. **Mr. Kanchit Bunajinda**
   - Independent Director
   - Chairman of the Risk Policy Committee
8. **Mr. Roongrote Rangsiyopash**
   - Lead Independent Director
   - Chairman of the Nomination and Remuneration Committee
9. **Prof.Dr. Suthiphand Chirathivat**
   - Director
   - Member of the Nomination and Remuneration Committee
10. **Mr. Suthilaksh Chirathivat**
    - Director
11. **Mrs. Yuwadee Chirathivat**
    - Director
    - Member of the Executive Committee
12. **Mr. Prin Chirathivat**
    - Director
    - Member of the Risk Policy Committee
13. **Mr. Tos Chirathivat**
    - Director
    - Chairman of the Executive Committee
    - Member of the Nomination and Remuneration Committee
14. **Mr. Pichai Chirathivat**
    - Director
    - Member of the Corporate Governance and Sustainability Committee
15. **Mr. Yol Phokasub**
    - Director
    - Member of the Executive Committee
    - Member of the Risk Policy Committee
    - Member of the Corporate Governance and Sustainability Committee
    - Chief Executive Officer

Managements

1. **Mr. Yol Phokasub**
   Director
   Member of the Executive Committee
   Member of the Risk Policy Committee
   Member of the Corporate Governance and Sustainability Committee
   Chief Executive Officer

2. **Mr. Ty Chirathivat**
   Member of the Executive Committee
   Chief Financial Officer

3. **Mr. Olivier Langlet**
   Chief Executive Officer
   Central Retail Vietnam

4. **Mr. Pierluigi Cocchini**
   Chief Executive Officer
   Rinascente
   (Central Retail Italy)

5. **Mr. Philippe Jean Broianigo**
   Chief Executive Officer
   Property and Business Development

Awards and Recognition

1. Corporate Excellence

Asian Excellence Awards

The Company has been honored by the Asian Excellence Awards 2022, the Asian grand awards stage, receiving 5 prestigious awards for the second year including Asia's Best CEO, Asia's Best CFO, Asia's Best CSR, Best Investor Relations Company, and Best Corporate Communications Team. The Company is the first and only retail company in Asia to receive five awards for two consecutive years.

Best Luxury Retail CEO Award

With a management vision that aims to strengthen and stabilize the organization combined with proactive work and the use of technology to enhance the Omnichannel platform and explore new business opportunities through partnerships, proven by its success with growing sales amid challenging circumstances, Mr. Yol Phokasub, Chief Executive Officer of Central Retail Corporation Public Company Limited, therefore was honored with the Luxury Retail CEO award from International Finance magazine.

Voting Award Winner from Asia's Outstanding Companies Poll

The Company was being voted #1 in Asia's Outstanding Companies Poll 2022, organized by Asiamoney, in the group of The Most Outstanding Company in Consumer Discretionary category, for the second consecutive year.

5 Star or an Excellence of the Corporate Governance Report of Thai Listed Companies

The Company received corporate governance assessment at "Excellent" level from the 2022 Corporate Governance Report of Thai Listed Companies (CGR), conducted by the Thai Institute of Directors (IOD) for two consecutive year and has listed in the Top Quartile of listed company with market capital more than THB 10,000 million.

ASEAN CG Scorecard Award for ASEAN Asset Class PLCs

The Company was awarded the ASEAN Asset Class PLCs, which were awarded to listed companies with a score of 97.50 points or higher from the 2021 ASEAN Corporate Governance Scorecard, announced at the end of 2022.

Certified Company of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)

The Company had been certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) by the Thai Private Sector Collective Action Against Corruption (CAC) committee by the Thai Institute of Directors (IOD) in June 2022.

Outstanding Investor Relations Award from SET Awards 2022

The Company received the Outstanding Investor Relations Awards from the Stock Exchange of Thailand (SET) and Money & Banking Magazine at the SET Awards 2022 event. This award has proven the Company's success in investor relations management and also reflects the company's ability in developing good relationships with investors and communicating information to investors through constant communication, information providing and sincerely support.

2. Sustainability Excellence

Dow Jones Sustainability Indices (DJSI) 2022

The Company was selected into Dow Jones Sustainability Indices : DJSI 2022, which reflected its sustainable CRC objective and goals by being ranked in the Top 3 of Dow Jones Sustainability Indices (DJSI) in the retail sector, and has been selected as a member of the DJSI from the Emerging Markets.

Thailand Sustainability Investment (THSI)

The Company has been recognized and reflected on the organization's achievements through being selected in the list of "Thailand Sustainability Investment (THSI) 2022" for the two consecutive years by the Stock Exchange of Thailand, reflecting the success of sustainable retail models.

The Global CSR & ESG Awards

The Company won at an international stage the Best Environmental Excellence Award from The Global CSR & ESG Awards 2022. The awardees are selected from companies worldwide with excellence in environmental initiatives, whereby Central Retail was recognized and praised as a model organization for sustainability, highlighting CRC Green & Sustainable Retail concept, the first of its kind in Asia.

Corporate Social Responsibility Certificate 2022

Central Retail Vietnam received the 2022 Corporate Social Responsibility Certificate from The Saigon Times newspaper for its contribution to helping the local community through corporate, socially and environmentally responsible activities.

AMCHAM Corporate Social Responsibility Excellence Recognition Awards

Central Food Retail received the Platinum Status in the "AMCHAM Corporate Social Responsibility Excellence Recognition Award 2022" which "Tops", the No. 1 food retailer in Thailand received this award for the 12th consecutive year.

3. Business Excellence

Retail App of The Year Award

Central Department Store was awarded Retail Asia's Retail App of the Year from Retail Asia award for its CENTRAL APP's outstanding performance in providing customers with Thailand's first Omni-channel shopping experience, offering seamless connection between Central Department Store, Robinson Department Store, and online channel.

Digital Initiative of the Year Award

The Company received the Digital Initiative of the Year award from Retail Asia for the C-Coin project, a digital currency under blockchain technology invented for employees to experiment with new technologies.

O2O Customer Experience of the Year Award

The Company received the O2O Customer Experience of the Year award from Retail Asia, reinforcing its leadership in Omnichannel and aims to develop the platform for the Next-Gen Omnichannel to become the world's No. 1 Omni-Centric Retailer.

Omnichannel Strategy of the Year Award

Tops Market has been awarded the Omnichannel Strategy of the Year award from Retail Asia for its leadership in creating seamless offline and online shopping experiences. This reflects the leadership of Thai supermarket retailers that have been recognized in the international arena.

Supermarket of the Year Award

Tops Market has been awarded the Supermarket of the Year award from Retail Asia for its store format elevation to be the No.1 premium lifestyle supermarket in Thailand with new product offerings to meet the changing needs of consumers every now and then.

Sporting Goods Retailer of the Year Award

Supersport has been awarded the Sporting Goods Retailer of the Year award from Retail Asia, making it a center for the world's leading sports brands offering a wide selection of product options while bringing technology to complement its Omnichannel's service. With dynamic adaptation, supersports can generate sales growth by leaps and bounds.

The Best eService Provider Award

OfficeMate has been recognized with The Best eService Provider Award for two consecutive years at the Thailand Top Company Awards 2022 organized by Business+ magazine in partnership with the University of the Thai Chamber of Commerce (UTCC). The award reinforces on the number 1 online B2B platform ranking and the most trustworthy B2B e-commerce.

Franchise of the Year and Best Innovation Franchise Awards

OfficeMate Plus, a business office equipment store franchise, was awarded the "Franchise of the Year 2022" award and the "Best Innovation Franchise" award from the Thailand Franchise Award organized by the Department of Business Development, Ministry of Commerce.

Top 10 Reputable Retail Company in Vietnam Award

Central Retail Vietnam has been ranked as the Top 10 Most Reputable Retail Companies in 2022 by Vietnam Report Joint Stock based on its financial management capabilities, the Company's good reputation, and the consumer and stakeholders surveys for the second consecutive year.

4. People Excellence

Global Best Employer Brand Awards 2022

The Company was awarded The Global Best Employer Brand Awards 2022 from The Employer Branding Institute and World HRD Congress as an award to honor organizations with good internal management, empowering the potential of employees and personnel of the organization to work creatively as a team.

Thailand Best Employer Award 2022

B2S, Robinson Department Store, and Central Marketing Group received the Thailand Best Employer Award 2022 for the 3rd and 4th consecutive years. The Marketing Group has been awarded the Kincentric Best Employer Hall of Fame 2022, which is given to the organization that has been awarded the Outstanding Employer Organization award for three consecutive years.

Sustainability Model Organization Awards in the Thai Capital Market for Empowerment of Persons with Disabilities

The Company received the Sustainability Model Organization Award in the Thai Capital Market for Outstanding Support for Persons with Disabilities from the Office of the Securities and Exchange Commission ("SEC") in cooperation with the Ministry of Labor, Department of Skill Development, Department of Employment, Department of Empowerment of Persons with Disabilities, Thai Listed Companies Association, and Disabilities Thailand. This award is a guarantee of being a socially conscious organization and that it provides opportunities for people with disabilities to work with the organization.

Outstanding Disability Support Organization Award 2022

The Company received the Outstanding Disability Support Organization Award 2022 for the third consecutive year, which is another award that proves the Company's commitment and determination in driving for the employment of people with disabilities.

5. Marketing Excellence

Thailand Corporate Excellence Award

The Company received the Thailand Corporate Excellence Award 2022 for Marketing Excellence, organized by the Thailand Management Association in collaboration with Sasin Graduate Institute of Business Administration of Chulalongkorn University.

Thailand's Most Admired Brand Award and Brand Maker Award

Central Department Store has been named Thailand's Most Admired Brand 2022, No. 1 department store that customers trust and win the hearts of Thai people for the 16th consecutive year. It also received a special Brand Maker Award, which is given to a leading and outstanding brand in the marketing industry as the result of the commitment to offer the best to customers and to create innovation and new things, reflecting the strength of the Central Department Store in maintaining its position as the number one department store in the hearts of Thai people.

YouTube Works Awards Thailand

Central Department Store has been awarded the YouTube Works Awards Thailand 2022 from the Central Black Midnight Sale: Guilty-Free Festival campaign. The award promotes and celebrates outstanding advertising campaigns that deliver exceptional business results in the Best Intelligent Insight.

Asia's Best Brand of the Year Awards

Tops received the Asia's Best Brand of the Year Awards 2022 in the Asia's Best Premium Food Store category from the IBC & BERKSHIRE CORPORATE AWARDS 2022, demonstrating its potential of being the No. 1 food retailer in Thailand. The award is given to performance excellence organizations to select the best organizations in Asia.

"3rd Prize Winner" from Best Influencer Creative Brand Award

OfficeMate Plus won the 3rd Prize Winner from the Best Influencer Creative Brand Award in the Best Retail Store & Shopping Mall Influencer Campaign, at the Thailand Influencer Awards 2022 event from the "OfficeMate More+ Franchises worth investing in during COVID" series.

Part

Business Overview and Performance

1

Business Structure and Operations

1.1 Business Overview

Central Retail Corporation Public Company Limited ("the Company" or "Central Retail") is the leading multi-format and multi-category retailing platform in Thailand. Central Retail is also growing internationally, securing leadership status in Italy, and becoming one of the leaders in Vietnam. Central Retail is a pioneer in Omnichannel retailing in Thailand, complementing its retail store network and merchandise offerings with leading positions among store-based retailers in online traffic. Central is iconic for its excellence and customer-centric approach to retailing for more than 75 years in Thailand, unifying and supporting diverse retail brands to have a leading market position as well as covering a variety of retail categories. Central Retail uses "Central" (both in Thai and English) in trademarks, service marks, and tradenames in business operations under certain licensing agreements.

Central Retail believes we have helped to drive the evolution of consumer lifestyles and shopping habits in Thailand and Vietnam by introducing new retail experiences to the customer, including department stores, specialty stores, supermarkets, hypermarkets, convenience stores and retail plazas.

As of 31 December 2022, Central Retail operated its business under its key retail brands across multiple formats in Thailand, Vietnam, and Italy as follow:

Thailand
1,706 stores
32 plazas

Vietnam
127 stores
39 plazas

Italy
9 stores

With over 75 years of customer-centric retail experiences in Thailand and its determination to keep the leading position and growing leadership position in Vietnam, together with leveraging the resources and prestige of its business in Italy, Central Retail believes it is well-positioned to grow into one of the most successful multi-format retailers in Southeast Asia and beyond. Central Retail has also become a part of the evolution in consumer lifestyles through its leadership in Omnichannel retailing and continued innovation in store-based retailing formats.

Understanding the changes in customers' preferences has always been the key driving force in Company's growth from the start as a small shop house in Bangkok in 1947. Later, Central Retail introduced Thailand's first full-scale department store with a wide range of products to enhance shopping experiences to serve customers' needs. When Thailand's household income increased, Central Retail decided to expand the business outside Bangkok, starting with its first department store in Chiang Mai in 1992. Currently, Central Department Store and Robinson Department Store own a total number of 75 stores across Thailand (As of 31 December 2022). Central Retail has become a pioneer in new retail formats and introduction to specialty products business such as electronics, sports apparel, DIY home improvement and decoration. As well as health and wellness products, focusing on vitamins and dietary supplements, etc. In 2022, Central Retail introduced the new retail format including go!, Tops CLUB and Tops Standalone outside shopping center. In addition, Central Retail has continued its success through the expansion of multi-format retailing business with the customer centric strategy to Vietnam. Central Retail developed retail plazas, hypermarkets and specialty stores to penetrate the market in both urban and rural areas of Vietnam, with a distinct business model by adapting its business strategy towards Vietnamese customers' needs. For Central Retail's business in Italy, Central Retail established 2 flagship department stores in Milan and Rome together with 2 mini flagship stores in Turin and Florence to cater customers' needs in all segments from high purchasing power to tourists. Furthermore, Central Retail operates 5 other department stores in major cities around the country to serve customers' needs on broader scale by giving a variety of shopping experiences. Finally, Central Retail has become a pioneer of Omnichannel retailing in the countries mentioned above, emphasizing its strong ambition to offer services through the customer focused approach.

Central Retail believes it has provided customers' satisfaction to the fullest through comprehensive merchandise offerings and its diversified portfolio of retail brands. Central Retail's merchandise mix addresses most consumer expenditure categories, including essential consumer goods like food and clothing to discretionary items like luxury fashion, electronics and home maintenance equipment. Through consistent network expansion, Central Retail has broadened its customer base to encompass all income levels and age groups. With continual expansion of stores, given opportunities for Central Retail to get closer to where customers live, work and where they go for entertainment, resulting in improved shopping experiences. Central Retail operates under diverse retail brand categories which can be divided into 5 segments based on business units, including

(1) Hardline segment which consists of home decoration, home improvement, electronic products, stationery, office supplies, and e-Book under retail brands, such as Thai Watsadu, BnB home, Power Buy, OfficeMate, B2S, and Nguyen Kim Vietnam.
(2) Food segment provides a wide range of consumer products and products which found in convenience stores under various retail brands, such as Tops, FamilyMart, Big C / GO!, and Tops Vietnam, go! Vietnam, and Lan Chi Mart Vietnam.
(3) Fashion segment offers apparel and accessories under retail brands, such as Central Department Store, Robinson Department Store, Rinascente Department Store, Supersports, and Brandshop.
(4) Property segment provides rental space for stores under Central Retail, including stores and services for the public such as Robinson Lifestyle, Tops Plaza, go! Lifestyle shopping mall and Big C / GO! Vietnam
(5) Health and Wellness segment offers healthcare products and cosmeceuticals, including pet products under retail brands such as Tops Care, Tops Vita, and PET 'N ME

Central Retail is the partner of choice for global brands like Moschino, Kenzo, Tods, Emporio Amarni, Polo Ralph Lauren, Nike, Skechers, Muji and Garmin, etc., which aims to provide differentiated offerings, including import goods and in-house merchandise while still being able to serve local customers' preferences. Central Retail is one of the customers' first choices in each consumer expenditure category.

As part of Central Retail's commitment to adapt to diverse customers' needs, it has continuously developed the Omnichannel platform to seamlessly integrate the online shopping experience with in-store shopping. Although there is an increasing demand in online shopping, Central Retail expects that in-store shopping will remain the customers' first choice as well as the main channel in Thailand's retail businesses in the future. In addition, the in-store shopping experience has seamlessly integrated offline channels through salesperson with online channels to create a point of contact with customers through various services approach, for example

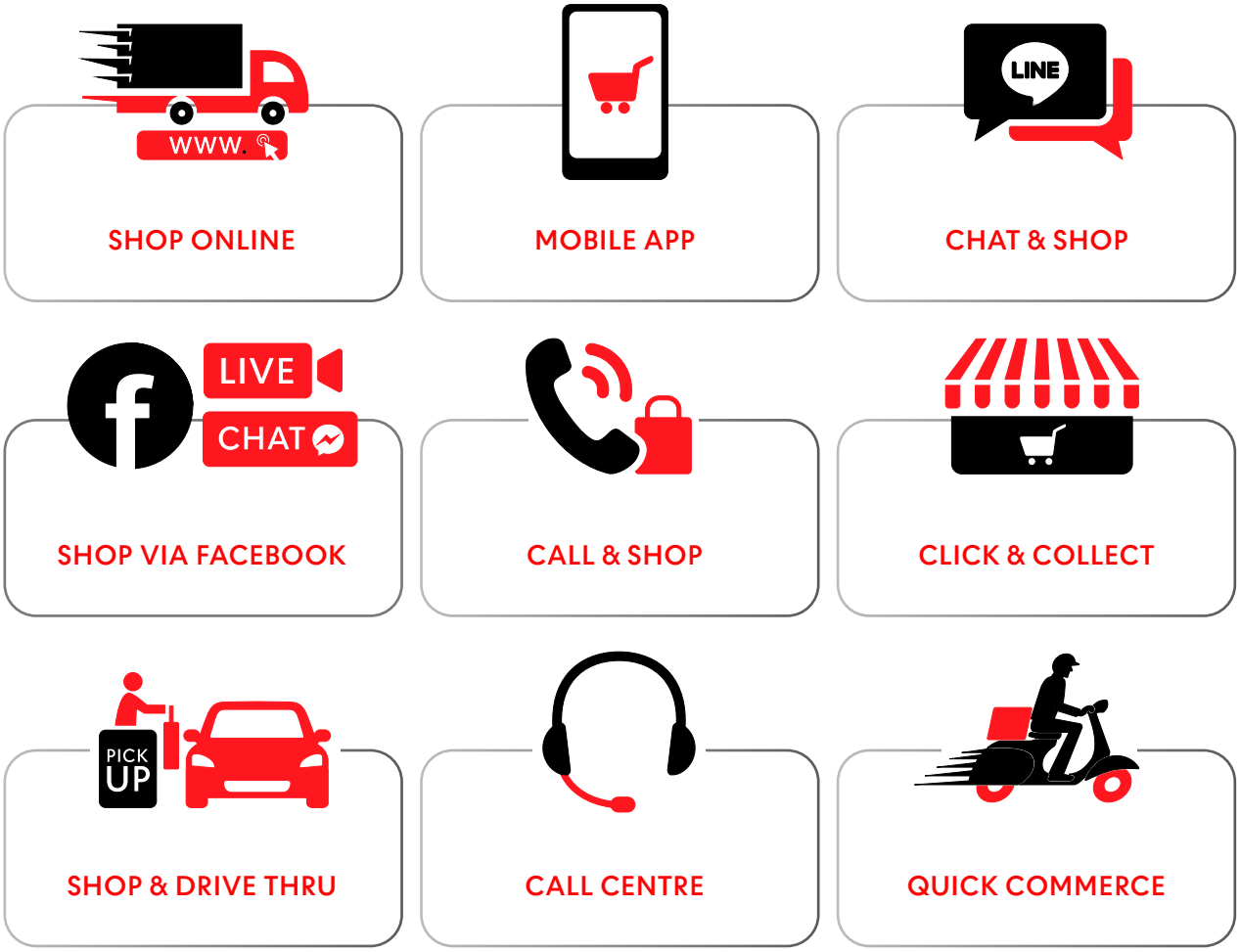
- **Click & Collect service** allows customers to shop online before picking up their products in-store, enabling sales representatives to provide any value-added services to customers and increase the opportunity to sell additional products. The service includes the Reserve & Collect option, which allows online booking and in-store pickup and payment.

- **Chat & Shop service** allows customers to engage with sales representatives and shop via mobile phones, as well as order products by sending messages to the stores in the Company's network via social networks such as Facebook or LINE's stores within Central Retail's network.

- **Personal Shopper service** allows customers to easily order products through a personal assistant who is ready to supply products and notify promotions and special privileges via telephone, simply by calling 1425 or via Line, as well as the Call & Shop service from any business in Central Retail's network that allows customers to order products via telephone, where the assistant is ready to provide product information, organizing delivery, and installation to your door.

- **e-Ordering service** allows customers to purchase products that are not displayed in the store, including home delivery or in-store pick-up.

- **Shop & Drive Thru service** allows customers to pick up their items at the store and the store staff prepares the products and delivers them to the customer's car.



Moreover, in-depth customer information acquired via Omnichannel will enable improved changes towards customer shopping experience that truly fits their needs. Central Retail believes that integrated Omnichannel has influence on customer shopping behaviors, help increase customer loyalty and retain regular customer base as well as attract new customers who needs convenient shopping experiences that seamlessly connecting online channel with physical store. Both online and offline stores well responded to such demand (such as physical fitting or product inspection) where Central Retail believes that its Omnichannel platforms will create a unique and comprehensive shopping experience for customers in the next generation, as well as continue being the driving force for both Thailand and overseas markets growth.

Central Retail has a clear vision towards "Central to Life" or to become the core of everyone's life, and a part of the mission of the organization is to contribute to Thai citizens, communities, and the nation. Central Retail has conducted its business by recognizing the impact and creating value with all stakeholders based on good governance for the next generation. Central Retail has taken significant and continuous actions to be a part of creating sustainable positive results, uplifting people's lives and society, and preserving the environment as well as creating value and benefits for the society while maintaining sustainable business growth. Central Retail has operated its business with the 4P strategy to drive business for sustainability, namely

PEOPLE
WELL-BEING OF THE PEOPLE

PROSPERITY
SUSTAINABLE ECONOMIC GROWTH

PLANET
QUALITY OF THE ENVIRONMENT

PEACE & PARTNERSHIPS
PEACE, ARTS AND CULTURE, AND COOPERATION

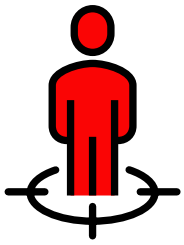
Central Retail has implemented various projects to support sustainability in all dimensions, such as the use of clean energy by installing solar panels in Robinson Lifestyle, Thai Watsadu, warehouses in Bangna, and GO! in Vietnam and the use of electric vehicles to transport goods in many departments such as Thai Watsadu, Central Department Store and Robinson, etc. It is also the first retailer to support the reduction of plastic bag since 2018 as part of environmental protection. Business expansion focuses on diversifying new stores to potential areas in other provinces to create jobs and help stimulate the economy, as well as provide support the society and communities during the COVID-19 epidemic and the Jing Jai Farmers' Market project that helps support farmers, etc.

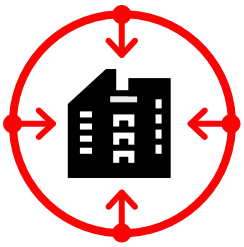
1.1.1 Competitive Strengths

Central Retail believes the company has several core competitive strengths to achieve its strategic objectives as follows

1 Leading Muti-Format Retail Platform with Retail Brands and Omnichannel Platform across Multiple Retail Categories

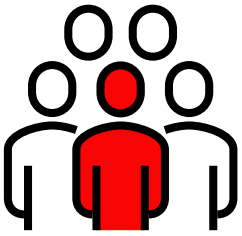
2 Customer-Centric focus to Drive Continuous Innovation and Customer Engagement





3 Diverse Ecosystem Attracts Prominent Brands for Synergies and Customer Engagement

4 Success in Acquisitions and Expansion to Other Markets in Asia and Other Regions in the Past



5 Capable and Experienced Management Team Comprising Professional Management from the Retail Industry and the Chirathivat Family

1. Leading Muti-Format Retail Platform with Retail Brands and Omnichannel Platform across Multiple Retail Categories

Central Retail is the leading multi-format retail platform in Thailand, offering leading retail brands across various prominent retail categories. Central Retail believes its retail brands have been recognized and symbolized for modern trade retailing in Thailand for its best-in-class service, quality, variety, and value. With an extensive list of retail brands, Central Retail had the opportunity to provide diversification in merchandise and shopping experiences for customers and able to adapt to customers' changing preferences. Central Retail has received attention from various brands and business partnerships who seek for business expansion channels in Thailand as well as other markets. As Thailand's pioneer retailer, Central Retail has prepared the foundation for Omnichannel platforms since 2012. Central Retail is the largest physical store network retailer in Thailand who also offers online channels. Its merchandise mix that can be purchased both in-store and through Omnichannel platforms can respond to the majority of the consumers' spending categories, enabling Central Retail to gain higher market share than other competitors. As of now, Central Retail has provided various channels and services for customers, such as

1. **Digital Channels:**
   - Webstores under Central Retail's various retail brands
   - Mobile applications which Central Retail has launched and developed its system to be user-friendly, fast, secure, and easy to use that meet the needs of customers' lifestyles, for example Central Application, Tops Application, Thai Watsadu Application, Power Buy Application in Thailand and GO! Application for customers in Vietnam.
   - Quick Commerce which collaborates with partners such as Foodpanda and Grab to provide services based on customer needs starting from food ordering service and Tops Grocery service through the application, which has been very successful and has expanded to other products from Central Retail to meet the needs of customers in all product categories across the country.
   - Marketplace, an online market service in collaboration with partners such as JD Central in Thailand and Tiki or Zalo in Vietnam to better respond to customer spending.

2. **Offline to Online or O2O Channels** such as Call & Shop, Chat & Shop, Social Commerce, e.g., Facebook, LINE, e-Ordering and Personal Shopper where customers will be serviced by a personal assistant while shopping.

Central Retail is the leading multi-format retailer in Thailand. As of 31 December 2022, Central Retail's store in Thailand comprised of approximately 1,706 stores nationwide, including 598 department stores and specialty stores, 395 brandshops, 298 supermarkets, and 415 convenience stores, with a total net selling space of approximately 3,000,000 square meters. Central Retail also operates 1,682 sales counters which are in its retail stores, leading department stores, and other retail outlets operated by third parties.

Central Retail has a variety of comprehensive store formats that utilizes its space to the maximum. This includes leased space under long-term lease agreements (including many areas leased by CPN, a company in Central Group) and plazas located on Central Retail's space, whereby Robinson Lifestyle is the retail lessor with over 488,829 square meters of net leasable space as of 31 December 2022 across 27 locations. As a long-term tenant, Central Retail has capability and flexibility to make changes to each space corresponding to customer needs. Moreover, by gathering of multiple store formats at a single location, Central Retail plazas have become destinations for local communities, particularly in rural areas. For example, each of Robinson Lifestyle is anchored by Robinson Department Store and every plaza of Central Retail also consists of other types of stores which can be selected as appropriate. With its diverse retail category business model, Central Retail has become a leader both in the direct retail business and as one of the major retail space lessors in Thailand.

In addition to expanding the network through physical stores, Central Retail can also expand its network through Omnichannel platform to cover Central Retail's affiliated businesses and distribute to other provinces that a physical store is not available for certain retail brands. Central Retail believes that new competitors, both domestically and internationally, will require considerable time, investment, and effort to build a retail network with a variety of formats to achieve comprehensive strength and coverage to all regions, which Central Retail has built for more than 75 years.

Throughout history, Central Retail has developed its retail brands to leading positions across multiple retail categories in Thailand, Vietnam, and Italy.

Leveraging Central Retail's successful retail experience and ability to adapt to the local market, Central Retail has also established leadership positions in multiple retail categories in Vietnam. Central Retail also operates Rinascente Department Store in Italy with stores located in major cities such as Rome, Milan, and Florence.

With a strategy that Central Retail pioneered where customers can access Central Retail's retail brands from any location through its Omnichannel platforms. The strength in Omnichannel would not be possible without our dedication to customer service, which ensures that Central Retail's Omnichannel offerings meet the rapidly changing demands of the customer in this new and evolving retail era. The established store network also lends authenticity and credibility to online sales channels, assuring customers, for instance, that offerings are free from the counterfeit products that plague many online shopping or marketplaces. Omnichannel offerings come with the same warranties and guarantee of authenticity that in-store offerings provide. Central Retail has initiated the use of the Omnichannel platform concept as a channel to communicate with customers while focusing on quality, product reliability, and service. Moreover, this unique and different buying channel also expands the scope of services that Central Retail can offer to customers, helps improve the presentation of products as well as provides services in stores and online channels to suit the needs of customers. Customers can be assured that products sold through the Omnichannel platform are genuine and have the same product warranty as those sold in stores. Omnichannel offerings are backed by powerful e-commerce infrastructure and logistics and distribution network for store merchandise, which can help underpin Central Retail's "last mile" delivery options for customers.

2. Customer-Centric focus to Drive Continuous Innovation and Customer Engagement

Central Retail has always been Thailand's pioneer of innovation for consumers in retail business, as Central Retail was the developer of Thailand's first department store and the first to introduce lifestyle shopping centers and specialty stores catering to shoppers in second-tier provinces such as Supersports and Power Buy which began as sections within department stores and later developed into retail specialty stores. Not only innovative retail concepts including Omnichannel and online strategies, but other factors that impact consumer's lifestyles were also considered.

In addition, Central Retail has continuously developed new formats and distribution channels to expand their business to potential markets or areas with growth opportunities, especially provincial areas in Thailand. For this purpose, Central Retail has launched new formats under various brands of all business types under Central Retail, such as Tops CLUB, Tops Fine Food, Tops Standalone format, go!, go! WOW, go! Power, Tops Care, Tops Vita, PET 'N ME, CHEF YIM Application and CHO YIM Application, etc.

Having various retail brands and store formats under Central Retail can provide different shopping experiences and reach customers' satisfaction in each area where Central Retail's stores are located. For example, Central Retail has high-end retail stores located in the city to serve customers with high-purchasing power, stores under the retail brands for the mass market located in the suburbs, small shops located in urban areas that have limited space, and large plazas located in provincial areas. In this regard, when the needs of customers, the competition conditions or the laws in each area change, Central Retail always promptly responds to such changes by offering new retail brands or new formats in the area, or even quickly switching to a more suitable retail brands or store formats. Central Retail had changed the operating structure of the department store business in Thailand by transforming Robinson Department Store into Central Department Store in Mega Bangna and Udon Thani in 2020, and the same transformation took place in Khon Kaen in 2021. In addition, there will be more potential stores to transform in the future, which are under consideration, in order to respond to the changing local customers' demand.

In 2022, the Company has undergone a major rebranding of the Tops Supermarket business, along with merging the food business to a single brand "Tops" to emphasize leadership in Outstanding Omnichannel Food Retail and the opening of Tops in a standalone format as well as introducing new models such as the first Tops CLUB at Central Rama 2, which is a membership store in the form of an empire of imported products, exclusive brands from all over the world, and Tops Fine Food.

Central Retail is able to select retail brands with concepts or store formats best suited for each area when expanding to new regions or markets.

Central Retail has a proven ability to engage a diverse and evolving customer base within its retail ecosystem through innovative technologies. Central Department Store has had a dedicated its webstore since 2012, and Central Retail currently has 12 webstores for its all-retail brands. In addition, it also has 8 mobile applications consisting of Central Application, Tops Application, Supersports Application, OfficeMate Application, GO! Application, Thaiwatsadu Application, and Tops CLUB Application to better facilitate their customers. There are also 11 webstores that the company is a distributor, such as Dyson and Clarins, etc. including launched Click & Collect since 2016, an Omnichannel feature that allows the customer to make purchases online and collect the products at their preferred store location or other collection points.

In 2017, it has launched the "Rinascente ON DEMAND" service for Rinascente and the Chat & Shop for Central Department Store, which integrates the services with social networks, such as LINE, WhatsApp, and WeChat, and can connect customers with sales representatives from anywhere. This helps to drive sales through targeted promotions and accessibility. In 2021, Central Retail has expanded the Chat & Shop service to all its business units. In addition, it has cooperated with business partners in Thailand and Vietnam, such as Grab and Foodpanda, etc., to provide Quick Commerce services, including Marketplace platform providers, such as JD Central, Tiki or Zalo to better respond to customer spending. It has also embraced the Cashless Society concept by deploying digital payment platforms such as Alipay, WeChat Pay, Dolfin, and other online payment platforms offered by banks in Thailand to help streamline purchases, and has implemented e-Ordering, which allows sales staff to fulfill online orders in the store while increasing the range of product categories available to them for promotion and cross-selling. According to The1 membership program, our Omnichannel customers spend 4 times more than single-channel customers, with more variety of categories as well.

Digital technologies make data collection and analysis possible on an unprecedented scale. Central Retail's sales staff have innumerable interactions with customers in-store, online and across Omnichannel platforms. Central Retail has total 27 million members form The1 in Thailand, Big Xu Card in Vietnam, and Rinascente card in Italy. Please find additional details in "Nature of Business – Loyalty Programs". These loyalty programs allow Central Retail to extract valuable customer insights, develop personalized their profiles and identify their tastes and preferences. As a result, it has developed a deep understanding of its customers, and it believes that this technology can help identify what customers' wants in advance.

3. Diverse Ecosystem Attracts Prominent Brands for Synergies and Customer Engagement

Central Retail believes that its portfolio of diverse retail brands, together with its vast retail network and business scale, has made the trusted partner of choice, for global luxury and premium brands and mainstream merchandise brands who seek distribution channels in Thailand and receiving more trust in Vietnam. Furthermore, the comprehensive multi-format retail ecosystem benefits Central Retail's brand partners and merchandise suppliers, while achieving synergies and efficiencies through integration into Central Retail's operations. Central Retail has attracted numerous leading global merchandise brands to its platforms with its diverse selection of retail brands, broad retail network coverage, and strong customer loyalty including brand partners Apple, Casio Watch, L'Oreal, Guess, Emporio Armani, Tods, Kenzo, and Paul Smith. In addition, Central Retail has exclusive retailing rights in Thailand for brands such as Polo Ralph Lauren, Marks & Spencer, Crocs, Fila, Calvin Klein, etc.

As of 31 December 2022, Central Retail operated its business with more than 20,000 suppliers. None of the suppliers provide products to Central Retail exceeding 10% of the total purchase value. Central Retail has always had a healthy and stable relationship with the suppliers because it operates the business based on trustworthy, fair, and reasonable execution, thereby leading to the relationships that have lasted for more than 15 years.

Furthermore, the track record of long-term relationships, strong execution, and professional trustworthiness provides Central Retail flexibility in how Central Retail work with its merchandise suppliers, whether it be through exclusive distribution and licensing arrangements, such as our licensing arrangement with Lee and Sanrio, or joint venture arrangements with Muji and Samsonite. Additionally, some suppliers provide Central Retail with exclusive promotions and product lines, further differentiating Central retail's merchandise selection from other domestic or foreign competitors.

The vast retail network and business scale of Central Retail provide significant operational advantages in merchandising, which drives lower unit costs in procurement and distribution and helps bolster margins. Central Retail achieves significant economies of scale in numerous aspects, including centralized distribution, consolidated transportation and logistics as well as shared support functions, which help optimize productivity and operation efficiency. For example, Food segment changed its structure and combined merchandising units for both products and procurement as well as other related units between FamilyMart and Central Food Retail. Fashion segment also changed its organizational structure by merging business units of Central Department Store and Robinson Department stores to increase effectiveness in operations and resource efficiency. Hardline segment also improved its operation unit, to increase the functioning efficiency and effectiveness, to manage resources to be more cost-effective. Central Retail also believes in its business scale which helps attract and retain talented and experienced managers and employees in the retail industry, while also making Central Retail as an attractive business partner for large suppliers and other vendors. In addition, Central Retail's strong position allows it to negotiate with suppliers and other counterparties. Central Retail also leverages its size in securing prime retail locations at favorable rates, for example, it can deploy multiple store formats to optimize leased retail spaces collectively.

Being part of the broader Central Group ecosystem, close affiliation and strong synergies with other members enhance Central Retail's competitive position in the retailing industry, delivering numerous benefits to the customer, partner and overall business.

Customer Relationships

Central Retail participates in Central Group's The1 loyalty program in Thailand, which grew from 13.1 million members in 2017 to approximately 19.7 million members as of 31 December 2022, representing approximately 28% of the total Thai population. Approximately 3.2 million members were active monthly users who had made at least one purchase on the platform per month. Central Retail believes that such a strong loyalty program helps to deepen customer's engagement and increase average spending per customer. Acquisition of new members is carried out in-store, through Omnichannel platform, webstores, Mobile application of each business segment (such as Central Application and Tops Application) including, The1 application in cellphone, and the ability to earn points through purchases with other external partners, such as gas stations, digital banking platforms, and other businesses help make the program more attractive to new users.

Real Estate

Central Retail also has access to prestigious shopping mall locations in Thailand through its synergy with Central Pattana Public Company Limited ("CPN"), a subsidiary of Central Group. Certain retail brands, particularly under Central Department Store who is the main tenant in the shopping malls owned by CPN, which are typically located in prime locations with strong foot traffic. Given the close working relationship with CPN, Central Retail is at times provided with early-stage opportunities to evaluate the commercial feasibility of establishing a store at a particular site where CPN intends to build a shopping mall, which allows Central Retail to more easily secure prime locations while also influencing store concepts and customer experiences planned for the shopping mall. Additionally, the close relationship with CPN and Central Group allows Central Retail to be nimble in adapting and renovating its retailing space to better respond to changes in consumer spending patterns.

Additional Benefits

Further, Central Group has shown its continued support through HCDS, Central Retail's major shareholder, and its subsidiaries. HCDS has given Central Retail the Rights of First Refusal and call options, allowing Central Retail to gain certain preferences in negotiating mergers and acquisitions, either in whole or a part and on arm's length terms, with respect to certain of its retail assets, including the KaDeWe, Oberpollinger and Alsterhaus department stores in Germany, the ILLUM department store in Denmark and the Central Department Store in Indonesia, subject to certain limitations. Central Group has also provided Central Retail with certain Rights of First Refusal with respect to the JD Central JV, subject to certain limitations. HCDS has designated Central Retail as the flagship company for its retail business, and therefore has a policy not to invest in any retail business, whether in Thailand or abroad, which may be of the same nature as Central Retail's business and may compete with Central Retail's business, except where Central Retail's Board of Directors has resolved that Central Retail does not wish to invest, whether in whole or in part, in such business. These benefits, combined with opportunities in overseas markets that come with Central Retail's global relationships, can help to further support rapid growth and scale business to another level.

4. Success in Acquisitions and Expansion to Other Markets in Asia and Other Regions in the Past

Central Retail has replicated the success of its retail story in Thailand in other global markets by adopting local know-how and approaching each new location. Central Retail has a strong track record of international expansion, primarily through acquisitions and joint ventures in Italy and Vietnam. International revenue represented 28%, 28%, and 31% of Central Retail's total revenue in the years ended 31 December 2020, 2021, and 2022, respectively. The outbreak of COVID-19 periodically occurs in Vietnam and Italy since 2020 with all stringent control measures are implemented, thereby being inevitably affected to the Company performance. However, Central Retail has adjusted operational plans by focusing on formulating proactive strategies in combination with reactive ones. Moreover, the operational plans have been regularly followed up. Additionally, the availability of the Omnichannel for all segments in every country helped enable the Company to continue providing services of product purchasing through various channels and adjusting products to meet customers' needs, all of which contributed to the Company's sales growth in 2022 rose by 15% when compared to 2021. The current COVID-19 pandemic is anticipated to subside, which is consistent with the global situation where many countries have begun to relax and reopen their borders. The proven execution track record has increased confidence in being able to apply operational excellence and adapt to other markets all around the world.

Central Retail entered the Vietnam market 10 years ago with fashion category offerings and joint ventures with Nguyen Kim (and acquired the remaining shares of Nguyen Kim in June 2019) and Lan Chi Mart in 2015. Then, Central Retail acquired Big C Vietnam in 2016 and spent two years revamping the brand and restoring customer confidence in the quality of products and services by sourcing most of the food products locally and cancelling most of the prior owner's private label food products, enabling Central Retail to offer customers better value while ensuring the freshness of food items. Additionally, Central Retail upgraded its software and set internal limits to provide customers with a speedy shopping experience. Central Retail also acquired and invested in an experienced team of devoted individuals to operate each store independently. As a result, Central Retail successfully turned around Big C / GO! Vietnam, achieving an increase in revenue every year.

As of November 2018, Central Retail opened its first Big C branch, and as a result of its strong performance, local authorities from around the country have contacted Central Retail to discuss opening GO! stores in their respective provinces, which Central Retail expects will help to expedite its land procurement processes in the future. Central Retail believes that its market position in Vietnam is comparable to its position in Thailand, with leadership across numerous retail brands and store formats in the most attractive retail categories, including Big C / GO! Lan Chi Mart, Tops market, go!, Supersports, and Nguyen Kim in Vietnam.

Central Retail entered Italy in 2011 with the acquisition of Rinascente Department Store till now and was achieved by adapting offerings in response to the demands of Italian customers to increase domestic sales while also catering to tourist demand in key Italian tourist centers, where Central Retail has successfully applied its valuable experience with Chinese tourists shopping in Thailand to capture the similar market in Italy. For instance, Central Retail successfully refreshed the Rinascente Department Store brand by moving away from a predominantly "private label" orientation to an "affordable luxury" and "luxury" position, offering brands such as Louis Vuitton and implementing the "flagship" store concept in certain locations, which has helped Central Retail deliver a differentiated experience for the customer while also attracting luxury and affordable luxury brands. In addition, Central Retail has also adjusted strategies to respond to changing customer groups according to market conditions. In 2022, Chinese tourists have not fully returned. Central Retail therefore adjusted its product portfolio to meet the needs of domestic tourists, Europeans, Americans, and Arabs who are the main consumers at the time, while waiting for the recovery of Chinese tourists.

Central Retail also has a proven and robust track record of broadening its portfolio of retail brands through successful acquisitions, such as Robinson Department Store and Tops. In May 2020, Central Retail acquired an additional 49% interest in Central FamilyMart Co., Ltd., increasing its ownership interest from 51% to 100%. In addition, Central Retail made a tender offer for all COL Public Company Limited (COL) (Completed acquisition in February 2021), bringing in the strengths of CRC's retail portfolio as a leader of office supplies, stationaries, lifestyle products, books, and e-books to expand Central Retail's leading Omnichannel retailing platform in hardline segment and expand customer base to corporate customers, creating added value from synergy between Central Retail's business units.

In addition, in December 2021, the Company acquired 67% stake in Porto Worldwide Limited (Porto WW), of which Porto WW has 40% stake in GrabTaxi Holdings (Thailand) Co., Ltd., which is the leader of an online-to-offline service platform that provides a wide range of services to customers. Moreover, it is growing rapidly, especially in Thailand. This acquisition aims to strengthen the Ecosystem and Omnichannel Platform of Central Retail, including collaborating with Grab to help improve the service to better meet the needs of customers.

In 2022, Thai Watsadu established a joint venture company with Gulf Energy Development Public Company Limited (GULF) to operate electricity generation through solar panels on Thai Watsadu's roof, producing clean energy for the sustainable operation of Central Group. In addition, the Company has invested in two other companies, namely MP Synergy Co., Ltd., a leader in integrated health products, and the owner of the Ergotrend brand, especially health furniture products for customers of all genders and ages. MP Synergy is a company that has been specializing in this business for a long time and hopes that after partnering with Central Retail, it will be able to reach more customers at an affordable price. Moreover, the Company has invested in Mercular, a start-up company that has an online community platform to expand its business in Gaming and Hobby & Lifestyle segments. This additional investment will help expand sales channels and expand the business to cover all segments in addition to existing businesses. As for the fashion segment, the Company has invested in The Parentinc. (The Asian Parent), an online community platform for mothers and children. It has also expanded its business to sell products for such groups. This investment will help diversify the range of mother and child products and create growth opportunities for The Parentinc.'s target customer base in Southeast Asia.

Central Retail believes the success of the partnership and above acquisitions and overseas business expansions has enhanced Central Retail to grow significantly at both national and international levels. Moreover, Central Retail has skillful personnel and capability of acquiring and integrating retail brands into its retail business network. Therefore, Central Retail is an attractive and trustworthy partner for other businesses given its solid financial status.

5. A Capable and Experienced Management Team Comprising Professional Management from the Retail Industry and the Chirathivat Family

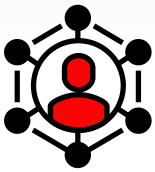
The Chirathivat family is the pioneer in modern trade retailing in Thailand. It was the first in Thailand to start a sizeable department store in Wang Burapha district and Central Chidlom Department Store in 1956 and 1974, respectively. Big C hypermarket was first established in Thailand in 1994 which was thriving. Central Pattana (CPN) was founded afterwards as Thailand's number one mall developer in 1995. Thailand's first specialty retail store was also founded in 1996, While, in the early 2000s, it was one of the leaders who started selling products through online channel in Thailand.

Central Retail has an experienced and dedicated professional management team consisting of retail industry veterans and top-tier professionals from other disciplines, who work hand-in-hand with Chirathivat family and their experienced managers where the majority of them have over 20 years of retailing experience in Thailand, Vietnam, and Italy.

As an industry leader and pioneer, Central Retail has consistently attracted the most talented employees locally and globally that also align with its customer-centric operating model. Central Retail believes in its strong and diverse management team as it gathered professional managers from both Thailand and abroad. Managing the diverse retail brands (from large department stores to small convenience stores and brand shops) requires specialized management and execution skills, in which Central Retail believes there are only a few other retailers having similar standard.

1.1.2 Business Strategies

In 2022, Board of Directors reconsidered its business strategies to be in accordance with its competitive strengths to drive Central Retail's performance. The strategies are



1. Reinvent Next-Gen Omni Retail

2. Accelerate Core Leadership

3. Build New Growth Pillar

4. Business Expansion Under the Concept of Inclusive Growth, Create Success with Partners, Acquisition, Merger or Spin-Off

All four strategies are driven by the organization based on the Purpose-Led Organization: Central to Life principle for sustainability.

1. Reinvent Next-Gen Omni Retail

Central Retail's Omnichannel strategy focuses on bringing both convenience and trust to the customer in this digital era, combining the best aspects of e-commerce and traditional in-store retailing by leveraging its comprehensive retail network with its online shopping portals to create a seamless shopping experience, which ultimately leads to increase sales performance.

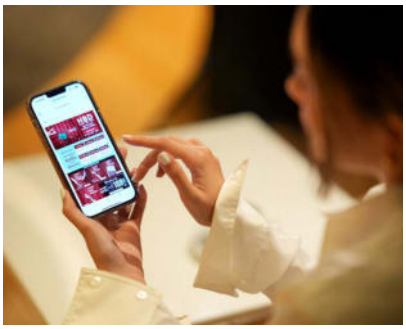
Central Retail believes that its seamless integration of in-store and online experience is better suited to purchasing habits of customers in Thailand and other developing countries in Asia. While other competitors currently offer only online channel, through Omnichannel platforms, customers can enjoy the convenience of online shopping, being able to browse, research, and purchase items at home or on-the-go, and enjoy peace of mind, knowing that there is a physical store nearby that can provide customer service, allow inspection and trial use prior the purchase as well as return or exchange the products. Moreover, customers who are in Central Retail's membership program are eligible for the privileges, e.g. collecting points from spending, redeeming rewards according to their preferences as well as gaining other discounts, etc. Data from The1 loyalty program shows that our Omnichannel customers spend 4 times more than single-channel customers. Moreover, interaction with salespersons at pickup point also increases the chances for salesperson to introduce other related products for increasing sales volume. Therefore, Omnichannel platform can drive sales both online and offline (in stores). Central Retail plans to scale up Omnichannel capabilities to achieve retail stores network and increase efficiencies in other areas which helps accelere business growth. Central Retail continues to improve the online and mobile portals through which customers can access its retail brands from anywhere and has hired dedicated technical personnel to drive improvements to e-commerce infrastructure. Central Retail continues to leverage its physical network, such as through store clustering, to lower fulfillment costs for online orders. Central Retail heads forward to continue developing Omnichannel platforms so customers can reach out to its retail stores from anywhere.

Omnichannel Sales 2022

18%

of total gross sales

15% increased from 2021



Central Retail employed technical expert to specifically develop its Omnichannel platform. Moreover, Central Retail also took advantage of its retail brands network, such as clustering to reduce the cost of delivery that customers placed orders online. Central Retail also has proactive plan to motivate customers to use its Omnichannel platform in order to drive them into online channel, which could be done at a much lower cost than the competitors.

2. Accelerate Core Leadership

Although Central Retail is the leader in retail business with a variety of product categories through various channels, the market in Thailand has fragmented competitors in all types of retail business, ranging from department stores, supermarkets, hypermarkets, and convenience stores to specialty stores. Therefore, Central Retail's primary goal

in extending its leadership is to maximize the utilization of its retail space, rapidly expand the store network, and integrate Omnichannel platforms to increase market share and outreach customer's higher purchasing power, especially in the areas outside Bangkok. The access to secondary markets is deemed as a good opportunity for its business growth. During the past few years, Central Retail has noticed the growing volume of customer spending in such areas than that in greater Bangkok. For this reason, Central Retail aims to increase its market share significantly in those areas through organic growth.

Central Retail believes that its continuous effort in providing services to customers and adapting to customers preferences plays an important role in gaining more market and customer spending share. To accomplish the goal, Central Retail has offered the management at the local level more opportunities to get involved, give opinions and make business decisions. Central Retail has begun to implement the management plan according to its centrality principle in different local areas, allowing the local management to jointly make decisions, and participate in local activities of the society, resulting in being able to respond to the changing preferences of local customers better.

For Thailand, in 2022, Central Retail opened 3 Robinson Department Stores in Baan Chang, Thalang, and Ratchapreuk, 6 Thai Watsadu stores in Chaiyaphum, Nan, Chiang Rai, and Bang Bon, as well as Thai Watsadu x BnB home at Bang Saen and BnB home at Chanthaburi. In addition, Central Retail has also opened a supermarket and other specialty products stores. Moreover, 3 Central Department Stores were renovated, including Chidlom, Lat Phrao, and Rama 2 branches as well as renovated other 4 Robinson Department stores in Chachoengsao, Sri Saman, Buriram, and Kanchanaburi. In addition, Central Retail also expanded to new business models and brands.

- **Food Segment:** The Company opened Thailand's first Tops CLUB at Central Rama 2, a membership store that specializes in imported and exclusive brands from all over the world in all categories. The display is designed in a warehouse-style. Tops Fine Food is a premium food store that brings together the greatest foods from all over the world in one place with over 8,000 specifically selected items from various countries. The first branch was opened at Sukhumvit 49. The Company also introduced the first standalone Tops Market in Pattanakarn 30, which is presented in the shape of 7 Room Concepts and provides leasable space for stores.

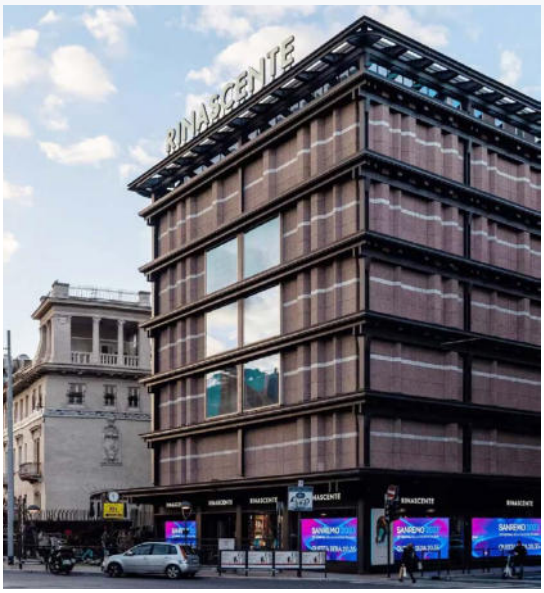
- **Fashion Segment:** The Company launched Hermes Beauty, French cosmetics and skincare brand. It also launched Armani Exchange under the Central Marketing Group.

- **Property Segment:** The Company has launched go!, a department store that penetrates the outer district market, serves as a shopping center for the whole family, and caters to all genders and ages. The center consists of hypermarkets that offer high-quality products at reasonable prices, ranging from fashion clothes, beauty products, consumer products, and fresh food, as well as & Joy, an international restaurant, and a new hangout spot, Sunday, the district's largest indoor playground with the most rides. There is also a go! WOW store, which sells miscellaneous products and everyday household items, and go! Power, which is a fully equipped electrical appliance center, with a low installment amount and quick approval. Its first three branches were opened in Nakhon Si Thammarat in 2022.

Vietnam is a market that is strategically important for Central Retail's future business growth, which can be observed from the positive macroeconomic outlook and interesting target groups. In addition, according to General Statistics Office in Vietnam, gross domestic product (GDP) in 2022 continued to expand by 8.02% compared to last year. The population and the growth of middle-income consumers is the main driver of retail business in Vietnam.

Central Retail has an expansion plan for Big C / GO! Vietnam as a channel to accelerate business growth in Vietnam. Big C / GO! Vietnam consists of Big C / GO! hypermarkets as the key brand and is currently the largest hypermarket operator in Vietnam in terms of market share. Moreover, Big C / GO! operates space rental business with third parties and coporate's retail brands such as Nguyen Kim and others. Central Retail believes that the hypermarket model combined with the plaza can enhance the potential of its business growth in Vietnam. Also, Central Retail has developed new concepts and store formats due to the changing tastes of consumers in Vietnam who are now demanding more classy and specialized shopping experiences according to their higher income. To cater to such changes, Central Retail used the success of Big C / GO! Vietnam and Nguyen Kim to introduce Central Retail's new and creative specialty retail brands in the same way as when Central Retail responded to the changes in consumer preferences in Thailand. Central Retail has launched go! in the secondary provinces of Vietnam and opened Tops market Vietnam which is located in major cities. In addition, Central Retail has introduced new concepts and store formats such as GO! Deli, a food court that offers international food at valuable prices, is located in Big C / GO! in Vietnam and Kubo which is a playground for children. Central Retail continues innovating new specialty retail brands as more customers are becoming interested in the specialty store, offering a wider range of products, and providing sales staff to give product recommendation. Central Retail aims to open stores under all its retail brands throughout 57 provinces in Vietnam in the next 5 years. In addition, Central Retail has begun rebranding "Big C" to "GO!" since 2020 to re-image the hypermarket and shopping mall business in Vietnam and will increase the phrase in the following years. Finally, Central Retail also has a plan for internal structure improvement and work procedures for more operational efficiency.

For Vietnam, in 2022, Central Retail opened a branch of GO! (Including hypermarkets) which is in Lao Cai, along with other specialty products stores. Additionally, Central Retail also changed the image of "Big C" brand to "GO!", which consists of 3 shopping centers and 3 hypermarkets.



For Italy, Central Retail is the leading department store operator in the country, with 9 Rinascente Department Stores in 8 cities across the country, as of 31 December 2022. The prestige, sophistication, and heritage of Rinascente Department Store provide compelling opportunities for expanding the business. The flagship stores, located in Milan and Rome, are one of Europe's premier shopping destinations for tourists. With the data analysis of customers in Italy, Central Retail has applied the findings to its businesses in other countries in the area of tourism, luxury brands, and affordable luxury markets. Additionally, the expansion of tourist customer base is the key factor towards Central Retail's continuous business growth in Italy and is also essential to its business growth in Thailand. Hence, Central Retail plans to adopt effective marketing strategies to attract more tourists continually.

Nevertheless, the COVID-19 situation and the country's lockdown measure have placed a huge impact on the tourism market. Central Retail therefore has turned its attention to domestic customers while preparing for the tourism sector expected to be recovered. Central Retail intends to expand its business in Italy by focusing on providing customers with superior in-store shopping experiences through constant store renovation and decoration, which will attract more well-known brands as well.

For Italy, in 2022, Central Retail had renovated Roma Fiume branch into a mini-flagship store as well as renovated the store in Milan. The store renovation is expected to enhance the exclusivity of the shopping experience and help attract both luxury and affordable luxury brands to these renovated stores. This also increases the number of visitors to the store as well as the sales revenue of Central Retail.

3. Build New Growth Pillar

Central Retail has continuously developed new business models and business segments in order to adapt to changing consumer behavior and customer needs, such as Health and Wellness segment, including Tops Care, Tops Vita, and PET 'N ME to respond to the ever-growing trend of health consciousness, which expands the market and increases the customer base and income for the Company.

Health and Wellness segment has continuously expanded the number of stores of Tops Care, Tops Vita, and PET 'N ME, where Tops Care and Tops Vita are the stores for health lovers. Tops Care is a pharmacy and a health products store with both the self-service section, selling general household medicines, medicines for external use, medical food, medical equipment, cosmeceuticals, vitamins, and dietary supplements, and the counter serviced by pharmacists selling items such as birth control pills, antibiotics, antiseptics, painkillers, anti-inflammatory drugs, and non-communicable chronic diseases drugs. The Company opened 12 new branches in 2022.

For Tops Vita, customers could find both domestic and international brands of vitamins and dietary supplements. The Company recently opened 29 new stores. While PET 'N ME is a one-stop pet shop for pet lovers and building Pet Lover Community where family members gather and spend time together in one place. The services vary from health check-up, bathing, hair cutting, and spa services for dogs and cats from a medical team which 3 branches were opened in 2022.

4. Business expansion under the concept of Inclusive Growth, create success with partners, Acquisition, Merger, or Spin-Off

Central Retail has been seeking opportunities for business growth both domestically and internationally in which mergers, acquisitions, and joint ventures have been attractive opportunities for future growth to create added value from such investments. In addition, the acquisition enables Central Retail to be strengthened as well as create competitive advantages.

In the past, Central Retail's domestic and international acquisitions have been one of the key strategies for expanding its business to new markets. Central Retail has always looked for expansion and acquisition opportunities, including targeted acquisition, joint investment, business partnership, and other attractive and appropriate growth opportunities both in Thailand, Asia, and other regions. Central Retail strives to become the leader in both the overall market and the niche market, a high-value, high-growth, and defensible market emerging in the new markets. Central Retail pays close attention to investment in businesses that Central Retail can utilize its operational expertise to synergize with targeted enterprises. In this regard, Central Retail has given the opportunity for the founder and early-stage management team to keep involved in the management function in order to carry on their expertise in the business and smooth business operation.

Regarding past acquisitions or joint ventures in Thailand, Central Retail has acquired various businesses to expand its retail brands, including fashion segment such as Robinson Department Store, Food segment such as Tops and FamilyMart. The acquisitions in hardline segment such as OfficeMate, B2S, and MEB, which are retail brands under COL, to further their leadership in Omnichannel retailing platform and strengthen the segment. This includes the expansion to Business-to-Business Market (B2B) due to COL's strong corporate customer base. In addition, Central Retail has also invested in start-ups such as Mercular to expand sales channels and business to cover all categories, including Hobby & Lifestyle products, etc. Moreover, in December 2021, Central Retail acquired 67% of Porto WW's total shares, a holding company in GrabTaxi Holdings (Thailand). Co., Ltd. with 40% shareholding. This investment has helped to develop and strengthen the ecosystem and the Omnichannel platform of Central Retail to fully meet the needs of customers from the beginning to the end by partnering with Grab, the leading fast growing online-to-offline service platform across Southeast Asia, especially in Thailand. Grab provides a variety of services, including food delivery, travel services, logistics system services, hotel booking services, and financial services. Such cooperation will benefit and complement Central Retail's services to be a complete full-scale Digital Retailer. (Please find more details of disclosed information to the Stock Exchange of Thailand, regarding the acquisition of Porto Worldwide Limited, an investor of Grab business in Thailand). In 2022, the Fashion segment invested in The Parentinc., an online community platform for mother and child where it has expanded its business to market products for such target group, especially in online channels. This investment broadens the variety of mother and child products while creating opportunities to grow from the customer base in Southeast Asia, which is the target group of The Parentinc. Moreover, the Hardline Segment has invested in other two companies, including MP Synergy Co., Ltd., a leader in comprehensive health products and the owner of the Ergotrend brand, especially for ergonomic furniture products for customers of all genders and ages, providing customers to sit and work according to ergonomic principles and helps reduce injuries from sitting in the wrong position for an extended period. MP Synergy had specialized in this business for a long time and hopes that the collaboration will allow accessibility to more target customer groups due to affordable prices. Also, the Company has jointly invested with Gulf Energy Development Public Company Limited (GULF) to operate an electricity generating company via solar panels on the roof of Thai Watsadu, which is a clean energy production for sustainable business operations of the Central Group.

Furthermore, acquisition in Vietnam provides a valuable case study for Central Retail's acquisition strategy. After investment in Nguyen Kim (on June 7, 2019, Nguyen Kim joint venture became Central Retail's wholly owned subsidiary after the purchase of the Company shares held by Central Retail's joint venture partner) and Lan Chi Mart. However, the business scale of Central Retail in Vietnam remained insufficient for optimal performance. The acquisition of Big C Vietnam has given Central Retail an achievement in scaling and helped strengthen its existing brands in Vietnam. Therefore, Central Retail put a lot of effort to make sure the acquisition was successful. Big C is now an explicit leader in the Vietnamese hypermarket.

All four strategies are driven by the organization based on the Purpose-Led Organization: Central to Life principle and the development of sustainable growth. Central Retail focuses on all sectors and sustainable growth both in terms of operations and business expansion as well as concerns on the environment, society, and morality in good business operations to lead employees, organizations, business partners, alliances, customers, society, and the environment in all sectors to grow sustainably together.

1.1.3 History and Major Development

In 1947, Central Group began as a small family shop run by Mr. Tiang Chirathivat (Mr. Tiang) in Bangkok. Later, in 1956, his son, Mr. Samrit Chirathivat (Mr. Samrit), expanded the general merchandise business with the establishment of the first Central Department Store in Wang Burapha district in Bangkok. Both father and son, the Central Group's founders, were fully engaged in running the business and were also helped by other family members. At that time, it wasa bustling trade and growth era, and the visionary Mr. Tiang and Mr. Samrit quickly established businesses that has never existed in Thailand, including being the first to import international cosmetic brands, the first to focus on customer services, the first to introduce a fixed price tag, the first to utilize barcodes for payment and the first to invent a loyalty program among Thai retailers.

Under the management of Chirathivat family, the Central Group has grown to become one of Thailand's most recognizable brands and one of the most successful retail conglomerates in Southeast Asia. Chirathivat family's vision for the retail business has been passed on from generation to generation. The expansion of the business into Omnichannel platforms has helped to drive growth and strengthen the leadership positions across multiple retail categories.

On 29 August 2019, the Extraordinary General Meeting of Shareholders No. 2/2019 approved (i) the conversion of Central Retail Corporation Limited into a public company and (ii) the capital increase of THB 1,620 million, increasing its registered capital to THB 6,320 million from THB 4,700 million by the issuing and offering 1,620,000,000 ordinary shares with a par value of THB 1.00 each to accommodate the Combined Offering of ROBINS and over-allotments.

On 20 February 2020, Central Retail, the country's retail industry leader in both domestic and overseas markets, celebrated its first day of trading and raised THB 78,124 million (including shares offered to the shareholders of ROBINS who accepted the tender offer and over-allotment of greenshoe option) with total market capitalization at IPO price of THB 253,302 million (excluding over-allotments).

Major Development

1947

Small shop house opened in Bangkok.

1950

Importing business began as "Central Trading" which later became a part of Central Marketing Group (CMG).

1956

The first Central Department Store opened in Wang Burapha district.

1974

The now iconic Central Chidlom flagship store opens.

1990

Zen Department Store (Now "CENTRAL@centralwOrld"), a lifestyle department store opened, and Central Retail Corporation Limited is incorporated.

1992

The First Central Department Store outside of Bangkok opened in Chiang Mai, the first step of the Company's expansion to upcountry in Thailand.

1995

The Company acquired majority stake of Robinson Department Store.

1996 – 2005

As new specialty shops open, the Company started its retail business with the opening of Tops (in 1996), Power Buy (in 1997) and Supersports (in 1997).

2005

His Majesty King Bhumibol Adulyadej the Great granted Central Department Store permission to use the Royal Garuda Emblem in their business.

2010 – 2013

Opening of the first large standalones specialty store formats including Thai Watsadu (in 2010) and Baan & Beyond (in 2013).

2010

The first Robinson Lifestyle opened in Trang, establishing model for expansion and penetration in upcountry markets.

Major Development

2011

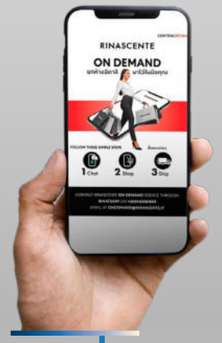
The Company started investment in FamilyMart Thailand as a Joint Venture.

2012

The Company began its joint venture business with Nguyen Kim and Lan Chi Mart in Vietnam.

2013

Launched the new digital shopping assistance services on omnichannel platforms such as "Rinascente ON DEMAND" and "Chat & Shop". Central Retail restructures its business in preparation for an Initial Public offering (IPO) and a listing of its shares on the Stock Exchange of Thailand (SET).



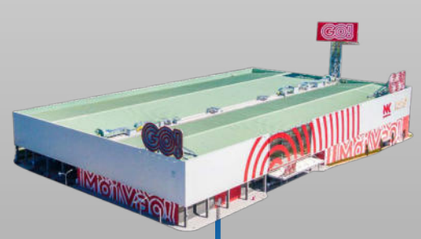
2015

The Company was converted into a public company limited and made a tender offer for all securities of Robinson Public Company Limited (ROBINS) as well as delisted the securities of ROBINS from the SET. Moreover, the Company acquired the remaining shares of Nguyen Kim in Vietnam. In Italy, the Company also opened Rinascente Department Store Turin store after its renovation.

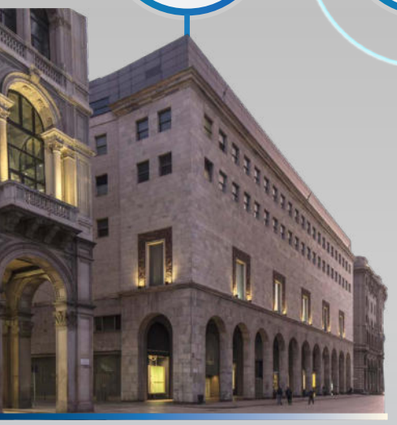
2016

The Company completed a tender offer for all securities of COL Public Company Limited[1] to strengthen its Hardline Segment, creating added value from mergers and acquisitions, as well as expanding the business to the corporate market and investing 40% in GrabTaxi Holdings (Thailand)[2] Co., Ltd.

For Thailand, the Company opened 5 Thai Watsadu outlets in Hardline segment, namely Suksawat, Bo Win, Ayutthaya, Songkhla, and Srisaman, and launched new format; go! WOW and go! Power. The latest service called Personal shopper was introduced for both food and nonfood segment For Vietnam, the Company opened Go! Mall in three locations and launched GO! Application for consumer goods.

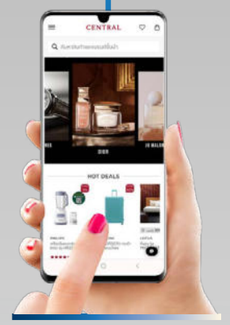


2017



Acquisition of the Rinascente Department Store, a business group of luxury department stores in Italy which marks the Company's entrance to European market.

2018



Launched the first webstore www.central.co.th for Central Department Store.

2019

The Company acquired Big C in Vietnam.

The Company launched the first "GO!" retail banner which is a hypermarket in Vietnam rebranded from Big C as part of the expansion strategies.

2020

The Company made a debut on the SET trading day on 20 February 2020 and became not only the largest ever IPO in the history of the SET, but also the second largest IPO in retail business, which meets the fast-track criteria for the SET 50 and MSCI Global Standard Indexes. The Company also executed its "5 Prompt Strategy" to respond to the challenges of New Normal. In addition, 1 store of Robinson Lifestyle and 4 stores of Thai Watsadu are opened in Thailand. In Vietnam, 4 GO! stores and the first go! are opened. In Italy, it also launched Rinascente's e-commerce website (www.rinascente.it).

2021

Note:
[1] PBHD Company Limited (The Company's subsidiary where it holds 100% stake) has completed a tender offer for all securities of COL Public Company Limited (COL) in February 2021.
[2] The Company acquires 67% stake of Porto Worldwide Limited (Porto WW), and 40% stake of Grab Taxi Holdings (Thailand) Co., Ltd.

Major Development 2022

January

Central Retail announced its 5-year roadmap with CRC Retailligence strategy to drive the organization by creating the retail innovation of the future along with the CRC Ecosystem that is ready to enrich every customer experience without limits.

February

Opened GO! Mall in Lao Cai, Vietnam, and launched the first standalone supermarket (Tops standalone) in Pattanakarn 30, Thailand, to support the behavior of modern consumers who prefer to shop near home. In addition, the Company has launched a new service, Tops PRIME, a flat-rate monthly delivery service, as well as invested in The Parentinc. (The Asian Parent), an online community platform for mothers and babies.

April

COL Public Company Limited invested in MP Synergy Co., Ltd. (Ergotrend Group) in proportion of 60% to expand and further the business in the furniture segment, as well as further invest in Mercular, a start-up company with an online community platform to expand the business in the Gaming, Hobby & Lifestyle categories. The Company opened Tops Food Hall at Sukhumvit 39, a world-class premium food store.

August

Opened Robinson Lifestyle Thalang and Thai Watsadu Bangsaen, which is a hybrid model combining both Thai Watsadu and BnB home to better meet customer needs.

October

Opened Thai Watsadu Mae Chan and Tops fine food (Standalone supermarket) at Sukhumvit 49 as premium food store in Thailand.

December

Opened the first standalone supermarket community, Tops Nak Niwat Lat Phrao branch using the Urban Scape design concept.

January

Opened go! WOW, a variety store selling miscellaneous products. Currently, there are 14 branches and continues to open more branches.

March

Opened Robinson lifestyle Bangchang and Thai Watsadu Chaiyaphum.

May

The Company launched several projects that are concerned with social and environmental responsibility. Thai Watsadu has introduced an EV truck, a clean electric vehicle. In the food category, Tops Green, a green shop, has debuted.

July

CRC Thai Watsadu Co., Ltd. has established a joint venture with Gulf Energy Development Public Company Limited (Gulf) to operate an electricity generating company via solar panels on the roof of Thai Watsadu, which is a clean energy production for sustainable business operations of the Central Group.

September

Opened Thai Watsadu in Nan and the first Tops Club at Central Rama 2, which is a membership store in the form of an empire of imported products and exclusive brands from all over the world.

Central Department Store celebrated its 75th anniversary of success, continuing the strategic roadmap of future department stores under the concept of "ALL AT CENTRAL", reinforcing its position as the number one Omnichannel store.

November

Opened Robinson Lifestyle Ratchapruek, Thai Watsadu Bang Bon, and Tops Fine Food @ Earth Ekamai.

1.1.4 Central Retail's Obligations to the Registration Statement

-None-

1.1.5 Head Office, Type of Business, Registration Number, Number and types of shares sold

Company's name	:	Central Retail Corporation Public Company Limited
Type of Business	:	Retail business operation with Multi-Format and Multi-Category Retailing Platform through Holding Company
Registration Number	:	0107562000386
Information of Securities	:	Ordinary shares of Central Retail Corporation Public Company Limited were listed and traded on the Stock Exchange of Thailand in 2020 under the name "CRC"
Registered Capital As of 31 December 2021	:	THB 6,320,000,000 (Six Thousand Three Hundred Twenty Million Baht)
Paid-up Capital As of 31 December 2021	:	THB 6,031,000,000 (Six Thousand Thirty-One Million Baht) (Consists of 6,031,000,000 ordinary shares)
Par Value	:	THB 1 (One Baht)
Head Office	:	22 Soi Somkid, Ploenchit Road, Lumpini Sub-District, Pathumwan District, Bangkok
Website	:	http://www.centralretail.com
Telephone Number	:	0-2650-3600

1.2 Nature of Business

1.2.1 Nature of Business and Revenue Structure

Central Retail is the leading multi-format, multi-category retailing platform in Thailand. Central Retail is also growing internationally, securing leadership status in Italy and becoming one of the leaders in Vietnam. Central Retail's business can be categorized into 5 business units, including

(1) Hardline segment which consists of home decoration, home improvement, electronic products, stationery, office supplies, and e-Book under retail brands, such as Thai Watsadu, BnB home, Power Buy, OfficeMate, B2S, and Nguyen Kim Vietnam.

(2) Food segment provides a wide range of consumer products and products which found in convenience store under various retail brands, such as Tops, FamilyMart, Big C / GO!, and Tops market Vietnam, go! Vietnam, and Lan Chi Mart Vietnam.

(3) Fashion segment offers apparel and accessories under retail brands such as Central Department Store, Robinson Department Store, Rinascente Department Store, Supersports, and Brandshop.

(4) Property segment provides rental space for stores under Central Retail as well as stores and services from external parties such as Robinson Lifestyle, Tops Plaza, go! Lifestyle, and Big C / GO! Vietnam.

(5) Health and Wellness segment focuses on providing healthcare products, cosmeceuticals, and pet products under retail brands such as Tops Care, Tops Vita, and PET 'N ME.

Each segment hosts a portfolio of retail banners which sells a wide range of merchandise, and each of its retail banners is distinguished based on a variety of characteristics, including store network, Omnichannel offerings, store format, merchandise offerings, branding strategy, and market positioning. Even though many retail banners such as Central Department Store have been operating for decades. Central Retail is still continuously introducing new banners and might alter or remove some existing banners to evolve together with the changing retail market conditions.

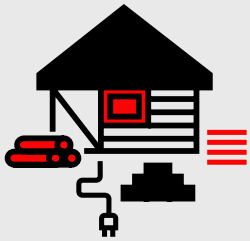
Based on the financial statement, Central Retail's business can be categorized into 3 segments; (1) Hardline, (2) Food, and (3) Fashion. The revenue from property segment from Robinson Lifestyle and go! Lifestyle shopping mall were recorded in Fashion segment. While the revenues from property segment of Tops Plaza and Big C / GO! Vietnam, as well as Health and Wellness segment will be recorded in the Food segment. The table below shows Central Retail's revenue structure, classified into 3 business segments within a specified period.

Total Revenue	Year Ended 31 December					
	2020		2021		2022	
	THB Million	%	THB Million	%	THB Million	%
Hardline segment	55,654	28.6	67,950	34.7	78,218	33.1
Food segment	85,413	44.0	78,271	40.0	93,784	39.7
Fashion segment	53,245	27.4	49,432	25.3	64,243	27.2
Total revenue	**194,311**	**100.0**	**195,654**	**100.0**	**236,245**	**100.0**

Key Retail Banners of Central Retail

Hardline Segment

Specialty Store **474**[1] stores and Omnichannel Platforms



Thai Watsadu and BnB home (Thailand) 70 Stores

Thai Watsadu is a one-stop / integrated shopping center supplying complete construction materials.
www.thaiwatsadu.com

BnB home is a home decoration and furnishings retailer.
www.bnbhome.com

Power Buy (Thailand) 127 Stores

Power Buy is a leading electronics and appliances specialty store in Thailand.
www.powerbuy.co.th

OfficeMate (Thailand) 80 Stores

OfficeMate focuses on being a retailer of complete product lines for stationery, equipment, and office furniture.
www.officemate.co.th

B2S (Thailand) 145 Stores

B2S is a retailer for books, stationery supplies, art, learning materials for children of all ages, and lifestyle products.
www.b2s.co.th

MEB (Thailand)

Electronic books (e-Books) on meb and readAwrite platforms which are leading platforms for reading online literatures in Thailand which has a prominent point from having more than 14,000,000 users.
www.mebmarket.com

go! WOW (Thailand) 28 Stores

go! WOW is a miscellaneous and household goods store.

go! Power (Thailand) 12 Stores

go! Power is a store selling a complete product line of electronic appliances including, but not limited to TV, audio, IT products, and gadgets under the concept of low installment and fast approval.

Nguyen Kim (Vietnam) 52 Stores

Nguyen Kim is a specialty electronics store in Vietnam with emphasis on product quality, providing topnotch electronic appliances to customers throughout Vietnam.
www.nguyenkim.com

[1] Excluding, go! WOW, go! Power, OfficeMate Plus stores (franchise store under OfficeMate business).

Food Segment

Supermarket and Hypermarket **373** stores

Convenience Store **415** stores

and Omnichannel Platforms

Tops, Tops Food Hall, Tops Fine Food, and Tops CLUB (Thailand) 298 Stores

Tops is a flagship supermarket, offering a variety of store formats from Tops market, Tops Superstore, and Tops Daily.
www.tops.co.th

Tops Food Hall is a unique dine-in and grocery concept, focusing on offering high-quality food and other consumer products for pleasant shopping experience.

Tops Fine Food is a luxury destination for imported selection of premium food ingredients sourced from the finest producers from all over the globe.

Tops CLUB is a membership store for imported and exclusive products worldwide.

FamilyMart (Thailand) 415 Stores

FamilyMart is a convenience store, conceived to meet the daily food and other needs of customers.
www.familymart.co.th

Matsumoto Kiyoshi (Thailand) 26 Stores

Matsumoto Kiyoshi is the largest drugstore chain in Japan
www.matsumotokiyoshi.co.th

Big C /GO! (Vietnam) 38 Stores

Big C / GO! is flagship hypermarket in Vietnam, focusing on high-quality food and other consumer products. Currently, it's being rebranded to "GO!".
www.bigc.vn

go! (Vietnam) 3 Stores

go! is a small-size supermarket which focuses on selling consumer products in the category of clothing and costume with the aim to reach and meet the needs of customers in provincial areas in Vietnam.

Tops market (Vietnam) 10 Stores

Tops market is a medium supermarket in major cities of Vietnam, penetrating customers in all markets by focusing on providing quality food and consumer products.
https://topsmarket.vn

Lan Chi Mart (Vietnam) 24 Stores

Lan Chi Mart is a medium-to-large supermarket in rural and suburban northern Vietnam that emphasizes on sourcing locally-produced and high-quality products.
www.lanchi.vn

Fashion Segment

Department Store **84** stores Specialty Store **101** stores
Brandshop **395** stores Sales Counters **1,682**
and Omnichannel Platforms

Central Department Store (Thailand) 24 Stores

Central Department Store is a flagship retail banner that showcases a broad range of products cater to various customer groups, coupled with quality customer service.
www.central.co.th

Robinson Department Store (Thailand) 51 Stores

Robinson Department Store focuses on offering a wide range of products with good quality and reasonable prices that can respond to the needs of all customer groups. It's a brand with the largest number of branches covering all parts of Thailand.
www.robinson.co.th

Rinascente Department Store (Italy) 9 Stores

Rinascente Department Store is a 150-year-old high-end Italian department store, one of Europe's leading retailers which has their branches in major cities across Italy.
www.rinascente.it

Supersports (Thailand) 245 Stores[1]

Supersports is a medium-to-large specialty store, leading retailer of sports apparels and equipments responding to all exercise trends
www.supersports.co.th

Central Marketing Group (Thailand) 251 Stores[2]

Central Marketing Group or CMG is an international fashion and beauty distribution business, offering products through retail sales counters located in major department stores and other retail outlets as well as standalone brandshops and wholesaling.
www.cmg.co.th

Note:
(1) Store count for Supersports comprises 144 brandshops and 101 specialty stores
(2) Store count for CMG does not include sales counters
(3) In 2022, The Company launched 3 branches of go! lifestyle shopping mall at Nakhon Si Thammarat. It is shopping mall for all lifestyles and generations, designed for everyone in the family. The mall consists of hypermarket which offer good quality products with reasonable price.

Property Segment[3]

Plaza **71** stores

Robinson Lifestyle (Thailand)
27 Stores

Robinson Lifestyle is a retail plaza with branches nationwide, mainly targeting customers in secondary cities who enjoy shopping lifestyle under the Eat-Shop-Play concept.
www.robinson.co.th

Tops Plaza (Thailand)
5 Stores

Tops Plaza is a retail plaza for customers in small provinces, offering leasable space for Central Retail, and stores and services of outsiders to respond to the needs of diverse customers.
www.tops.co.th

Big C / GO! (Vietnam)
39 Stores

Big C / GO! is a large-scale retail plaza that focuses on catering to various lifestyles of customers, aiming to become an all-in-one destination offering rental spaces for Central Retail and third-party stores and services.
www.bigc.vn

Health and Wellness Segment

Health Care **41** Stores

Pet Care **3** Stores

Tops Care (Thailand)
12 Stores

Tops Care is a health and wellness destination, offering privilege services under "care with heart" concept through our qualified pharmacists who give usage and health advice that match your lifestyle.

Tops Vita (Thailand)
29 Stores

Tops Vita is a supplement exploration & curation platform with a mission to create a simple & inspiring journey that navigates you to discover your best supplement options.
www.topsvita.com

PET 'N ME (Thailand)
3 Stores

PET 'N ME is the first omni-channel pet care specialist focused on wellness and wellbeing of pets.
www.petnme.co.th

1.2.1.1 Retail Store Network and Omnichannel Platforms

Central Retail's retail network reaches all the major regions of Thailand as well as the major regions of Vietnam and Italy. As of 31 December 2022, Central Retail operated 1,706 stores under its key retail banners across 58 provinces in Thailand, 127 stores across 42 provinces in Vietnam, and 9 department stores in 8 cities in Italy. As of 31 December 2022, retail stores had a total net selling space of approximately 3,290,363 sq.m. and retail plazas had a total net leasable space of 734,978 sq.m.

Store Numbers and Geographic Reach

The following table presents the overall number of stores and retail plazas, as well as net selling space and net leasable space in retail store network under the key retail banners, by business segment, for each of the dates indicated.

	As of 31 December		
	2020	**2021**	**2022**
Total number of stores[1]			
Hardline segment[2]	239	466	474
Food segment	1,202	1,155	788
Fashion segment[3]	597	559	580
Total	**2,038**	**2,180**	**1,842**
Total net selling space (sq.m.)[4]			
Hardline segment[2]	1,159,469	1,346,359	1,422,986
Food segment	643,253	661,518	639,333
Fashion segment[3]	1,265,630	1,247,918	1,228,045
Total	**3,068,353**	**3,255,795**	**3,290,363**
Total number of retail plazas			
Food segment	42	45	44
Fashion segment	24	24	27
Total	**66**	**69**	**71**
Total net leasable space (sq.m.)[5]			
Food segment	200,621	236,614	246,150
Fashion segment	399,202	422,937	488,829
Total	**599,823**	**659,550**	**734,978**

(1) Store counts do not include sales counters. Store counts include stores located at retail plazas.

(2) Includes stores and spaces of OfficeMate and B2S since 2021.

(3) Includes stores and spaces of 7 brandshops in Malaysia as of 31 December 2020.

(4) Net selling space is attributable only to store locations.

(5) Net leasable space is attributable only to retail plaza locations.

The following table presents information on the geographic reach of stores under Central Retail's key retail banners as of the dates indicated.

Location	As of 31 December					
	2020	2021	2022	2022		
		Store Count[1]		Population[2]	Area covered	Total Net Selling Space
		(Store)		(Million people)		(sq.m.)
Thailand	1,898	2,051	1,706	70.2	58 Provinces	2,888,350
Bangkok Metropolitan Region	884	1,000	875	-	6 Provinces	1,169,961
Upcountry	1,014	1,051	831	-	52 Provinces	1,718,389
Vietnam	124	120	127	100.3	42 Provinces	341,736
Italy	9	9	9	59.2	8 Towns	60,277
Total	**2,031**	**2,180**	**1,842**			**3,290,363**

[1] Excludes 7 brandshops in Malaysia as of 31 December 2020.
[2] Population data according to International Monetary Fund (IMF)

The following table presents total sales in each country for the periods presented.

Total Sales	Year Ended 31 December					
	2020		2021		2022	
	THB Million	%	THB Million	%	THB Million	%
Thailand[1]	124,449	71.9	126,425	71.8	146,407	69.1
Vietnam	40,131	23.2	38,592	21.9	51,577	24.3
Italy	8,461	4.9	10,937	6.2	13,920	6.6
Others	97	0.1	21	0.0	-	-
Total	**173,138**	**100.0**	**175,975**	**100.0**	**211,904**	**100.0**

[1] Sales from the Bangkok Metropolitan Region accounted for 53.8%, 54.2% and 53.5% of sales in Thailand and sales from upcountry Thailand accounted for 46.2%, 45.8% and 46.5%, respectively, for the periods presented.

Multi-Format Retailing Model

Central Retail operates its retail business through various channels in the form of Omnichannel, covering both online and in-store. There are a variety of shops, including department stores, specialty stores, brandshops, supermarkets, hypermarkets, convenience stores, and brand counters. Some of the revenues come from space rental business in various plazas, such as Robinson Lifestyle, Tops Plaza, and Big C / GO! as well as other leased spaces under Central Retail's management. A part of revenues also comes from selling products through the Omnichannel platform.

The term "Multi-Format", Central Retail refers to having a variety of styles and types of retail outlets, enabling Central Retail to fully respond to customers' diverse needs in purchasing products. This includes a wide variety of products in department stores, specialty items in electronics stores, DIY home decoration and maintenance stores, stationery and office supplies stores, e-books, and lifestyle products as well as miscellaneous goods, products under Brandshop, complete selection of consumer products in the hypermarkets, products in convenience stores, or fully equipped stores in the lifestyle center of the community or plaza. Moreover, these Multi-Format of retail business help Central Retail adapt to changing customers' preferences and needs with a wide range of products selected to respond to current and future trends. The Multi-Format retailing model also enables the flexibility for a new store location or improvement of an existing store layout to capture customers' attention or to respond to emerging retail trends. Central Retail utilize the clustering method, combining different types of stores in the same area, allowing customers to be drawn from one to another store, resulting in management efficiency which increases Central Retail's ability to enhance their logistics and marketing.

(1) Stores

These different retail store formats are designed to cater to various customer preferences in different areas across Central Retail's network and business segment each retail brand is located in. The following table presents a description of store formats.

Store format	Description	Typical Size (sq.m.)	Demonstrative Retail Banners or Brands
Department stores	Large retail establishments offering a wide range of fashion and other merchandise in different product categories.	20,000-40,000 6,000-8,000 3,000-22,000	Central Department Store Robinson Department Store Rinascente Department Store
Specialty stores	Shops that respond to the distinctive needs of the consumer and retail market. This includes home furnishings and improvements, sporting goods, health and beauty goods, electronic products, stationery, and office supplies as well as books.	700-1,000 500-1,000 8,000-20,000 100-1,000 2,000-14,000 250-600 300-600 30-50 25-35 200-500	Supersports Power Buy Thai Watsadu / BnB home/ Thai Watsadu x BnB home OfficeMate / B2S Nguyen Kim go! WOW go! Power Tops Care Tops Vita PET 'N ME
Brandshop	Shops dedicated to specific brands that Central Retail is distributing, whether through an exclusive partnership or a general distribution agreement.	100-600	Dyson, MLB, Crocs, Skechers, Fila, G2000, Calvin Klein, Guess, Polo Ralph Lauren, Garmin and many other brands operated primarily under CMG or Supersports business units.

Store format	Description	Typical Size (sq.m.)	Demonstrative Retail Banners or Brands
Supermarkets	Retail stores that focus on selling food and other products or consumer goods that respond to consumers' preferences in the area.	1,700-6,000 2,500-3,500 700-1,500 250-300 13,000 3,000-3,500 2,000-5,000	Tops Food Hall Tops (Large format) Tops Fine Food Tops (Small format) Tops CLUB Tops market Vietnam Lan Chi Mart and go!
Hypermarkets	Hypermarkets are generally large-sized supermarkets that offer a broader range of product types than supermarkets.	4,000-7,000 4,000-4,500 2,000	Big C / GO! Tops Superstore go! Thailand
Convenience stores	Small retail business which sells various types of products used in daily life, such as consumer goods, snacks, confectionery, and other goods.	100-150	FamilyMart
Sales counters[1]	Sales counters or Shop-in-Shop type of stores located in the retail area, mainly selling a particular brand belonging to Central Retail.	20-100	Casio Watch, Lee, Wrangler, Clarins, Dyson, Three, and other brands, operated primarily under CMG or Supersports business unit.

[1] Number of sales counters are not considered to be a part of the number of stores present on this document.

The following table presents Central Retail's store format in terms of overall number of stores under its key retail banners as of the dates indicated.

	As of 31 December		
	2020	2021	2022
Total Number of Stores			
Department stores	82	83	84
Specialty stores[1]	341	564	575
Brandshops	413	378	395
Supermarkets and Hypermarkets	301	350	373
Convenience stores	901	805	415
Total	**2,038**	**2,180**	**1,842**
Total Number of Sales Counters	**1,733**	**1,419**	**1,682**

[1] Includes stores of OfficeMate and B2S since 2021.

(2) Retail Plazas

Central Retail leases retail property to third parties and its own stores in retail plazas such as Robinson Lifestyle Center, go! Lifestyle shopping mall, Tops Plaza, and Big C / GO! Vietnam.

The following table presents information about Central Retail's retail plazas as of the dates indicated.

	As of 31 December		
	2020	2021	2022
Retail Plazas			
Total number	66	69	71
Total gross floor area (sq.m.)	1,518,248	1,583,354	1,729,061
Total net leasable space (sq.m.)	599,823	659,550	734,978
Total occupancy rate (%)[1]	**91**	**88**	**87**

[1] Average 12-month occupancy rate

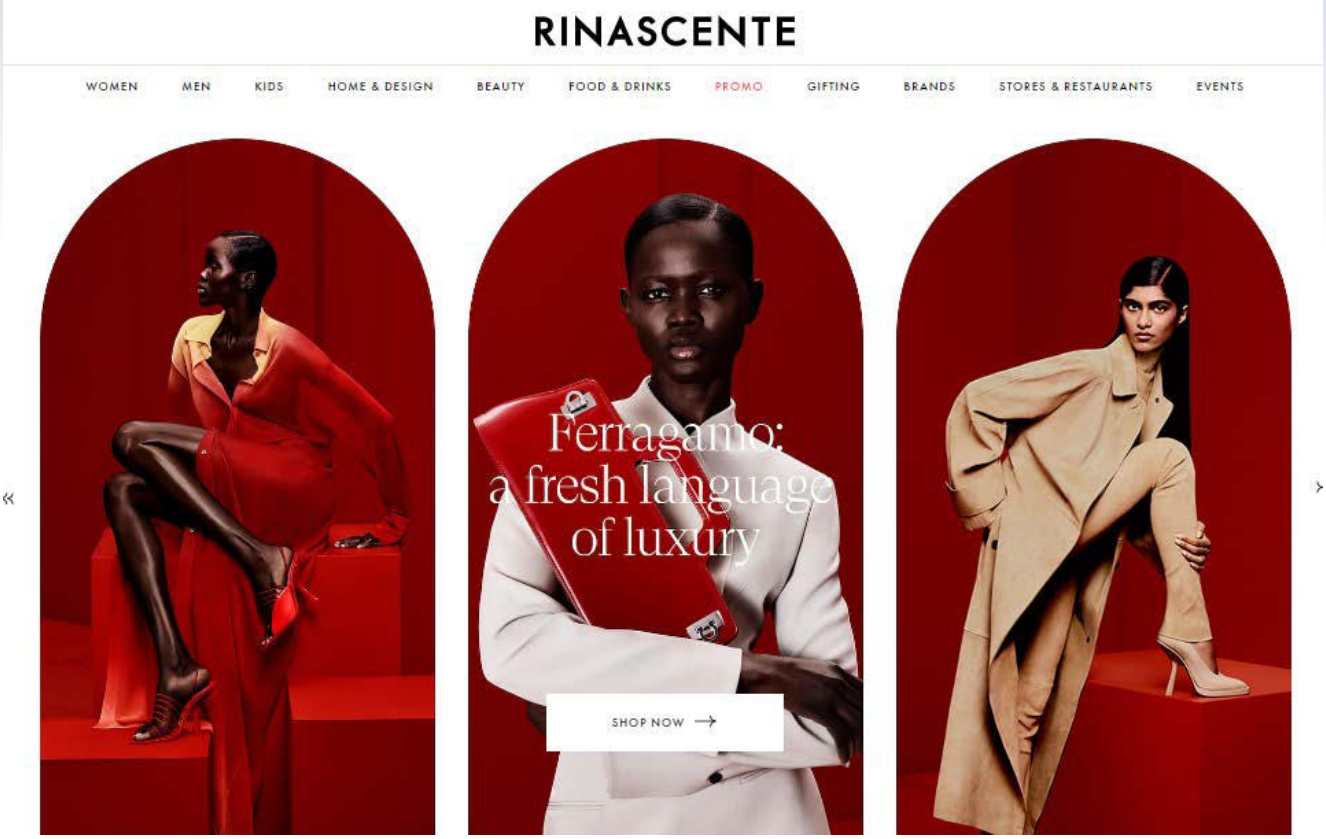
(3) Omnichannel Platform

Omnichannel refers to the merging of various shopping channels used by customers in modern trade retailing, including in-store, online channel, personal shopper, mobile phone, and social media. Customer behavior is trending towards a shopping experience that seamlessly integrated both online and in-store channels. Omnichannel platforms enable Central Retail to take advantage of these trends to deliver a new and increasingly popular shopping experience to its customers.

Key Omnichannel platforms include the following features as of 31 December 2022:

1) Digital Channel

1.1 **Webstores** are websites that allow customers to browse, choose and purchase on both desktop and mobile phone where the selection of product is not limited to only one store. Furthermore, webstores provide various necessary features for e-Commerce, such as customer reviews, refunds, cross-selling, product description, fast checkout, and various promotions from stores and credit cards. At present, Central Retail has webstores for Central Department Store, Robinson Department Store, Supersports, Power Buy, Thai Watsadu, BnB home, OfficeMate, B2S, Meb, Tops, Tops Vita, PET 'N ME, including other brands under Central Retail. Other than that, there are websites of overseas business units in Italy and Vietnam, including Rinascente Department Store and Nguyen Kim. Several business units of Central Retail also offer online marketplace service on their webstores, which enable Central Retail's suppliers and third-party sellers to offer more products apart from showing in the store. Those products will not only help increase choices of products that have already been recognized, but also help Central Retail presents new product groups which will help fulfill Central Retail's retail business.



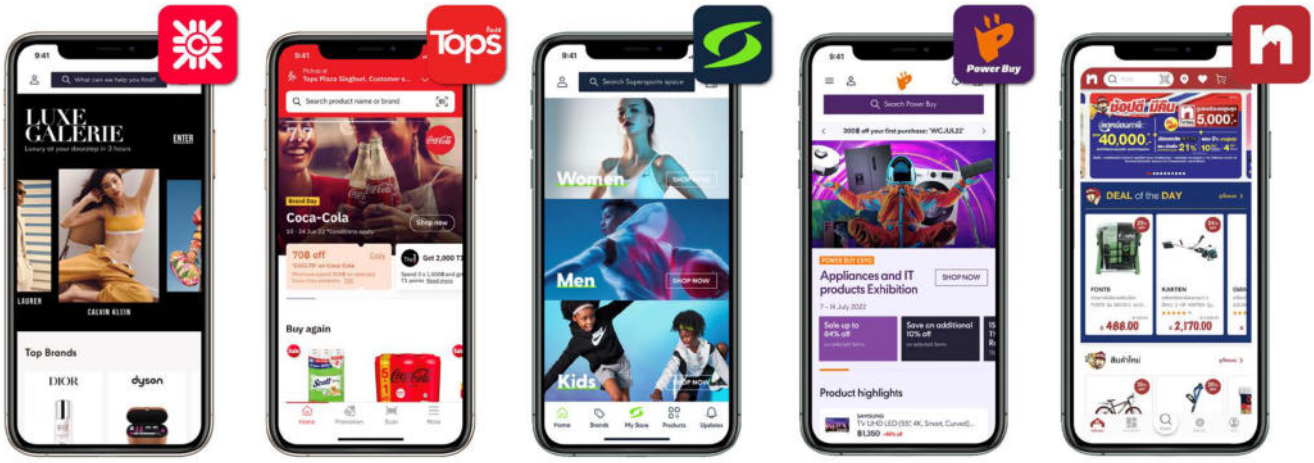
- **Click & Delivery** is a service where customers can make purchases online and have the products delivered to their home or enjoy an express delivery in 3 hours with payment options via online, cash on delivery, or installment. Moreover, Central Retail provides free delivery for purchases exceeding the minimum amount through the Omnichannel platform as well as offering the express delivery service through its collaboration with Grab in Thailand. This Click & Delivery service is available in all business units.

- **Reserve & Collect** is a feature that allows customers to reserve their orders online then collect and pay for the items at the store. Using this feature, the customers will receive benefits from promotions and other deals available while also enjoying the flexibility of inspecting or trying on their desired items before making the final decision. For products available in stores, Central Retail aims to prepare the order within 1 hour (1 Hour Pick Up) and hold for up to 24 hours after sending notification to customers once the order is ready for collection. Currently, this feature is available at Power Buy.

- **Click & Collect** is a feature that allows customers to make purchases online and collect the items at their preferred store location or other collection points. Central Retail believes that customers using this feature will appreciate having the opportunity to make immediate purchases online, especially when it helps them enjoy time-sensitive promotions without needing to travel to the store. This feature will be popular among customers who live or work near one of Central Retail's locations. After placing an order, customers can choose their preferred collection point at the store. The merchandise will be delivered with no additional charge within 3-5 days for Bangkok and 4-6

days for other regions of Thailand for Central Department Store, Robinson Department Store, and Supersports, while for Power Buy, the merchandise will be delivered within 6 days nationwide. In addition, when customers collect products at the stores, there will be an opportunity for sales representatives to drive cross-sells. Central Retail provides Click & Collect service for Central Department Store, Robinson Department Store, Rinascente Department Store, Supersports, Thai Watsadu, BnB home, Power Buy, OfficeMate, Nguyen Kim, and Tops.

1.2 **Mobile Application** is an online sales channel for customers to make a purchase through the application on their mobile phones or tablets. The statistical survey on Thais' internet usage behavior shows that Thai people spend an average of 9 hours and 6 minutes using internet per day, ranking 7th in the world and higher than the global average of 6 hours and 58 minutes per day. Moreover, if comparing only the internet usage on mobile phones, Thailand was ranked 2nd in the world (Data from the statistical report on technology users worldwide prepared by "We are social", the social media agency). Therefore, this is an opportunity for Central Retail to develop applications to increase sales channels for customers in the current era.



CENTRAL APP | TOPS APP | SUPERSPORTS APP | POWERBUY APP | THAIWATSADU APP

- **Central Application** is an online sales channel developed for customers to make purchases through Central Department Store and Robinson Department Store applications, which connect physical and online stores to strengthen and drive Central Retail towards being the full-scale Omnichannel service provider. Central application is like bringing the whole department store into the mobile as it offers more than 1,500 brands same as those displayed in the department store as well as exclusive brands available only at Central Department Store. Customers can trust in authenticity of the products, check sales promotions of both physical and online stores as well as real-time activities held in each store.

- **Tops Application** is an online sales channel developed for customers to make a purchase through the application of Tops. The application offers more than 20,000 items of consumer goods with daily home delivery service, either instant delivery via Grab or scheduled delivery, where customers can schedule the delivery date up to 7 days in advance. Customers can choose to pay by cash on delivery or credit card through the application or e-wallets such as Dolfin.

- **Supersports Application** is an online sales channel for customers to make a purchase through the application of Supersports, which offers products from leading sports brands worldwide, including Adidas, Nike, Skechers, Fila, New Balance, K-Swiss, Asics, and many more.

- **OfficeMate Application** is an online sales channel for office supplies such as stationery, office equipment, computer and IT equipment, furniture and industrial products, which provides more convenient shopping experience for customers.

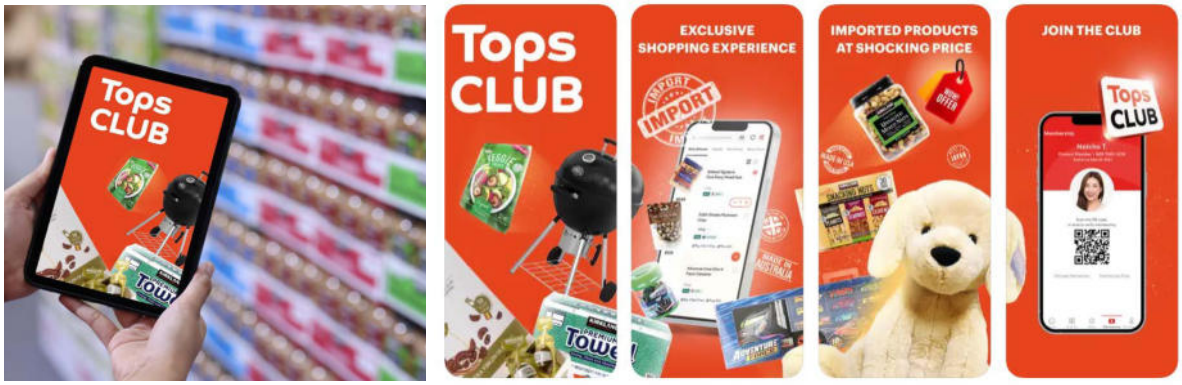
- **Power Buy Application** is an electronic product shopping platform, e.g., washing machines, ovens, microwaves, refrigerators, TVs, mobile phones, and computers to enhance customer shopping experience.

- **Thai Watsadu Application** offers home decoration and maintenance products, construction goods, and electronic appliances of more than 40,000 items while providing convenient online payment channels for customers.

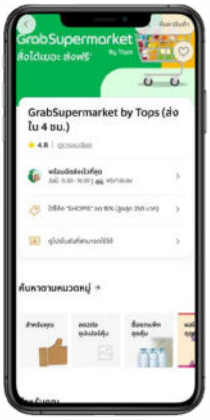
- **GO! Application** is an online sales channel developed for customers to make a purchase of consumer goods through the application of Big C / GO! in Vietnam with the same day delivery service. It supports both cash on delivery and online payment.

- **Tops Market Application** is an online sales channel developed for customers to make a purchase of consumer goods through the application of Tops market in Vietnam.

- **Tops CLUB Application** is a shopping channel for both general and premium members where customers can simply shop using their mobile phones or tablets. In the application, consumer products from all over the world have been carefully listed. Customers can enjoy daily delivery services with payment options of either cash on delivery, credit card payment through the application, or electronic wallets like Dolfin.



1.3 **QuickCommerce** is an application that facilitates the purchase and immediate delivery of consumer goods through leading delivery platforms both in Thailand and Vietnam, such as Grab, Lineman, and Foodpanda within the designated service area. This is another channel to access and facilitate customers as well as respond to consumer behaviors in the new era. Central Retail has expanded its business in Food segment through the quick commerce channel, e.g., Tops, FamilyMart and Big C / GO! Vietnam. Hardline segment includes OfficeMate, B2S, Power Buy, etc., for GrabMart, Lineman, Robinhood, and Foodpanda.



1.4 **Online Marketplace** was launched in August and October 2019 for Central Department Store and Robinson Department Store, respectively. Central Retail then started providing this feature for Supersports and Power Buy in 2020. These online marketplaces offer a wider range of products compared to an offline store, and even more convenient.

2) O2O Channels

O2O Channels are supplementary channels in addition to major sales channels to escalate comfort and convenience for customers.

2.1 **Personal Shopper and Call & Shop** Personal shopper service allows customers to conveniently order products through a personal assistant who helps finding products and notifying promotions as well as special privileges. This service is available in Central Department Stores, Robinson Department Stores and, Tops. Another sales channel is Call & Shop service that allows customers to order products via phone call. Customers can call 1425 to order from Central Department Stores and Robinson Department Stores and either deliver to their preferred destination with free shipping if their order reach the minimum spending amount or pick up at the preferred store. Payment can be made via money

transfer, credit card, or cash on delivery. Central Retail also provides the Call & Shop service in other business units such as Supersports, Thai Watsadu, BnB home, Power Buy, OfficeMate, etc. Moreover, there are service channels available for sales representatives or beauty assistants to call their regular customers to present various sales promotions or call their exclusive-member customers in order to introduce them to another convenient channel. The sales representatives can recommend the products that meet the needs of customers by considering their past shopping records as well as being able to present other related products to customers.

2.1 Social Commerce

- **Chat & Shop and Rinascente ON DEMAND** are instant messaging services (serviced by LINE and WhatsApp social network platform) where customers can shop through text with sales representatives' assistance. With access to customers' chat history and other profile data, sales representatives can assist in the selection of merchandise or send a link for customers that prefer online purchases like Click & Collect, Click & Delivery, or Reserve & Collect. In the future, Central Retail plans to use this instant messaging system to notify customers of new product arrivals based on their personal preferences, interests and purchase history, and to provide an online concierge that can direct them to how and where purchases can be made. Central Retail accepts payments from bank transfers and credit cards. Customers can pick up their purchases at the store or request for immediate delivery via GrabBike. The Chat & Shop is available for Central Department Store (which offers products from Supersports, Power Buy and, B2S), Robinson Department Store, Thai Watsadu, BnB home, Power Buy, OfficeMate, B2S and, Tops while Rinascente ON DEMAND is available for Rinascente Department Store.

- **Brand LINE and Store LINE** are instant messaging services via LINE social network platform where stores or brands use their LINE Official accounts to contact the customers. They can make purchases for customers through such channel as well as present real-time sales promotions to the customers. This channel serves as an extension to connect with LINE, a key communication channel of current consumers in Thailand. Customers can choose to pay by bank transfer or credit card.

Central Retail provides Brand LINE and Store LINE services in many business units such as Central Department Store, Robinson Department Store, Supersport, Thai Watsadu, BnB home, Power Buy, B2S, OfficeMate and, Brandshop under CMG.

- **Facebook Live and Facebook Inbox** is a sales channel where customers can purchase products through Facebook social media platform either via Live streaming or Inbox within a limited time. The activities are promoted on Facebook Official Page of each business unit. Payment can be made by bank transfer or credit card and delivery will be arranged according to the customer. Central Retail has started its Facebook Live and Facebook Inbox services in many business units such as Central Department Store, Robinson Department Store, Supersports, Power Buy, B2S, OfficeMate, and Brandshop under CMG.

2.3 E-Ordering is a platform that enhances in-store service capabilities by equipping sales associates with tablets, mobile phones, or other online channels, which will enable them to quickly respond to customer enquiries and grant customers access to products that may not be available at the store. This helps to expand Central Retail's retail space beyond its physical stores. In addition, these channels help create opportunities for cross-selling related products, especially products from other business units. Currently, the e-Ordering platform is available for Central Department Stores, Robinson Department Store, Supersports, Thai Watsadu, BnB home, Power Buy, B2S, and OfficeMate.

Omnichannel sales and performance according to The1 loyalty program's data, Omnichannel customers' average spending was 4 times higher than the single channel customers and they purchase more variety of product categories. Omnichannel sales grew in all Central Retail's business segments, and it is summarized as follows:

Omnichannel Sales	2020	2021	2022
% Growth (YoY)			
Hardline segment	73	142	22
Food segment	202	171	58
Fashion segment	263	82	-1
Total	**177**	**109**	**15**
Omnichannel sales to total gross sales (%)	**10**	**20**	**18**

1.2.2 BUSINESS STRUCTURE OF CENTRAL RETAIL

1.2.2.1 Merchandising and Sales

Central Retail strives to provide customers with a wide variety of fashionable and high-quality merchandise with various prices, housed in an attractive and modern store environment with a focus on delivering premium customer service. Central Retail continuously diversifies its merchandise selection in order to be appealing to the diverse and evolving preferences of the customers. Fashion segment is comprised primarily of retail banners operating in the form of department store or retail plaza, and its merchandise mix primarily includes categories such as apparel, shoes, accessories, cosmetics, and sports equipment, as well as other categories, including household items, kitchenware, and consumer electronics, etc. Hardline segment is comprised primarily of retail banners operating under specialty store format, and its merchandise mix primarily includes consumer electronics, construction materials, DIY products, household items, stationery, books, IT equipment, office furniture, etc. Food segment is comprised primarily of retail banners operating under supermarket, hypermarket, convenience store or retail plaza formats, and its merchandise mix includes groceries and related items, as well as home appliances, clothes, and sports equipment.

The COVID-19 pandemic since 2020 has caused impacts around the world, resulting in both domestic and international lockdowns as well as impacted Central Retail's business profits both directly and indirectly. However, Central Retail adjusted itself to the situation by increasing sales through Omnichannel and implementing cost efficiency measures, for example, the management of staff productivity, the implementation of social media and digital marketing to reduce advertising and public relations costs, as well as controlling utility costs, etc.

The following table presents financial information of operating segments for the periods presented.

	Year ended 31 December					
	2020		2021		2022	
	THB Million	%	THB Million	%	THB Million	%
Total sales of goods						
Hardline segment[1]	52,232	30.2	63,565	36.1	72,852	34.4
Food segment	74,684	43.1	69,600	39.6	83,556	39.4
Fashion segment	46,222	26.7	42,810	24.3	55,496	26.2
Total	**173,138**	**100.0**	**175,975**	**100.0**	**211,904**	**100.0**
EBITDA						
Hardline segment[1]	4,220	22.2	7,683	38.3	8,551	28.5
Food segment	7,734	40.8	5,296	26.4	7,932	26.4
Fashion segment	7,011	37.0	7,080	35.3	13,566	45.1
Total	**18,965**	**100.0**	**20,059**	**100.0**	**30,049**	**100.0**
Same store sales growth (%)[2]						
Hardline segment[3]	-14	-	+3	-	+5	-
Food segment	-10	-	-12	-	+15	-
Fashion segment	-34	-	-5	-	+38	-

[1] The financial information for period after 1 January 2021 included the operating results of COL.
[2] Same store sales growth (SSSG) is the change in the contribution to total gross sales between two periods made by the relevant stores on a standalone basis under each key retail banners.
[3] COL is excluded for the year 2020, 2021 and 2022 as Central Retail acquired COL since 2021.

(1) Hardline Segment

Hardline segment focuses on specialty merchandise offerings, including construction materials, home decorations, DIY products, consumer electronics and appliances, stationery, e-Books, IT equipments, and office furniture. Central Retail strives to build customer loyalty in this segment by offering the appropriate mix of merchandise combined with value-add services that help customers maximize the value of their specialty merchandise purchases, which is important in hardline categories such as electronics and home decorations. After sales services such as installation and maintenance are key purchase considerations. Central Retail's DIY home decoration and maintenance products selling through Thai Watsadu and BnB home encompass construction materials, home improvement products, home decorations, and home-use electronics. Target customers are professional contractors as well as homeowners working on their own small or large home building and improvement projects.

Home decoration offerings include a wide variety of home furnishings, kitchenware, dinnerware, mattresses, and bedding, which could meet the requirements of hotel businesses, real estate's renters and restaurants, whose businesses need room or space for commercial decorations. The Company also launched go! WOW which sells

miscellaneous goods, DIY, and daily life products. Central Retail offers private labels, such as Giant Kingkong, Giant Tech, Kassa, Kassa Home, Luzino, Zagio, Calina, Murano, Handi, and Sandi to cover all product categories and various usages. Central Retail is also an authorized distributor for leading domestic and international brands which provide high-quality products with reasonable prices and follow international safety standards. Moreover, Central Retail also offers a wide range of quality electronic devices both in Thailand and Vietnam, sold in Power Buy, go! Power and Nguyen Kim, including televisions, electrical appliances, computers and other IT products, phones, gadgets, accessories, and related services including delivery, installation, maintenance, and repair. Since popularity of the electronic brands has an influence on customer decision, Central Retail therefore devote much attention to Merchandise mix for this business unit which is also tailored to the brand preferences in each area. Central Retail provides a variety of popular international brands alongside generic merchandise at affordable prices, which Central Retail can often achieve through direct import, given Central Retail's operational scale. Apart from construction materials, decorations, and electronics. Central Retail also offers stationery, office equipment, and furniture for individual and corporate customers which sold through OfficeMate stores and its Omnichannel platforms. Stationery and books are offered through B2S, and e-Books are sold on Meb's platform. To conclude, Central Retail supplies various types of products that can truly meet diverse needs of customers.

The offering under Hardline segment is grouped into two categories: Hardline retailing in Thailand and Hardline retailing in Vietnam. The following table presents information of hardline segment as of the dates presented.

	As of 31 December		
	2020	2021	2022
Total number of stores (stores)[1]			
Hardline retailing in Thailand[2]	180	415	422
Hardline retailing in Vietnam	59	51	52
Total net selling space (sq.m.)			
Hardline retailing in Thailand[2]	1,080,864	1,272,742	1,351,851
Hardline retailing in Vietnam	78,606	73,617	71,135

[1] Store counts include stores located at retail plazas.
[2] Includes stores and spaces of OfficeMate and B2S since 2021.

Hardline Retailing in Thailand

Central Retail's Hardline retailing in Thailand consists of Thai Watsadu, BnB home, Power Buy, OfficeMate, B2S, and Meb. Thai Watsadu comprises of 3 store formats, the large format has an average net selling space of 15,000-20,000 square meters, the small format with an average net selling space of 8,000 square meters, which is known as "Thai Watsadu: Building, Hardware, Sanitaryware", by focusing on the main strategies – "Enhance employee performance, integrate technology in sales, and optimize spaces". Next, the hybrid format, which is a combination of Thai Watsadu and BnB home to become the center of home decorations. The first hybrid store was opened in Sri Saman in 2021, followed by the second store in 2022. Thai Watsadu is the premier DIY home improvement retail banner and seeks to meet the needs of both contractors and homeowners for construction materials, providing more than 80,000 high quality home improvement and related merchandise items under one roof. Thai Watsadu opened its first store in Bang Bua Thong district, Nonthaburi in 2010 and has currently expanded to 42 provinces throughout Thailand. BnB home retail banner offers a wide selection of home decor and furnishings to customers seeking classic, modern, and fashionable home interiors. BnB home opened its first store in Chiang Mai province in 2013 and has now expanded to 6 provinces throughout Thailand. Additionally, Central Retail has AUTO1 program, a car care service rendered by professional technicians while providing the vFix service for comprehensive home repairs and improvements, ranging from inspections, installations, repairs to improvements. In addition, in 2021, Central Retail has introduced go! WOW, a convenience home and lifestyle products shop with an average net selling space of 250-600 square meters, which offers over 14,000 items, such as kitchenware, stationery, toys, cleaning supplies, outdoor and gardening, car accessories, IT and electronics.

Power Buy is the leading retailer of consumer electronics in Thailand. Power Buy opened its first store in Bangkok in 1996 and has currently expanded to 49 provinces throughout Thailand. In addition to being the overall leader in its market segment, a significant portion of sales at Power Buy are in the high-end home appliances from leading brands, which deliver higher profit margins than other brands. In addition, Power Buy continues to improve its Power Care service to provide better and faster services for customers. It also extends the services such as Big Cleaning service for customers. In 2021, Power Buy launched go! Power, which is the consumer electronics shop focusing on expanding and penetrating the upcountry market by offering products and promotions to meet local customers' needs.

OfficeMate is Thailand's leading business supplies retailer, which provides office supplies, equipment, and furniture for corporate clients. OfficeMate began with its first store at Seacon Square Srinakarin in 1995, and currently has stores across 31 provinces in Thailand. B2S is a leading retailer distributing stationery, books, and lifestyle products. B2S opened its first store at Central Bangna in 2001, and currently has stores located in 53 provinces in Thailand. Meb is a distributor and consultant for e-Book making as well as the procurement of relevant software programs and equipment, including e-Readers. It is the leader in the e-Book market with its strong online platform with more than 14 million users.

Hardline Retailing in Vietnam

Central Retail's Hardline retailing in Vietnam includes electronics and appliances stores operated under Nguyen Kim retail banner. Nguyen Kim opened its first store in 1996 and has now expanded to 28 cities throughout Vietnam. Central Retail's partnership, alliance, and subsequent success with Nguyen Kim helped establish its credibility in Vietnam. In June 2019, Central Retail purchased the remaining shares of Nguyen Kim and became its wholly owned subsidiary. Nguyen Kim is differentiated from its competitors because it offers premium products and diverse assortments, and with its large selling space, bulk merchandise such as televisions and refrigerators can be displayed in store.

Prior to 7 June 2019, Nguyen Kim was still an associate company, therefore the business performance was not consolidated into Central Retail's total revenue. Revenues attributed to Nguyen Kim were reflected in the share of profit from associates and joint ventures' investment funds of the company.

Sales and Productivity

The following table presents the total sales of goods and same store sales growth (SSSG) for key retail categories under hardline segment for the periods presented.

	As of 31 December		
	2020	**2021**	**2022**
Total sales of goods (THB million)[1]			
Hardline retailing in Thailand[2]	41,295	54,576	62,009
Hardline retailing in Vietnam	10,937	8,990	10,843
Total	**52,232**	**63,565**	**72,852**
Same store sales growth (%)[3]			
Hardline retailing in Thailand[4]	-11	+8	+2
Hardline retailing in Vietnam	-25	-17	+22

[1] Includes both in-store and online sales.
[2] The financial information for the period after 1 January 2021 included the operating results of COL.
[3] SSSG, the change of total gross sales between two periods of relevant stores according to the key retail banners.
[4] COL is excluded for 2020, 2021 and 2022 because Central Retail acquired COL in 2021.

Sales of goods under hardline segment are primarily from in-store channel, with additional sales generated through Omnichannel. Omnichannel contributions to Hardline have increased by 73%, 142%, and 22% in 2020, 2021, and 2022, respectively.

The majority of Hardline segment merchandise is sold on a credit basis, including private labels, with the balance as consignment sales. Private labels, including imported products under private label brands, accounted for 11%, 13%, and 13% of total sales of Hardline segment in Thailand in 2020, 2021 and 2022, respectively. This has been a strong growth driving force in Hardline segment in recent years.

Hardline segment's EBITDA amounted to THB 4,220 million, THB 7,683 million, and THB 8,551 million for 2020, 2021, and 2022 respectively.

In Hardline segment, retail prices are generally set by suppliers even though Central Retail may be able to barter popular brands at higher prices than other brands under the company. Central Retail earns highest margins from its private label brands, therefore boosting overall margins. Moreover, Central Retail seeks to offer a variety of services in conjunction with merchandise sales to make it more convenient for customers to make purchases, thereby driving sales. Home improvement store segments tend to have more choices of suppliers than other segments, which Central Retail believes this helps increase its bargaining power and ability to manage margins more efficiently. While electronics segment tends to include higher priced merchandises including leading brands. Central Retail believes that Power Buy and Nguyen Kim' reputations for reliability help increase customer's peace of mind after their purchase, thereby driving sales. Thai Watsadu and BnB home also generate revenue through leasable space to third party vendors in their stores.

(2) Food Segment

Central Retail's Food segment focuses on providing various quality fresh and dried food, organic products, healthy products, and other goods in supermarkets, hypermarkets and convenience stores. In addition, Central Retail leases retail space and generates rental income through retail plazas in Thailand and Vietnam. Each food segment retail plaza is anchored by a hypermarket and other stores under Central Retail's own retail banners, restaurants, and third-party outlets with various merchandise and service offerings.

Merchandising at supermarkets and hypermarkets is driven by the tastes and preferences of the local population. Supermarkets and hypermarkets can be found throughout Thailand and in the key areas of Vietnam, so the selection of groceries and non-food items at Central Retail's stores can vary widely, reflecting the diversity of the customer base. In addition, Central Retail's in-store displays, store formats, and overall presentation can also vary based on location, in order to meet customers' expectations who live nearby Central Retail's supermarkets and hypermarkets. For example, customers living in the north of Vietnam are generally more driven by seasons and brands, whereas customers in the south are generally more responsive to promotions. Central Retail also focuses on providing

immersive shopping experiences for customers; for example, the addition of dine-in areas can help drive take-out and other grocery sales.

Some products under Central Retail's food segment are private labels, leading to differentiation in the product compared to other business operators, giving a competitive edge in the market. Private label brands such as My Choice, Smart-R, My Choice Thai, Tops, and Love the Value allow Central Retail to deliver products that are tailored to its customer's tastes and preferences as well as not being able to find the products elsewhere or in competitors' stores. The use of private label and in-store brands plays an important role in the establishment of new stores, which provide a foothold for the business in new areas by offering something novel to the local community. Central Retail's private label products are built around the principles of quality, consistency, credibility, reliance, traceability, and best of origin. Central Retail has developed a diverse range of high quality outstanding products.

Central Retail's large grocery store formats, such as Tops Food Hall and Tops market, are built around the "modern supermarket" concept, which combines traditional grocery offerings such as fresh food, staples, and fast-moving consumer goods (FMCG) with compelling experiences, such as dine-in areas preparation where Tops Food Hall customers can browse traditional grocery selections but can readily enjoy their food. Central Retail's stores also provide ready-to-eat meals that customers can order for take away or freely relishing their meals in the dining area or food counters.

Consumer goods in Thailand comprise of imported products, locally sourced items, and exclusive offerings available only at Central Retail's stores. For imported products, agreements with suppliers as their sole distributors, allow Central Retail to fill in gaps in the local market and introduces rare items to customers. For certain items, such as wine, fresh fruits, and vegetables, Central Retail directly contacts vineyards and farmers for the supply. Moreover, bringing import goods together with sole distributor agreements also play important roles in the establishment of new stores by allowing Central Retail to fill gaps in the local market.

Once a store has started operating for a period, Central Retail can generally increase its portion of locally sourced foods to serve a growing customer base. Where possible, Central Retail embraces "farm to table" merchandising concept and seeks to ensure freshness and quality of the products from local suppliers. Central Retail employs quality control guidelines and requirements. This is particularly important for Central Retail's businesses in Vietnam as more than 90.0% of its products are sourced locally. In addition, customer demands for health and beauty merchandises continue to increase, Central Retail therefore responded by expanding its offerings of health and beauty products across all food segment formats. The introduction of LOOKS, a new health and beauty concept seeking

to be a "full-scale store" for beauty brands in the FMCG category. Additionally, the business under Food segment introduced at TASTE – a fresh-meal restaurant with a wide variety of menu options, Thai Favorites – a zone features tourists' most wanted products from all regions of Thailand, Asian Flavors – a special zone selling products of food ingredients, ready to eat products and condiments from 5 major countries (Japan, Korea, China, India, and Vietnam), Coffee Arigato – a Japanese coffee corner in FamilyMart, THE BAKER – a bakery zone in the form of "Artisan Bakery" or homemade bakery which is made by using the finest quality ingredients from origin.

In addition, Thailand's first Tops CLUB was opened in Central Rama 2, which is a membership store that features imported exclusives from renowned brands throughout the globe regardless of categories in a warehouse-style building. On top of that, new Tops models – Tops Standalone and Tops Fine Food, a premium food store that gathers the best ingredients from all over the world in one place. Tops and Tops Food Hall have also been renovated to serve the needs of all consumer groups.

The business under food segment is categorized into 2 groups, food retailing in Thailand and food retailing in Vietnam.

The following table presents information of key businesses under Food segment as of the dates presented.

	As of 31 December		
	2020	**2021**	**2022**
Total number of stores (stores)[1]			
Food retailing in Thailand	1,137	1,086	713
Food retailing in Vietnam	65	69	75
Total net selling space (sq.m.)			
Food retailing in Thailand	405,244	405,573	368,731
Food retailing in Vietnam	238,009	255,945	270,602
Food Retailing in Thailand			
Tops Plaza			
Total number of stores (stores)	5	5	5
Total gross floor area (sq.m.)	77,374	77,374	76,946
Total net leasable space (sq.m.)	33,737	35,440	36,120
Total occupancy rate (%)[2]	83	81	77
Food retailing in Vietnam			
Big C / GO![3][4]			
Total number of stores (stores)	37	40	39[4]
Total gross floor area (sq.m.)	566,673	631,778	654,620
Total net leasable space (sq.m.)	166,884	201,173	210,030
Total occupancy rate (%)[2]	79	71	73

[1] Number of stores include stores located at retail plazas.
[2] Average 12-month occupancy rate.
[3] Excludes go! Vietnam.
[4] 2 branches of GO! Mall were changed to GO! Hypermarket.

Food Retailing in Thailand

Central Retail's Food retailing in Thailand primarily comprises Tops Food Hall, Tops Fine Food, Tops, Tops CLUB, go! Hypermarket (in go! Lifestyle shopping mall), and FamilyMart. The Company has undergone major reformation, focusing on strengthening the brand identity with the One Brand strategy as it combines all retail models into one, emphasizing Thailand's No.1 food retailer under "Tops" brand with the concept of "Everyday Discovery" showing new brand image and modernization. This means that the place is not just a supermarket, but a hub of living that resonates with ever-changing lifestyle needs, caters new experiences, and inspires every customer. The brand features a complete range of products and remains being the leader among quality product acquirers from the best production sources in every season, both domestically and internationally, and primed to become a New Retail to enhance the most seamless shopping experience through 3 retail models as follows:

1. **Tops** – Tops Market, Tops Daily, and Tops Online. The Company has strengthened the segment by amalgamating all the brands together and turning them into "Tops" – a supermarket completed with an extensive assortment of quality products for every family member.

2. **Tops Food Hall and Tops Fine Food** – Central Food Hall was rebranded into "Tops Food Hall" and upgraded its food store to a higher level with a complete range of products from the best manufacturers nationwide and around the world in order to deliver a greater customer experience. In addition, a new supermarket model "Tops Fine Food" was launched in Thailand for the first time, which is a world-class food store located closer to residential areas to ensure exclusive access to all-time best international food and ingredients from around the world, responding to the needs of cooking enthusiasts and featuring a place for everyday inspiration.

3. **Tops CLUB,** a new retail model as the first membership store in Southeast Asia, achieved a successful launch and became the talk of the town overnight. It was a turnover of Thai retail industry with an empire of imported products from exclusive brands from all over the world. There are new and updated trendy products that fulfill all customer needs, just like having a hub of exclusive items imported from all over the world and touching every lifestyle of all generations in the family.

As of 31 December 2022, Tops stores network has grown to reach 43 provinces across Thailand. Central Retail owns and operates Tops Plaza, which are retail plazas anchored by Tops Superstore that also offer a variety of other stores catering to serve basic needs of the local community. Central Retail also sources organic products locally to support the community where Central Retail has launched "Jing Jai Farmers' Market" in Udon Thani, Thailand as a new retail concept, which works directly with local farmers, granting them higher income to provide customers with high quality, organic and chemical free products at valuable prices. As of 31 December 2022, Central Retail has expanded Jing Jai Farmers' Market to 32 Tops store locations.

Tops Food Hall aims to provide customers in Thailand with a unique shopping experience in an inviting atmosphere. With locations in large cities including Bangkok, Chiang Mai, Pattaya, and Phuket, Tops Food Hall focuses on serving the needs of urban people and offering a wide range of specialty and international food, as well as locally emerging food. Tops Food Hall is a good example of a modern supermarket, which combines the offer of traditional consumer goods and dining-in areas with foods served at the table and at the counter, along with a variety of ready-to-eat meals that can also order for takeaway. Moreover, there is a shopping assistant service at 140 branches of Tops Food Hall and Tops across Thailand. Two branches of the new model Tops Standalone were also launched in the 7-room concept with retail rental space for merchants at Pattanakarn 30 and Sukhumvit 39.

Tops Fine Food is committed to serve an amusing taste experience as a premium food store that gathers the best ingredients from all over the world in one place, specifically over 8,000 ingredients specially curated from several countries, with unique products that meet the high-end lifestyle of food lovers in a standalone format with parking space and fine dining restaurants. The store is primarily located in districts with high purchasing power. Currently, 2 branches were rolled out, including Sukhumvit 49 and Ekamai.

Tops CLUB is a membership store that focuses on exclusive and famous imported brands from all over the world in all categories in the form of a gigantic warehouse, delivering a new and unique shopping experience to consumer goods by offering quality imported products with the best deal which meets the needs of urban customers. There are 2 types of membership available, Basic Member which can be registered free of charge and Premium Member which has annual membership fees with offers of a wide range of shopping benefits. The first branch was opened at Central Rama 2 on an area of over 13,000 square meters.

The following table presents an overview of retail brands under Food Segment in Thailand as of the dates presented.

	As of 31 December			Retail brands
	2020	2021	2022	
Total number of stores (stores)				
Supermarket[1]	236	281	297	Tops Food Hall / Tops Fine food / Tops / Tops Superstore
Membership store	-	-	1	Tops CLUB
Convenience store	901	805	415	FamilyMart
Total net selling space (sq.m.)				
Supermarket	288,506	304,047	314,104	Tops Food Hall / Tops Fine food / Tops / Tops Superstore
Membership store	-	-	13,000	Tops CLUB
Convenience store	116,738	101,527	41,627	FamilyMart

[1] In 2022, the Company opened 3 go! Hypermarket in go! Lifestyle shopping mall in Nakhon Si Thammarat.

The first FamilyMart store in Bangkok opened in 1993. Central Retail acquired FamilyMart in Thailand through a joint venture in 2012. As of 31 December 2022, FamilyMart has opened 415 stores in 21 provinces in Thailand. FamilyMart stores are strategically located and are operated pursuant to the agreement with Central Retail's joint venture partners, where Central Retail believes this showcases its ability to forge strong business relationships. FamilyMart banner is concentrated in Bangkok and its perimeter as well as touristic areas such as Pattaya and Samui, in which Central Retail believes it has a competitive advantage. Central Retail's positioning differs from its competitors as it focuses on clustering network by locating a significant number of its stores within a given area to achieve economies of scale. FamilyMart also rounds out Central Retail's portfolio of retail formats, helping Central Retail to further extend its customer base. In May 2020, Central Retail acquired an additional 49% shares in Central FamilyMart Co., Ltd, increasing its ownership interest from 51% to 100%.

Food Retailing in Vietnam

Central Retail's Food retailing in Vietnam comprises Big C / GO!, go!, Tops Market, and Lan Chi Mart retail banners. Big C Vietnam opened its first store in 1998. It was acquired by Central Retail in 2016 and has expanded to 42 cities throughout Vietnam as of 31 December 2022. Through its varied offerings and local approach, Big C / GO! positions its outlets to positively impact the entire community. Following the acquisition of Big C in 2016, Central Retail has been working on revamping the brand by restoring better value for money as well as ensuring fresh and quality products, improving customer experience, and reducing check-out times. Also, upgrading its store system and growing an experienced team to effectively operate the stores. Central Retail also believes its successful operational experience with Big C establishment in Thailand, has helped make its business in Vietnam much more successful. Central Retail is actively using Big C / GO! as a foundation for the introduction of new retail banners such as Dyson, LookKool, and other specialty sales counters. As a result, Big C is now ranked first in the food hypermarket category in terms of store count and second in the retail plaza category in terms of gross floor area according to the internal data. Central Retail had developed the brand image of Big C in Thailand during the period 1990 to 1999 and later sold it to a third party. This helped Central Retail to develop its business in Vietnam to the "GO!" where the process of rebranding Big C in Vietnam to "GO!" has partly completed during the period 2020 to 2022. The Company has rebranded 17 branches of Go! Mall and hypermarket as well as 7 Tops branches. This rebranding project has included reformatting outlets and has been part of Central Retail's strategy since Central Retail acquired Big C, and Central Retail expects the brand transition to be completed in 1 to 2 years.

go! is a small-sized supermarket with a space of approximately 2,500 – 3,500 square meters, located in the vicinity of the community and countryside residential areas. The products offered at go! are consumer goods, clothing and apparels, which have a high percentage of sales volume compared to Lan Chi Mart and Big C / GO!. The first go! store was opened in Tam Ky in Central Vietnam in September 2020 and has expanded another 2 stores in 2022.

Tops market Vietnam is a medium-sized supermarket with a space of approximately 3,000-3,500 square meters, located in big cities, which are the center of the country's major economy to cover all customer groups, as well as aiming to be the Central to Life that meets the lifestyle of all Vietnamese. The products offered at Tops market Vietnam are more than 20,000 items, guaranteed with both freshness and quality at reasonable prices. The interior stands out with modern and elegant designs on space of over 2,000 square meters, divided into 11 highlight zones, including organic fruits and vegetables, bakery, seafood, meat, ready-to-eat meals, frozen food, cold cuts, wine, flowers, consumer goods, and health and beauty products, with staff ready to facilitate and give advice to customers in every zone.

Lan Chi Mart stores are medium to large supermarkets that bring a variety of product categories and local items to serve rural communities in the Northern part of Vietnam, all under one roof. Central Retail locates Lan Chi Mart stores near local communities and residential clusters in rural areas, bringing modern retail settings to the community and ensuring that customers can find items that they would have otherwise had to travel far to obtain, and for good value. In addition to grocery offerings, Lan Chi Mart also provides a variety of garments which is a large contributor to overall sales and is an indicator of customers' confidence in the brands. Lan Chi Mart also offers small food stalls in its stores, serving international food to introduce new cultures and experiences to its customers. Lan Chi Mart opened as a small enterprise selling merchandise on the outskirt of Hanoi in 1995, which later developed into supermarket in 2007, and was acquired by Central Retail in 2015. Currently, Lan Chi Mart has expanded to 10 provinces throughout Vietnam as of 31 December 2022.

The following table presents an overview of Vietnam food as of the dates presented.

	As of 31 December			Retail brands
	2020	2021	2022	
Total number of stores (stores)				
Supermarket	24	32	37	Lan Chi Mart / go! / Tops market
Hypermarket[1]	41	37	38	Big C / GO!
Total net selling space (sq.m.)				
Supermarket	45,031	61,683	68,304	Lan Chi Mart / go! / Tops market
Hypermarket	192,978	194,262	202,298	Big C / GO!

[1] In 2021, some branches of GO! Hypermarket was rebranded to Tops Market in Vietnam.

Sales and Productivity

The following table presents the total sales and same store sales growth for key retail banners under food segment for the periods presented.

	Year ended 31 December		
	2563	**2564**	**2565**
Total sales of goods (THB million)[1]			
Food retailing in Thailand	45,020	39,642	42,323
Food retailing in Vietnam	29,109	29,547	40,613
Others[2]	555	411	620
Total	**74,684**	**69,600**	**83,556**
Same store sales growth (%)[3]			
Food retailing in Thailand	-15	-16	+5
Food retailing in Vietnam	+0.1	-6	+30
Rental Income (THB million)			
Tops Plaza (Thailand)	126	123	126
Big C / GO! (Vietnam)	1,010	811	1,393

[1] Total sales include both in-store and online channels.
[2] Includes Matsumoto Kiyoshi
[3] SSSG is the change in the contribution to total gross sales between two periods of relevant stores under Central Retail's retail banners.

Sales of goods under Food segment are primarily from in-store sales, with additional sales generated through online channel. Omnichannel contributions to food have increased by 202%, 171%, and 58% in 2020, 2021, and 2022, respectively. Central Retail opened its first distribution center dedicated to serve online orders in 2017 with the goal of becoming the "best in fresh" food delivery provider for local community residents.

Central Retail offers numerous private labels which contributed 10%, 11%, and 10% of total sales of Food Segment in Thailand as of 31 December 2020, 2021, and 2022 respectively.

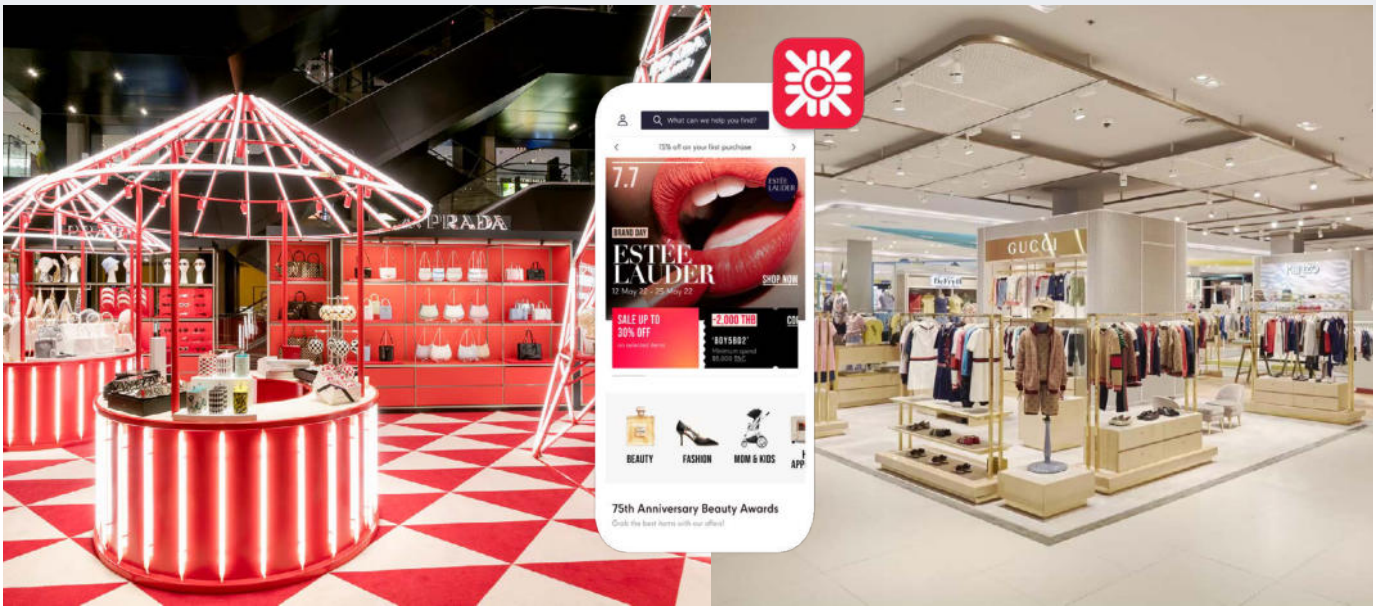
EBITDA of the food segment of Central Retail amounted to THB 7,734 million, THB 5,296 million, and THB 7,932 million in 2020, 2021, and 2022 respectively.

Central Retail has a close business relationship with international and local suppliers which is particularly important in Food segment in order to obtain fresh ingredients to serve customers. Central Retail holds regular meetings with suppliers on a monthly or quarterly basis depending on their contribution to its business. Supporting local OTOP products and SMEs is also an important consideration for Central Retail. In all cases, Central Retail expects its suppliers to understand its business direction and to be committed to driving growth together with Central Retail. Central Retail normally consults them as its partner and share with them certain plans and strategies for its business.

All of Food segment suppliers must follow Central Retail's standards in relation to costs, product specifications, marketing plans, production capacity, replenishment, and logistics. Central Retail also requires suppliers to adhere to ethical business practices and comply with food safety standards, laws, and regulations. They are responsible for certain customer issues in accordance with consumer protection laws.

Pricing for consumer goods depend on demand and supply in each region. Central Retail constantly monitors market prices to ensure its own prices are competitive. Central Retail seeks to match pricing for generic or national third-party brands but generally targets lower price points for its private label products. Central Retail may charge higher prices as a result of higher logistic costs and premium market positioning for certain items or retail banners, such as Tops Food Hall. Central Retail also frequently uses promotions to drive customer traffic, and generally attributes to approximately 30% of Central Retail's sales to promotional pricing. For Big C / GO!, go! and Lan Chi Mart business in Vietnam, Central Retail aims to provide its customers with great value for their money on groceries by emphasizing local sourcing.

(3) Fashion Segment



Central Retail's Fashion segment focuses on apparel, shoes and accessories, cosmetics, and household items, sold primarily through department stores and specialty stores formats. Central Retail also leases retail space and generate rental income in this segment through department stores and retail plazas, which Central Retail positions as lifestyle centers offering affordable merchandise to customers in second-tier provinces which are rapidly urbanizing but are still underserved by large-scale shopping mall. Each retail plaza is generally anchored by department store and supermarket along with a mix of other offerings, including Central Retail's own retail stores, restaurants, and third-party retail stores with various product and service offerings.

Merchandise mix in Fashion segment caters to the diverse preferences of customers, offering a wide variety of merchandise ranging from international luxury brands to general brands at a variety of price points. Central Retail also provides a variety of shopping experiences across its differentiated selection of fashion retail banners, from everyday shopping to luxury experiences. Merchandise mix also includes a large selection of private labels such as Defry 01, Expressions, Esquire, Minimono, Angel Baby, Central Home, Cuizimate, Haven, Easy clean, Journal, Pacific Union, Thompson and F.O.F (Freedom of Fashion), etc. which Central Retail developed in-house. Central Retail has increased the proportion of private labels and imports in its merchandise mix as part of its plan to help drive margin improvements in the future. Central Retail also engages third party brands for licensing rights, which allows Central Retail to market products that Central Retail has designed and developed in collaboration with international partners to leverage their brand appeal; such partners include Lee, Wrangler, Jockey, Hush Puppies, and Sanrio. In addition, Central Retail offers merchandise under exclusive distribution arrangements which is sole distributor agreement for some third party brands. By using a combination of these arrangements in merchandising, Central Retail can strategically adjust its brand and merchandise mix within different stores to account for variances in income levels and customer demographics across its retail network. The offerings under this segment are grouped into 4 categories: department stores in Thailand (which includes retail plazas), specialty stores in Thailand, department stores in Italy and others (which include Robins Department Store in Vietnam and Komonoya).

The following table presents an overview of the key business units under Fashion segment as of the dates presented.

	As of 31 December		
	2020	2021	2022
Total number of stores (stores)[1][2]			
Department stores and specialty retail in Thailand[3]	588	550	571
Department stores in Italy	9	9	9
Total net selling space (sq.m.)			
Department stores and specialty retail in Thailand[3]	1,203,379	1,186,882	1,167,768
Department stores in Italy	62,251	61,036	60,277
Robinson Lifestyle			
Total number of stores	24	24	27
Total gross floor area (sq.m.)	874,202	874,202	997,496
Total net leasable space (sq.m.)	399,202	422,937	488,829
Total occupancy rate (%)[4]	96	95	94

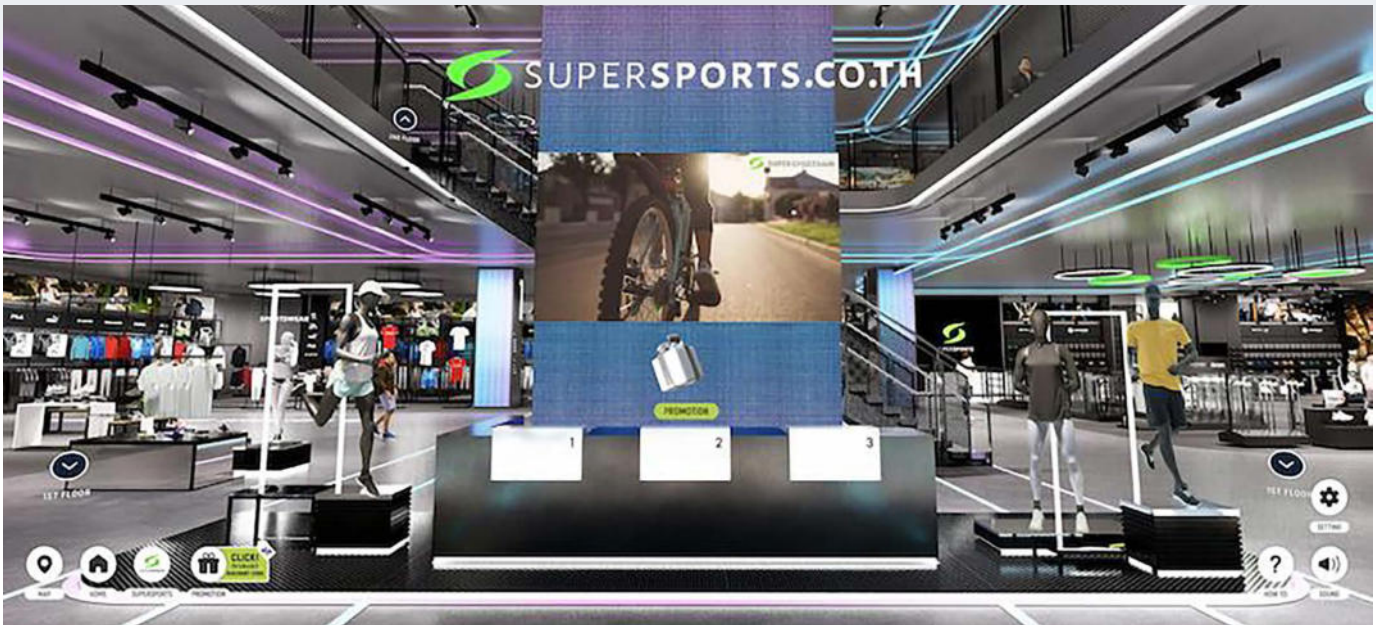
(1) Store count includes stores located at retail plazas.
(2) Store count includes 7 brandshops in Malaysia as of 31 December 2020.
(3) Includes department stores and CMG brandshops.
(4) Average 12-month occupancy rate

Department Stores in Thailand

Central Retail's department stores in Thailand comprises Central Department Store, Robinson Department Store and Central Marketing Group ("CMG") business units. Located in 13 provinces throughout Thailand, the highly reputable flagship Central Department Store retail banner offers customers Thailand's leading shopping experience, including an expansive selection of exclusive and premium merchandise, a modern yet welcoming ambience and excellent customer service with add-ons such as personal shoppers. Central Retail also operates unique CENTRAL @centralwOrld (formerly, Zen Department Store) under this business unit, located in Bangkok's premier Ratchaprasong shopping district. Robinson Department Store retail banner offers the same customer-centric merchandising as Central Department Store, but with a wider selection of everyday items at lower prices on average, delivering quality merchandise in a modern store ambience and with a presence in 36 mostly second-tier provinces throughout Thailand both inside and outside of Robinson Lifestyle, which is Central Retail's plaza.

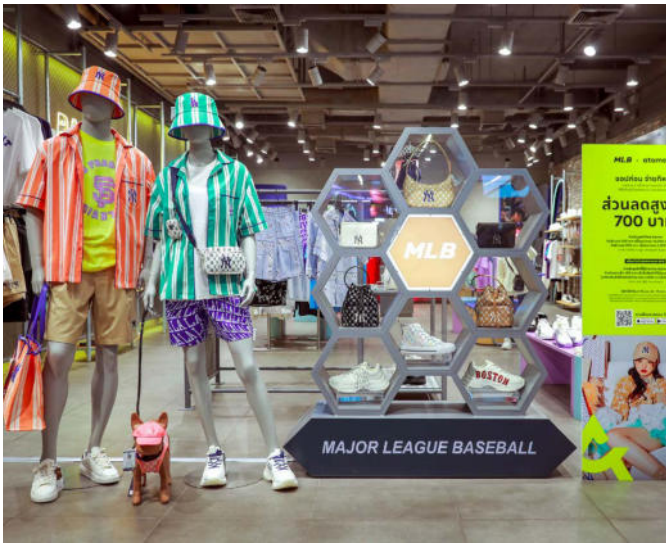
Since 2020, Central Retail has changed its organizational structure of department store business in Thailand by merging the units of Central Department Store and Robinson Department Store as well as changing Robinson Department Store into Central Department Store to upgrade its operating system for greater work efficiency. As of 31 December 2022, the transformation of 3 stores, including Mega Bangna, Udonthani, and Khon Kaen have been completed.

Specialty Retail in Thailand



Central Retail's Thailand specialty retail highlights sports apparel and sports equipment business. Central Retail operates specialty sporting merchandise stores under Supersports as well as other brandshops, including Velo Supersports, a bike corner in Supersports, to build upon its business to keep up with the current working out trends. Supersports is also Thailand's exclusive distributor and retail partner for brands such as Crocs, Skechers, New Balance, Speedo, K Swiss, Fila, and Liverpool FC. Other than specialty retail, wholesale business is also operating alongside.

In addition, Central Retail expanded its specialty business for cosmetics, beauty items, garments, and apparels under the management of CMG which includes more than 36 leading international brands, such as Guess, Casio Watch, Polo Ralph Lauren, Calvin Klein Jeans, Lee, Wrangler, Clarins, Aesop, Dyson, Garmin, Clarks, KIKO Milano, Cellreturn, and a lot more. In 2022, CMG granted authority to manage and distribute the latest leading brands, including Hermes Beauty, Emporio Armani, and Armani Exchange. Since most sales counters of CMG are located in Central Retail's department stores and plazas, CMG therefore helps promote the businesses. Moreover, CMG also operates sales counters and brandshops dedicated to specific leading global merchandise brands or other partners with which Central Retail has a licensing or distribution arrangement, many on an exclusive basis, including Three, Clarins, and The Body Shop, etc. With over 1,600 points of sale and strategic position within Central Retail's network,



CMG is Thailand's leading international fashion and beauty brand distributor, providing international brands with superior access to customers in Thailand while also supplying premium merchandise to Central Retail's other retail banners.

Department Stores in Italy

Central Retail's department stores business in Italy comprises of Rinascente Department Store, a premium retail department store, which serves as the flagship luxury fashion retail banner, befitting one of Europe's premier retailers. Rinascente Department Store's first flagship store in Milan was opened more than 150 years ago and is now one of the "must visit" shopping destinations in Europe, given its proximate location to the Duomo, the most visited landmark in Milan for locals and tourists. Most of Rinascente Department stores are located in prestigious historical buildings in city centers or recognized heritage sites. Rinascente Department Store is positioned at the forefront of the luxury and affordable luxury retailing market and offers a premier shopping experience to its customers that includes food and dining options alongside an optimized mix of merchandise offerings. Rinascente Department Store constantly adapts to changes in the luxury market, frequently renovating and refreshing stores while maintaining a historical ambiance designed to attract the most prestigious international luxury brands. Rinascente Department Store's specialized offerings in the luxury and tourism arena constitute a niche retail segment that can be found throughout Europe. As of 31 December 2022, Central Retail operated 9 Rinascente Department Stores in major cities across Italy.

Sales and Productivity

The following table presents the total sales of goods and same store sales growth for the key retail categories under fashion segment for the periods presented.

	As of 31 December		
	2020	**2021**	**2022**
Total sales of goods (THB million)[1]			
Department stores and specialty retail in Thailand[2]	37,366	31,587	41,207
Department stores in Italy	8,461	10,937	13,920
Others[3]	395	286	369
Total	**46,222**	**42,810**	**55,496**
Same store sales growth (%)[4]			
Department stores and specialty retail in Thailand[2]	-29	-16	+36
Department stores in Italy	-46	+33	+42
Rental income (THB million)			
Robinson Lifestyle	2,649	2,702	3,897

(1) Includes both in-store and online sales.
(2) Includes department stores and CMG brandshops.
(3) LOOKSI, ROBINS Department Store in Vietnam, and Komonoya
(4) SSSG is the change in the contribution to total gross sales between two periods made by the relevant stores on a standalone basis under each of key retail banners.

Sales of goods under Fashion segment are primarily comprised of in-store sales, with additional sales generated through Omnichannel. Omnichannel contributions to Fashion have increased by 263% in 2020 and 82% in 2021 and slightly decreased by 1% in 2022.

Central Retail offers numerous private labels under Fashion segment, which primarily comprise credit sales. Private labels accounted for 6%, 5%, and 5% of Fashion segment's total sales revenue for 2020, 2021, and 2022, respectively.

EBITDA of Central Retail's Fashion segment amounted to THB 7,011 million, THB 7,080 million, and THB 13,566 million for 2020, 2021, and 2022 respectively.

1.2.3 Marketing and Competition

1.2.3.1 Customers and Marketing

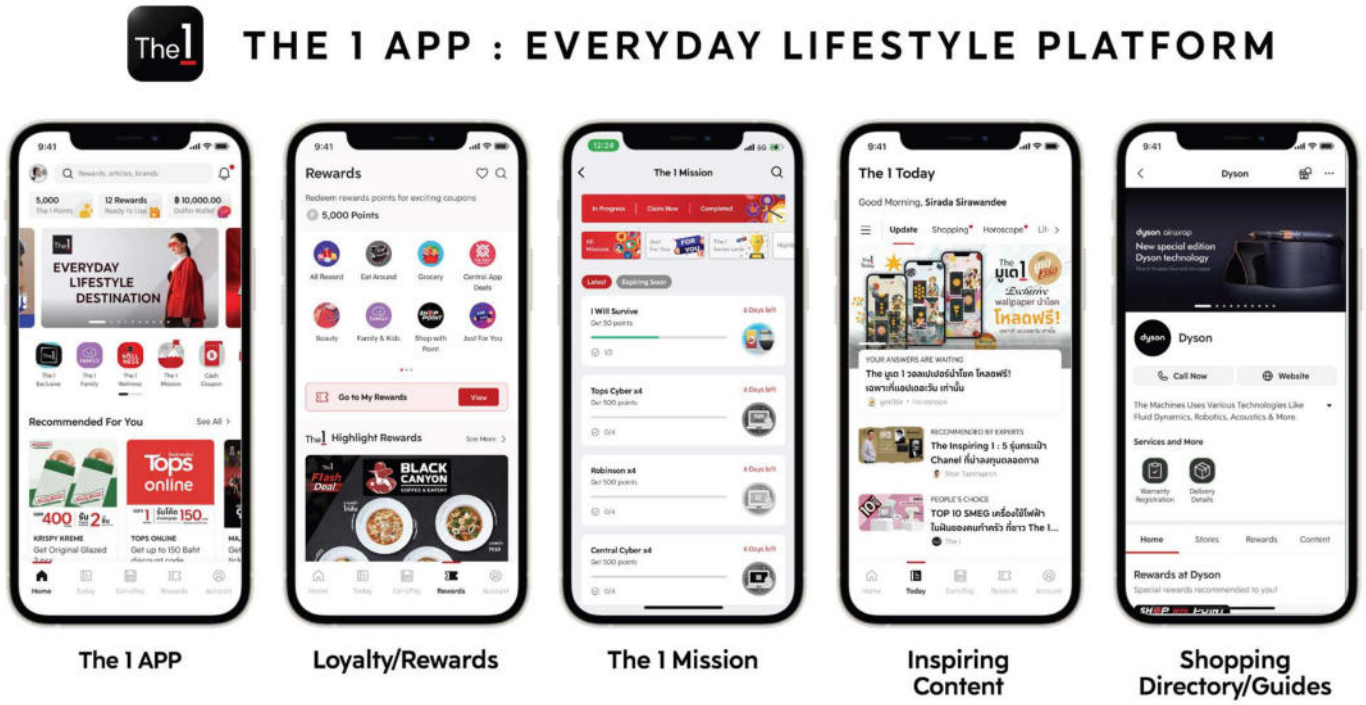
(1) Customer Base

Central Retail aims to reach the full spectrum of customer cohorts in Thailand, Vietnam and Italy. Central Retail's analysis of local customer tastes and preferences helps to drive its decisions with regard to store openings, including the appropriate brand, store format and merchandise mix to deploy at a particular location. Tourists are also important in Central Retail's customer base in selecting locations, especially in fashion segment.

The current customer base represents a broad cross-section of the public in each of Thailand, Vietnam and Italy. According to data obtained from Central Retail and The1 loyalty program, Central Retail had approximately 19.7 million loyalty member customers in Thailand as of 31 December 2022. Although Central Retail's network in Thailand is nationwide, the level of market penetration in upcountry areas is relatively low compared to Bangkok, so expansion in upcountry areas is among Central Retail's key growth strategies. Central Retail also had approximately 4.3 million loyalty member customers in Vietnam and approximately 3.2 million loyalty member customers in Italy as of 31 December 2022.

Loyalty Programs

Central Retail's principal loyalty programs comprise The1 loyalty program in Thailand, the Big Xu Card in Vietnam and the Rinascente card in Italy. Central Retail believes that having strong loyalty programs offering valuable benefits helps to improve customer loyalty and drive repeat visits within Central Retail's retail ecosystem. Under The1 loyalty program, the customer retention rate for active users was 75.9%, 76.6%, and 82.7% for the years ended 31 December 2020, 2021, and 2022, respectively.



- **The1 Loyalty Program**

Central Retail participates in The1 loyalty program, which is the Central Group's flagship customer loyalty program in Thailand. The1 loyalty program members are able to collect points through every purchase made from business units under the Central Group and its platform partners in Thailand, including all of Central Retail's business units. Points may be redeemed for vouchers or discounts on future purchases at participating retailers, including Central Retail's business units and platform partners. The1 loyalty program members are also entitled to special privileges and offers for travel, entertainment, beauty, financial services, restaurants, hospitals, music, schools and sports through its business partnership network.

Central Retail joins the privilege program for The1 membership, the number one Digital Lifestyle & Loyalty Platform in Thailand under The1 points management contract between Central Retail and The One Central Company Limited, a subsidiary of HCDS, which specifies important key terms with respect to managing marketing, program benefits, cost, member data utilization and analytical programs. Central Retail has a duty to pay for the service according to the conditions specified in the membership card service agreement. Central Retail's data collection and the privilege program of The1 membership reveal that the customers considers multi format stores to be able to satisfy their shopping needs.

Each The1 loyalty program member provides customer specific data upon registration with the program. The1 loyalty program data base also collects additional information about each purchase made by its members, including the business unit, the product, the payment type and the time of sale. Subject to relevant legal and contractual conditions, it then provides Central Retail with access to this information and analytical tools that help Central Retail to deliver a better customer experience, particularly with respect to Omnichannel platforms. See "Nature of Business - Omnichannel platforms". As of 31 December 2022, there were more than 19.7 million The1 loyalty program members (as compared to 15.1 million members as of 31 December 2021).

Currently, The1 has discontinued the use of The1 Card and paper coupons and compiles all the shopping experiences on The1 application instead. The strengths are how it understands the true needs of members in using the application and how it accurately delivers personalized offers that meet consumers' preferences. Moreover, the application can effectively communicate with The1 members, thus being able to create a seamless Omnichannel customer journey at every touchpoint.

In 2022, The1 has developed The1 application to be version 4.0 under the concept "Your Everyday Lifestyle Application" that members can access daily. It consists of new features that are more than collecting, redeeming, checking points, such as the E-Payment feature by integrating the Dolphin Wallet, which allows members to instantly scan and pay via The1 application. The1 Today's feature offers interesting news and lifestyle content to inspire and main engine to help customers shopping. The success of The1 Exclusive, The1's Top Members customer care program was highlighted with the new launch of The1 Exclusive Hub on The1 application for all services and benefits to facilitate premium customers more effectively. The1 Family Hub, an Online Community Hub for the new generation of families was also launched on The1 application, compiling knowledge, rewards, missions and promotions for families and babies from partners and leading stores, especially for mothers and children. Additionally, it also rolled out a new feature – Brand Directory, which gathers offers, privileges, contents, and brand or department

store-related information to ensure that users can more conveniently and easily search for or get updates about their favorite brands. This results in The1 App always securing its leading position among other applications. As of December 31, 2022, there were approximately 7.5 million downloads with active users of over one million per month.

- **Other Loyalty Programs**

  Central Retail manages other member privilege programs, namely Big Xu Card in Vietnam, which has the main objective for offering promotional campaign and discounts. Big Xu Card provides special offers and discounts such as in-store gifts and coupons to members without accumulating points. Due to the steady growth of Central Retail's online business In Vietnam, Central Retail therefore looks for opportunities by using customer database from the Big Xu Card to provide the customers discounts and offers that can apply to all business units of Central Retail. Exclusively for Rinascente Card members. Rinascente Card grants privileges for every Rinascente department store branch in Italy. The privileges program provides special offers and discounts such as in-store gifts and coupons to members without accumulating points. As of December 31, 2022 Central Retail has more than 4.3 million and 3.2 million of Big Xu Card and Rinascente Card.

(2) Data Analytics

Central Retail collects information about its customers through a variety of methods, including points-of-sale, webstores, mobile applications and loyalty programs such as The1 loyalty program. In particular, online and Omnichannel platforms provide powerful data collection technologies, with the ability to access online search history, location, customer profile, purchase history and other information. Central Retail has access to analytical tools that can process this data into unique profiles that can help to determine a customer's consumption patterns, level of wealth, lifestyle, life-stage or other characteristics, and how they change over time. All business units can use the data collected by any business unit through The1 loyalty program. This information can help improve the services and merchandise offerings that Central Retail provides to its customers, ascertain changes in consumer trends, tastes and preferences and conduct both targeted and general marketing campaigns, among other things.

(3) Customer Satisfaction

Central Retail gives priority to customers. The receipt of customer opinion process is in place to conduct a survey on customer satisfaction of each business unit on a regular basis through various channels such as online surveys where customers can voice their own opinions, customer interviews in person and by phone by listening to both regular customers and customers who have not yet been Central Retail's customers to measure customer expectation and satisfaction levels and customer needs. In addition, Central Retail has also carried out mystery shopper projects to examine or measure the readiness of products and services of stores. Greater customer experience will be built upon the information obtained to ensure that Central Retail can respond to the needs of existing and new customers as thoroughly as possible.

Central Retail conducted the 2022 Customer Satisfaction and Loyalty Survey by shifting the survey method to an online survey, which enable to conduct such survey throughout the year and cover all sampling channels and more sampling collection across the country. The sample groups were customers of retail business units in Central Retail, namely Central Department Store, Robinson Department Store, Supersports, Thai Watsadu, BnB home, Power Buy, OfficeMate, B2S and Tops, In addition, in 2022, the Company has expanded its survey target to cover more functions, namely Central Marketing Group (CMG) and Property in Thailand. A total of 463,930 samples were included, a 85 percent increase from last year.

The summary of customer satisfaction and loyalty is as follows:

Customer Satisfaction and Loyalty (%)	2021	2022	% Change
Overall satisfaction towards offline shopping experience	88.7	89.8	1.1

Source: Satisfaction and Competitiveness Survey in 2021 and 2022

The results of the survey was found that customers were satisfied with their purchases at the store. The Company achieved a slightly increasing growth. Throughout the time, Central Retail has enabled goods and service purchases in several new channels, whether online, O2O channel or physical stores, to meet the needs of customers during the COVID-19 outbreaks. Central Retail added a satisfaction survey toward Omnichannel platforms (Online and New Sales Channel) since 2021 so as to cover services in every of its channels. The online and new sales channels grew 85.2% and 92.1% in 2021 and 2022, respectively. In this regard, Central Retail has leveraged the survey results to further improve the products and services to ensure that it can continuously meet the needs and attain satisfaction of customers.

(4) Promotions and Events

Central Retail regularly conducts promotional programs and special events to help increase product demand and sales. There are various forms of promotional and event activities which demonstrate innovation in the marketing campaign of Central Retail. It is believed that this creates excitement and draw customers' interest to the brand of Central Retail. Although each business unit is responsible for its promotional strategies and activities, the coordination occurs at Central Retail level to manage nationwide promotions and inter-brand promotional campaigns held each year under the Central Group and The1 membership privilege program, all business units of Central Retail also participate in the promotional campaign.

The table below provides examples and promotional activities information that occurred over a specific time period.

Activities and Promotions	Duration	Offering	Results
Redeem on The1 APP	4th Quarter 2022	• Offer discount coupons, cash coupons, and many privileges from point redemption on The1 APP at special point rates • These coupons and privileges cover both online and offline spending platforms and also include key partners	• More than 1 million users/ month on The1 APP
The1 Exclusive	Throughout 2022 (officially launched in July 2020	• Develop another privilege program for loyalty customers who have cumulative spending at Central Retail of 250,000 baht per year, or 400,000 baht when combined with their spending amounts at participating tenant stores within Central Department Store and Central Embassy • VIP customer care program covers both selective benefits of Central Retail and partner • Privileges offered to The1 Exclusive members, including reserved parking, exclusive lounges, exclusive payment platforms, concierge service, on-top discounts on every spending, birthday privileges and exclusive invitation and many more, both in Thailand and overseas. • In addition, there is also a dedicated The1 Exclusive Hub on The1 APP that gathers special privileges and is easily accessible	• The1 Exclusive group members can generate more than 20% of the total sales calculated through The1 • The1 Exclusive members browsed product pages 5 times higher and spent 25 times higher than general The1 members

Source: The above spending and sales data are based on research data from The1 membership database and The1 membership privilege program

(5) Advertising

Central Retail utilizes a variety of media in advertising and promotional activities, including social media, online ads, SMS, direct mail, billboards, newspapers and magazines. Each of business units is responsible for its own advertising strategy though store clusters may also work together and coordinate on advertising where appropriate. Certain advertising decisions are also subject to the agreement of suppliers and suppliers where appropriate, and certain advertising costs may be borne by suppliers.

1.2.3.2 Competition

Central Retail's competitors comprise traditional store-based retailers, store-based retailers moving online and pure online or e-commerce players. For in-store sales, Central Retail competes with competitors in each region that operates retail business in the same or similar retail categories or formats as its business units. For online sales, over the past several years, Central Retail has competed with pure online players who lack of a physical storefront. The rapid technological developments have made significant advancements in E- commerce. As a result, small retailers or new entrants can also compete with large and long-established retailers like Central Retail. Central retail intends to utilize significant resources to develop and expand the Omnichannel platform as a response to all forms of competition. Central Retail believes that our comprehensive network and physical stores in different locations will be a key advantage for Omnichannel platforms compared to pure online players (E-Commerce operators who do not have physical stores). More details are on the topic of "Risk Management".

Central Retail believes that its commitment to customer service is the key difference from other competitors. There is a significant strength in terms of names recognition, offering a wide variety of brands, products offerings, shopping experience (either offline, online, or Omnichannel), and Central Retail's thorough understanding of fashion trend and the retail industry dynamic. In this regard, Central Retail does not have any competitors in Thailand or Vietnam that can compete with Central Retail at the overall level both in terms of formats, concepts, and stores variety. Nevertheless, considering the level of business unit level, major competitors in Thailand are The Mall (for fashion segments), Lotus's, Big C Thailand, Makro and 7-Eleven (for food segments), HomePro, Global House, Dohome and Boonthavorn (for hardline segments). Apart from the mentioned competitors, there are also online marketplace competitors such as Shopee, Lazada, as well as brands that reach customers directly through online or Omnichannel. Central Retail's main competitors in Vietnam are Masan group (food segment), Vingroup (property segment) and Mobile World, JSC, Cho Lon and Media Mart (hardline segment). There is no direct competitors in Italy. Considering fashion segment, Central Retail also competes with global fashion retailers such as Uniqlo, Zara and H&M.

(1) Business and Network Expansion

Central Retail has historically expanded its business in terms of geography, formats, and retail categories through the opening of new stores as well as through acquisitions and partnerships. Central Retail's earliest retail banners, such as Central Department Store, expanded largely through the opening of new stores. However, Central Retail also has a strong record of successful joint ventures and acquisitions, which Central Retail has used to grow its business.

(a) Store and Network Optimization

Store-based retailing is more dynamic than in the past, and the approach has evolved beyond simply opening stores, to also constantly adjusting the store mix to optimize sales, logistics and operating costs. Central Retail has the flexibility to increase and decrease its selling space continuously based primarily on sales performance. Where performance is declining, Central Retail can choose to swap in new stores or new concepts, sublease, or close a location, and where sales are strong, Central Retail can increase the selling space of existing stores, add higher-margin stores or concepts or cluster other retail banners to help achieve better network effects.

Central Retail dedicates considerable resources to identifying and securing locations for new stores that meet its selection criteria, which include but are not limited to areas with high population density, customer flow and potential for customer growth. Central Retail also considers network effects, such as the benefits of store clustering, both for driving cross-selling and efficient logistics. The decision to locate a store within a shopping mall, at a standalone location or even to use a sales counter is made on a case-by-case basis with consideration of all the above factors, as well as local conditions. The typical catchment area for a new store varies widely depending on the store format to be deployed. For example, for Tops (small format), the catchment area usually hosts a population of 10,000 individuals within a one kilometer radius of the customer's profile office building, a small shopping mall, condominium or fresh market, whereas for Tops (large format), the catchment area hostsa population of 20,000 households within a three to five kilometer radius.

For Thailand, the period during which new stores of Central Retail are to be launched, starting from defining the location to the official launch, depends on many factors, e.g., licensing. For Vietnam, the Company has the same operating procedures as in Thailand, thus the period depends on the format of that specific store and the duration starting from defining the location through to the official launch is varied. In order to meet the different needs of customers across the country, the Company has expanded stores, namely Tops Market and go!, in different formats to respond to the needs of urban and elite cities and suburban areas for the latter.

In addition to new store roll-outs, Central Retail constantly seeks to improve its existing stores and review each store's refurbishment needs on an annual basis, which are usually done every 3 to 8 years, depending on each store, to ensure that Central Retail's stores always have the modern store ambience. For example, in 2022, Central Retail has rebranded "Big C" to "GO!", a shopping center of 3 stores and 3 stores of hypermarkets. In the past, store refurbishment may take from 2- 3 weeks to 18 months to complete, depending on the store format. Central Retail generally does not close its stores during refurbishment and, where necessary, refurbishment activities are phased to minimize service disruption. Moreover, Central Retail believes that the refurbishment activities are key to ensure the continuing productivity of its existing stores.

(b) Acquisition, Joint Ventures, Partnerships, and Alliances

Central Retail has an institutionalized approach to mergers and acquisitions with dedicated in-house business development teams focusing on them. Many of senior executives have conducted multiple mergers and acquisitions and understand their importance in growing business. Central Retail seeks opportunities to acquire businesses when Central Retail wants to break into a new market where an existing business has close familiarity with the tastes and preferences of local customers, and as such international expansion is generally done on an acquisition basis.

The following table presents an overview of major acquisitions, joint ventures and other business partnerships.

Retail Banner or Brand	Year	Business Model
Robinson Department Store	1995	Acquisition of existing business in Thailand
	2019	Tender offer for all securities of Robinson Public Company Limited (ROBINS)
Tops	1996	Acquisition of existing business in Thailand
Watsons	1996	Joint venture formed with Watson's The Chemist (Thailand) Holdings Limited and other parties
Marks & Spencer	2002	Exclusive partnership for the opening of physical brandshops in Thailand and non-exclusive partnership to operate an internet website or a multi-channel ordering system
Samsonite	2006	Joint venture formed with Samsonite Corporation for existing business in Thailand
Rinascente Department Store	2554	Acquisition of existing business in Italy
FamilyMart	2012	Joint venture formed with FamilyMart Co., Ltd. and other parties for existing business in Thailand
	2020	Acquisition of an additional 49% interest in Central FamilyMart Co., Ltd, increasing its ownership interest from 51% to 100%
Muji	2012	Joint venture formed with Ryohin Keikaku Co., Ltd. for existing businesses in Thailand
Komonoya	2013	Joint venture formed with Watts Co., Ltd. for existing businesses in Thailand
Sunglass Hut	2014	Joint venture formed with Luxottica Group S.p.A and Luxotica S.r.l for the opening of Sunglass retail stores in Thailand
Lan Chi Mart	2015	Joint venture formed for existing business in Vietnam
Matsumoto Kiyoshi	2015	Joint venture formed with Matsumotokiyoshi Holdings Co., Ltd. for the opening of health and beauty stores in Thailand
Nguyen Kim	2015	Joint venture formed for existing business in Vietnam
	2019	Nguyen Kim became Central Retail's wholly owned subsidiary
Big C Vietnam	2016	Acquisition of existing business after cooperative venture in Vietnam
Gucci	2017	Joint venture formed with G Distribution BV for existing businesses in Thailand
Bottega Veneta	2017	Joint venture formed with Bottega Veneta Holding B.V. for existing businesses in Thailand
COL (COL), with retail brands in the COL group, including OfficeMate, B2S, and Meb	2021	Acquisitions of existing business in Thailand
GrabTaxi Holdings (Thailand) (Company Group indirect holding through Porto Worldwide Limited)	2021	Acquisitions of existing business in Thailand by acquiring share in Porto Worldwide Limited (or Porto WW), which invests in Grab business (Thailand), Porto WW holds a 40 % stake in the Company. GrabTaxi Holdings (Thailand) Co., Ltd., a Grab operator with a wide range of services in Thailand.

Retail Banner or Brand	Year	Business Model
The Parentinc.	2022	Joint venture formed with The Parentinc, the online community platform for parents and kids
Ergotrend Group	2022	Joint venture formed with Ergotrend Group for existing businesses in Thailand
GULF Energy Development Public Company Limited (GULF)	2022	Joint venture formed with GULF Energy Development Public Company Limited (GULF) in the production of renewable energy, starting with the use of rooftops across Thai Watsadu branches to install solar panels and produce clean energy for sustainability's business operation in Central Group

(c) The JD Central Joint Venture

In September 2017, HCDS entered into a joint venture with JD.com, Inc. (being Central JD Commerce Co., Ltd., herein referred to as the "JD Central") which establishes an online-only retailing business in Thailand. The business sells merchandise through both a webstore and a mobile application, with the goal of becoming a leading online marketplace in Thailand. The JV agreements contain various reciprocal obligations of JD.com, Inc. and HCDS concerning their respective businesses and the operation of the JD Central itself, and each party has agreed not to engage in a similar venture with any third party in Thailand. Unlike Central Retail's Omnichannel platforms, the JD Central lacks any corresponding physical stores, so its offerings are only available online and the site lacks independent Omnichannel capabilities.

Certain terms of the JD Central may limit the flexibility in the Omnichannel retailing business

(d) Expansion Pipeline

Central Retail plans to continuously open new stores in all segments and expects to open approximately 400-500 stores per year within the next 5 years in Thailand and Vietnam. At the same time, Central Retail will continue to survey the area suitable for stores opening according to Central Retail's business expansion plan both in the area where Central Retail has existing presence and in new locations across Thailand and Vietnam, particularly in underserved markets, that are not so many retail outlets, with growth potential. In Italy, Central Retail has continuously refurbished the Rinascente Department Store 2-3 stores per year to increase sales volume.

Regarding new store expansion for the fashion segment, Central Retail has set a goal to expand stores in Thailand, namely, 2-3 department stores per year, and 25-30 stores specialty stores and brandshops per year respectively. For hardline segment, Central Retail plans to expand 30-40 stores per year in Thailand, which include eletronics equipment store and specialty stores for home and DIY products, excluding the brands of small-sized stores. In addition, for the food segment, Central Retail aims to expand 15-20 stores of supermarkets in Thailand per year and expand 20-30 stores in Supermarket and hypermarket in Vietnam. The goal is to increase the net sales area for all segments approximately by 5-10 percent per year and the net leasable area for property segment approximately by 10-15 percent per year within the next 5 years. The plan may be subjected to change depending on the situation in any given period.

1.2.3.3 Industry

The overall picture of the Thai economy in 2022 has continued to recover after the COVID-19 outbreaks subsided, resulting in a noticeable improvement in economic activities, positive signs of a gradual economic and private consumption recovery, especially the strong rebound of the tourism sector after the implementation of the reopening policy in the second half of 2022. Thailand's retail industry has gradually improved in line with the economic situation. In this regard, the supporting factors are (1) government spending stimulus measures; (2) the gradual return of foreign tourists; and (3) the high purchasing power of the middle-upper earners. Moreover, online availability can also help boost sales to a certain extent. The challenge of economic slowdown due to the Russia-Ukraine war is however still protracted while the European energy crisis and global inflation are intense. Financial costs are likely to soar due to interest rate hike of Central Banks, including the Bank of Thailand. All of these factors thus affect the purchasing power of consumers.

(1) Overview of the Thai Retail Industry

The retail industry in Thailand is achieving a steady rise as a result of economic growth, the increase in the proportion of young populations, more middle-income earners, as well as developed livelihood and urbanization. Furthermore, the expansion of investment of the business and government sectors in various infrastructures are also another factor that enhances the opportunity for economic growth in the region.

Middle-to-high income consumers remain the primary target for retailers as it is a group of consumers that prefer buying leading products and services. The increase in the number of consumers with purchasing power and the growth in the proportion of the young populations also bring opportunities to other retail platforms, e.g., online retail and specialty retail, as these consumers are always looking for new brands and products to complement their lifestyle.

The Office of the National Economic and Social Development Board (NESDB) has reported the overall Thai economy in 2022 that it expanded by 2.6 percent, an increase from 1.5 percent in 2021, in parallel with the recovery of the tourism sector and the continuous improvement in domestic demand in both private consumption and investment. Additionally, according to the survey of the Thai Retailers Association that revealed declining retailer confidence, it was found that consumers had increasing ticket size due to higher product prices while the frequency of spending increased slightly and only necessary products were being focused, even though the Retail Sentiment Index of December 2022 rose slightly by 7.2 points due to temporary input from the long New Year holidays during which entrepreneurs focused on launching promotional campaigns and more foreign tourists.

However, the online retail industry in Thailand is growing at a faster rate as internet access in Thailand continues to increase. Consumers demand more convenience in their daily lives. Being able to shop anytime, anywhere and have products delivered to their homes will continue to boost online retailing. Rapid growth in smartphone penetration will also allow more Thais across the country to access the internet at their convenience and at fast speeds. The COVID-19 outbreak situation in 2020 also served as a driving factor for rapid growth in online retail.

Example: Key Retail Players in Thailand			
Group/Key Banner	**Store Format**	**Group/Key Banner**	**Store Format**
TCC group		**CP Group**	
Big C/Big C Extra	Hypermarket	7-eleven	Convenience Store
Big C Market	Supermarket	CP Freshmart	Convenience Store
Mini Big C	Convenience Store	Makro	Wholesale store
The Mall Group		Lotus's	Hypermarket
The Mall	Department store	Lotus 's go fresh	Convenience Store
Siam Paragon	Department store/shopping mall	Lotus's go fresh	Supermarket
The Emporium	Department store/shopping mall	**Siam Future development**	
The EmQuartier	Department store/shopping mall	Foodland	Supermarket
Gourmet Market	Supermarket	Villa Market	Convenience store
Home Fresh Mart	Supermarket	Power Center	Hypermarket
BeTrend	Specialty stores	**Land & House**	
Saha Pathanapibul		HomePro	Specialty Store
Lawson 108 (include 108 shop)	Convenience Store	Mega Home	Specialty Store
AEON Group		**Other groups**	
MaxValu	Supermarket	Villa Market	Supermarket
MaxValu Tanjai	Supermarket	Foodland	Supermarket

Source: Krungsri Research

Central Retail believes the potential and substantial opportunities of the Thai retail industry, especially in the regional and suburban areas. There is a tendency to expand physical stores, together with online and Omnichannel platforms, as well as development of new business models and adoption of more extensive technologies. This will help create uniqueness and enhance business competencies amidst the fierce competition as operators gear up to enlarge their customer base to promote long-term revenue growth. Thanks to multi-format, multi-category retailing platform, Central Retail can satisfy the full spectrum of its customers' shopping needs through comprehensive merchandise offerings and its diversified portfolio of retail banners. Central Retail believes that the comprehensive services and privilege programs for The1 members of the Central Group is also another factor that helps Central Retail gain better understanding of the consumer behaviors, and turning it into a strategy to differentiate itself from other retail operators. Central Retail focuses on improving shopping malls, plazas and opening new stores continuously, offering more complex models such as restaurants, cafes, and educational zones in order to offer complete lifestyles and lengthen the duration of times spent by customers in its stores as well as adjust new trends of merchandise to suit with customers' need that would stimulate. Central Retail initiated Next-Gen Omni Retail strategy seamlessly connects in-store and online shopping experiences to digital lifestyles, creating opportunities and potential for continuous and sustainable growth, such as online shopping services, Click & Collect and 1 Hour Pick-Up where customers can place an order online and pick it up in-store within an hour. The development of specific promotional campaign (Personalization), including adoption of new technologies such as Big Data, in-depth analysis will increase the competitive advantage and can maintain profitability in the long term.

(2) Overview of the Vietnamese Retail Industry

Vietnam is the fastest growing economy in Southeast Asia. According to the 2022 gross domestic product growth rate from the Vietnam Statistics Bureau (GSO), the country's gross domestic product (GDP) in 2022 grew by 8.0 percent year-on-year, which is considered the highest expansion since 2011. According to the World Bank, the retail industry has grown exponentially in recent years. This was supported by the improving economic conditions as well as an increase in population and middle-income consumers. Additionally, bilateral and multilateral will help stimulate foreign investment, thus supporting the overall picture of the Vietnamese consumer market in the future.

Key retail players that operate in the same business segments in Vietnam as Central Retail are as follows

- Food business (Hypermarket, Supermarket and Convenience Store): Masan Group, Mobile World (BHX), Coop, Lotte, Aeon and Emart
- Electronic business: Mobile World, JSC , Cho Lon and Media Mart
- Retail Plaza: Vingroup and AEON Mall

Central Retail plans to leverage Big C / GO! Vietnam's leading hypermarket retailer, as a platform to accelerate growth in the country. Big C / GO! retail plazas in Vietnam are anchored by Big C / GO! hypermarkets and lease space to third party stores as well as its own retail banners. Central Retail intends to apply a similar concept in rural areas anchored by go! supermarket, with a modified retail category mix catering specifically to rural consumers. Central Retail believes that the hypermarket and supermarket model combined with retail plaza will become a powerful force multiplier that drives business growth.

Central Retail believes that as incomes increase, Vietnamese consumers will demand increasingly more sophisticated and specialized retailing experiences. In anticipation of such changes, Central Retail continues to introduce variety of merchandise. Central Retail has introduced a new retail brand to Vietnam, such as Dyson, an electrical appliance store. Central Retail will rely on the success of Big C / GO! Vietnam as a way to introduce innovative niche retail brands in a similar manner of Central Retail responds to changes in consumer preferences in Thailand.

(3) Overview of the Italian Retail Industry

Even though the COVID-19 outbreaks have affected Italian economic and social systems in various aspects since 2020, the country's economy has recovered in all sectors, especially industrial and retail businesses. The Italian National Institute of Statistics (ISTAT) reported that Italy's gross domestic product grew by 4.9 percent in 2022 compared to that of the previous year. However, there were still challenges against the economy due to the Russia-Ukraine war and the energy crisis in Europe. Thus, the inflation rate in the country becomes higher, which may affect consumer demand and confidence.

Central Retail is the leader in department store business in Italy under the Rinascente brand with 9 stores in 8 cities across Italy. Flagship stores located in Milan and Rome are one of the leading places for shopping in Europe. Central Retail focuses on providing customers with a superior in-store shopping experience by constantly renovating and decorating their stores, in the hope to attract reputable brands. In addition, Central Retail highlighted the extension of Omnichannel platforms as a strategy to drive business growth through full scale E-commerce website of Rinascente at www.rinascente.it and Rinascente ON DEMAND service. Apart from that, Central Retail focus on increasing domestic customers to minimize the impact of lower foreign tourist and may be fluctuated according to the situation.

1.2.4 SUPPLIES, INVENTORY AND DISTRIBUTION

As of 31 December 2022, Central Retail had more than 20,000 supplier networks, of which the first 20 networks provide products to business units of Central Retail, thereby leading to sufficient variety of products and reducing concentration risks. As of the year ended 31 December 2022, none of the suppliers distributed products to Central Retail, accounting for 10 percent of the total purchase volume of Central Retail. Central Retail believes that it has good and robust relationship with the suppliers since it places priority on all suppliers and that it is a reliable, fair and reasonable business alliance. For those reasons, its relationship with most suppliers has lasted for over 15 years.

(1) Selection and relationships

Central Retail is highly selective in choosing suppliers and typically receives substantially more requests from suppliers and brands than Central Retail can accommodate. In selecting suppliers, Central Retail carefully considers numerous factors, such as quality, reliability and scale. Additional factors considered include whether the brand fits the tastes of target customers and whether its price points match their target customers, as well as financial status of the supplier and its operating model. Supporting local OTOP and SMEs is another consideration for suppliers. Central Retail generally receives an indemnity from suppliers for merchandise, under standard terms and conditions. Central Retail also requires suppliers for most of its merchandise to comply with its standard purchase terms and conditions, to understand its business direction, and to be committed to driving growth with Central Retail. Relationships with suppliers are generally managed at the business unit level. Large scale of operations provides Central Retail with a strong bargaining position when negotiating with suppliers. For example, where merchandise under the same segment is sold at stores across two or more business units, Central Retail seeks to procure merchandise at favorable terms.

All of food segment suppliers have to meet the standards with respect to costs, product specifications, marketing plans, production capacity, replenishment and logistics, and they also need to adhere to ethical business practices and comply with food safety standards, law and regulations. They are responsible for certain customer issues in accordance with consumer protection laws.

(2) Sales models

Central Retail works with suppliers on either a credit sales or consignment sales basis, though some suppliers may use both models. For credit sales, Central Retail is fully responsible for merchandise mix and inventory management, and Central Retail determines retail prices and conducts market research on pricing to ensure the prices that Central Retail sets are competitive. For consignment sales, Central Retail and the supplier must negotiate aspects such as merchandise mix, pricing and promotions. For both credit and consignment sales, Central Retail may offer promotions including discounts, with the amount of the discount taken from its expected margin on the discounted merchandise.

The choice between using a credit sales or consignment model depends on a number of factors that vary by category. For credit sales, Central Retail sources and sells its own directly purchased merchandise, either under third party brands or private labels that are sold exclusively in its stores, and Central Retail tends to stock essential, repeats items that are competitively priced and has long life cycles with high stock turnover. Central Retail also uses credit sales for top brands when agreements require them, as well as to ensure that Central Retail has enough

stock of certain brands. In addition, Central Retails uses a credit sale model for its private labels, and generally sells them at a higher margin than third party brands. The value of merchandise is represented as inventory on balance sheet. Central Retail is therefore exposed to risks of obsolescence, which Central Retail can mitigate by offering discounts or increasing marketing activities.

Central Retail uses consignment sales for more seasonal which are high turnover rate and require high inventory holdings as well as high levels of customer service to drive sales. Consignment suppliers are generally responsible for their merchandise, inventory management and sales associates. Consignment suppliers are also responsible for the design, display and fitting out of their store areas (both physical and online) at their own cost under certain specified conditions, set out by Central Retail. In addition, consignment suppliers are also responsible for repairing and maintaining their sales areas. Central Retail can use consignment sales to optimize its merchandise mix and inventory management depends in large part on the sales potential at individual locations and ability to negotiate with relevant suppliers.

However, Central Retail does not record the value of consignment goods as inventory on balance sheet. Central Retail is therefore not exposed to risks of obsolescence with respect to consignment inventory. Credit sales, by contrast, provide Central Retail with more freedom in deploying its merchandise to sell.

(3) Logistics and distribution

In 2022, Central Retail has taken steps to lessen impacts on the distribution of its products caused by higher energy prices. An agreement was signed to install solar rooftop (photovoltaic) at the Omnichannel Distribution Center whereby construction and installation were scheduled and the site is expected to generate and supply electricity in 2023. In addition, Central Retail has procured 100% EV trucks for transportation of goods, consisting of six 14-wheel trailers for Thai Watsadu and six 6-wheel trucks for the fashion segment. Thanks to the trial stage of the EV trucks, Central Retail was able to save up to 10% of transportation costs incurred from the trips. In this regard, Central Retail will actively reduce the impact on energy costs and ensure the environment is being protected during the transportation and distribution process of its products.

In addition to mitigating the impacts of energy costs, Central Retail has also developed several key transportation and distribution systems. For example, it has been certified with the safety performance standard, ISO45001:2018, for the Omnichannel Distribution Center; the IT development for warehouse management (FC–WMS) for MUJI Online warehouses; logistics training courses for employees, in collaboration with King Mongkut's University of Technology Thonburi; enhancement of storage capacity and ability to deliver and install products for customers within the date of purchase for the Power Buy business; the launches of Omnichannel distribution centers for Tops Vita and PET' N ME , etc. Additionally, the Company is also committed to consistently improving its transportation and distribution process to ensure that it is able to achieve customer satisfaction and the best shopping experience in all distribution channels, either offline or online.

The following table provides an overview of distribution center network as of 31 December 2022.

DC Group	Business Unit	Approximate Size (sq.m.)	Composition
Group 1	Central Department Store Robinson Department Store Supersports B2S	86,000	Import warehouses, domestic warehouses and cross docks
Group 2	Central Marketing Group	12,000	Single facility
Group 3	Thai Watsadu BnB home	149,600	Single facility
Group 4	Power Buy OfficeMate	82,000	4 distribution centers
Group 5	Central Food Retail FamilyMart	77,600	The segment includes 5 non-fresh food distribution centers 1 fresh food distribution center with cold room 1 fresh food distribution center with cold room 1 freezer room
Group 6	Big C / GO! Nguyen Kim Lan Chi Mart	56,000	11 distribution centers
Group 7	Rinascente Department Store	35,000	Single facility

Central Retail supplies goods to most of its stores on a daily basis, depending on the sales volume, whereby the stores will receive the products within 1-5 days from the date of order. With respect to the transportation and distribution system of the food segment, delivery lead time will be shortened, usually within 24 hours, in order to manage high turnover products, bulk items, and fresh food products. In addition, Central Retail has outsourced logistics providers to manage transportation and distribution centers at certain locations to ensure timely delivery

from each distribution center to the store network while some suppliers may supply products directly to Central Retail's stores. In this regard, Central Retail is responsible for the management of the distribution centers dedicated to Central Department Store, Robinson Department Store, Thai Watsadu, Power Buy, B2S, OfficeMate, CMG, and fresh food distribution centers of Central Food Retail while third parties manage distribution centers dedicated to FamilyMart and non-fresh food distribution centers for Central Food Retail. Furthermore, all business functions have outsourced distribution services (except Thai Watsadu and CMG, which may independently handle the management in certain cases), thus experiencing more flexibility in coping with the fluctuating consumer needs and hiring third parties allows Central Retail to be flexible in managing the logistics without having to invest on vehicles that might not be used.

(4) Inventory management

Inventory management starts prior to the initial purchase order. Central Retail conducts thorough market research ahead of making any orders, including the current economic conditions, marketing trends, and customer purchasing power in order to evaluate and make sales forecast. Central Retail generally places small quantities of orders for appropriate and flexible product management. Central Retail utilizes computer system to control the inventories management for the entire stores network, which enables Central Retail to systematically store and track inventories and ensure that the numbers shown in the financial statements are accurate and completeness. The daily report (separated by store), can be accessed by each individual department according to the rights defined, such as senior management (for accounting section), store management Department (for store operations) and purchasing department, etc. In addition, there are personnel at the stores responsible for monitoring the levels of inventories and slow-moving merchandise. Central Retail has set clear driving sales policy in order to achieve sales target including organizing various promotional programs to sell obsolete products and reduce the number of obsolete inventories from stores.

Central Retail controls slow-moving merchandise in store and through its systems and take action where necessary through either transfer or price reduction as deemed necessary. All of the stores in food segment monitor their stock position daily by reviewing the books and making appropriate adjustments where discrepancies are founded. Apart from that, Central Retail performs inventory checking on an average two times per year and any discrepancies are adjusted in financial statement.

1.2.5 MANAGEMENT, OPERATION, AND LONG-TERM GOAL

Central Retail believes that success in retailing is primarily driven by local factors and familiarity with the local community, so Central Retail strives to delegate management to individual business units and local stores rather than centralizing management at the group level. Central Retail's business units therefore are responsible for certain key functions, while central management is responsible for others.

(1) Group Management

Although, headquarters are currently located in Bangkok, Central Retail strives to focus on local decision-making. Central Retail also believes that Central Retail achieves numerous benefit and synergies by combining all of its business units under a single group structure. The table below presents the core functions that are undertaken at Central Retail level.

Function	Description
Logistics	Central Retail uses centralized logistics centers for fashion segment and hardline segment. Otherwise, logistics is generally handled at the business unit level, though Central Retail tries to coordinate among business units whenever possible to consolidate transportation for the distribution of merchandise and supplies in order to save costs.
Suppliers and sourcing	By combining the purchasing power of numerous business units, Central Retail can achieve strong bargaining positions with suppliers to lower costs and improve margins.
Back-Office Services	Each of business units share back-office support functions provided by HCDS such as management, finance and accounting and legal services, and including certain aspects of human resources and other functions to achieve economies of scale.[1]
Information technology	Each of business units joins a common technology platform, such as Omnichannel platforms, and share valuable IT talent.[2]
Investments and source of fund	Support capital investment for store expansion and new businesses.

[1] A portion of such functions may be procured through corporate services agreements. The detail was demonstrated in "Nature of business section - Corporate Services"

[2] IT Group level functions with respect to IT infrastructure and IT services are provided to Central Retail by RIS Company Limited pursuant to certain shared service agreements, while Omnichannel platforms' services are in-house.

(2) Business Unit Management

Central Retail organizes its business operations by business units, each of which is responsible for one or more retail banners. Central management for Thai, Vietnamese and Italian business units are located in Bangkok, Ho Chi Minh City and Milan, respectively. Business unit management is responsible for merchandising, strategic marketing and branding, space optimization (referring to the choice of store formats, banners and brands across the retail network), sales and selling techniques, supplier relationships, among others. Merchandising system is managed at the business unit level, and links to the inventory, point-of-sale and accounting system at all the business unit's stores and it handles sales, issuing receipts, sales and promotions. Certain functions, such as logistics, are managed among and between business units to help optimize network effects. In keeping with the initiative to increase focus on customers at the local level, Central Retail is encouraging local management in Thailand to provide input and participate in decision-making. Each business unit is also responsible for the design of its own webstore, though certain key technologies and processes are carried out at the central management level.

(3) Local Store Management

Each of stores has its own manager, who is responsible for store operation, management of sales staff and other store employees and management of supplier employees who work on site in connection with consignment sales. Individual stores also manage on-site inventory and inventory orders. By delegating more decision-making power to individual stores, Central Retail reinforces its ability to respond to the tastes and preferences of its customers at the local level.

(4) Information Technology

Information technology ("IT") system assists in the operation of Omnichannel, online sales, data analysis, merchandising, inventory control, security, cash control, financial management, human resources management and other key business functions across entire business.

Central Retail prioritizes cybersecurity readiness and the protection of customer data as its first priority and Central Retail believes that cybersecurity infrastructure is sufficient for such purposes. Central Retail engages third party consultants to provide cybersecurity monitoring for its IT systems and prepare document including monthly reporting. Most of Central Retail's business units have their continuity plans and system in place at store level and point-of-sale (POS) system has a multi-tiered structure, which enables appropriate security and operational controls to be in place of prevention from fraud and theft of personal information. Central Retail's Business Intelligence System is a big data storage system which manages the data of all business units in an aggregated manner for sales analysis purposes, in-store inventory monitoring, accounting, comprehensive Customer Data Management Automation, tailor-made proposal for each customer, and automatic system analysis, etc. Such information in each store and online data base is automatically transferred to a central analytics system. Moreover, the business intelligence system can produce several different reports that enable management to closely monitor the operation of stores throughout the markets in which Central Retail operates. This analysis can also assist Central Retail in responding to any issues that may arise in a timely manner, so that Central Retail can take the necessary measures or formulate strategies to improve the overall performance of online and offline stores.

In developing Omnichannel platforms, Central Retail has sourced software from third parties and tailored them to the functionalities of Omnichannel platforms for online and offline systems. In addition, Central Retail also employs full-time employees who are proficient in Central Retail's information technology to build out specific features and functionalities that address customer needs.

(5) Cash Management

Central Retail accepted merchandise's settlement at stores by using cash, credit card or other money substitutes, such as debit card, e-wallet, Dolfin, gift voucher, gift card, coupons and sales on credit. In the case of sales on credit, Central Retail considers each customer's credit and provides corresponding standard terms. Stringent cash control measures are therefore very important to our operations. At stores, all cash receipts are deposited daily with banks, except for a few stores with no cash pick up services on specific days. For those stores, cash is kept in-store overnight inside secure safes in the strong room, to be deposited with banks within one to three days. Reconciliation is carried out routines by each store's cashier department or by the central financial accounting function to reconcile sales data with cash, credit card and other money substitutes receipt records. Central Retail has also taken out insurance policies to cover money in premises and money in transit and fidelity guarantee insurance policies which cover finance and management staff, including cashiers.

In managing cash and liquidity, Central Retail implements a cash pooling system, which pools cash from various bank accounts opened at different locations of the business units into a single bank account of the parent company of such business units on a daily basis. This is to ensure that there is no surplus of cash or bank deposits that are not utilized for liquidity management purposes and to ensure that business units do not suffer from liquidity issues or have to incur interest expenses from lacking liquidity.

(6) Quality Control

All products sold in stores are subject to inspection by each store at the time they are delivered by the suppliers. The same standard of quality is adopted for merchandise sold through both consignment and credit sales. If any defects are detected, the relevant product will be returned to the supplier for replacement. All product that sold in the store, must obtained legal approval first. Under standard supply agreement, suppliers are responsible if any claims arise from the quality of their products. The agreement also stipulates that only genuine products can be sold in stores.

Under the terms of standard supply contracts with suppliers, they are required to give Central Retail product quality assurance. In addition, all product liability in respect of any products supplied to Central Retail by any supplier and sold at stores is borne by such supplier. Central Retail believe that carefully selects suppliers, can also reduce the risks arising from quality problems.

(7) Corporate Services

Central Retail has entered into several corporate services agreements with HCDS, Central Retail's major shareholder, pursuant to which it has agreed to provide Central Retail with certain corporate services with respect to management, finance and accounting and legal services, and including certain aspects of human resources and other functions. Central Retail also engages RIS Company Limited to provide Central Retail with IT services.

(8) Long-Term Business Plan

The Company is committed to creating sustainable growth for the business and to becoming Asia's No. 1 Retailer of the Future through its **CRC Retailligence** Strategy with 4 key strategies:

1) **Reinvent Next-Gen Omni Retail** – Elevate Omnichannel platforms by merging physical and virtual worlds, and leveraging new digital technologies to deliver next-level shopping experiences across all business segments, including food, fashion, hardline, property and new businesses across Thailand, Vietnam, and Italy.

2) **Accelerate Core Leadership** – Accelerate growth across Central Retail's core businesses, both locally and globally, and capture new growth opportunities with world-class partners.

3) **Build New Growth Pillars** - Capture new business opportunities by starting with the health and wellness segment followed by other segments that tap into changing global trends and consumer needs.

4) **Drive Partnership, Acquisition and Spin-Off** – Expand the business under the concept of inclusive growth, inspiring collective success with partners and enabling value-led sustainability.

Central Retail is committed to improving the efficiency of operational processes of all departments, ensuring that risk management is in line with the economic conditions and shifting consumer behavior, and that cost and expense management is efficient for robust and sustainable growth. The Company is also determined to direct all businesses toward sustainability (ESG). In this regard, the monetary goals or operational figures specified have been considered by the Company to be feasible, with supporting strategies or operational measures, along with guidelines to achieve such goals, in place.

1.2.6 Operating Assets

The Company has a policy to invest in and manage subsidiaries and associates by investing in retail businesses with products that are related, similar, or beneficial and in support of Central Retail's business operations to strengthen its security and operating results. Additionally, in overseeing the operations of subsidiaries and associates, the Company will send out its representatives with qualifications and experience that are suitable for the businesses in which Central Retail will invest to hold director positions in subsidiaries and associates to oversee their operations in the direction that is proper and beneficial to Central Retail as a whole.

The key operating assets are right-of-use, land, buildings, and equipment owned by the Company. Such assets include land, buildings, and building improvements. In addition, the Company still has intellectual property created by internal personnel. The Company's key operating intellectual property includes trademarks and service marks. Since trademarks and service marks represent identity and create recognition which allows consumers to acknowledge and confide in the products or services of the Company. The trademarks and service marks, therefore, distinguish or differentiate the Company's products or services from other operators. The intellectual property, especially trademarks and service marks, is then deemed as another driving factor of domestic and international economy and investment. Since the investors can recognize trademarks and service marks from the actual market, they are therefore confident to invest in the products or services of such companies. More details can be found in the topic "Enclosure 4 - Operating Assets and Details of Assets Assessment"

1.2.7 Undelivered Tasks

- None -

1.2.8 ENVIRONMENTAL IMPACTS

Central Retail's business operations are subject to many relevant environmental laws and regulations. More details can be found in the topic "Other Signific ant Information - Significant Laws Relating to Central Retail's Business Operations"

1.2.9 Innovative business development

Central Retail has developed innovations that will enable it to cater excellent experiences and services to better meet customer needs along with enhancing customer visits to ensure seamless and convenient shopping experience. For example, in the fashion segment, the Company has developed NFT that are equipped with Utility Tokens to unlock exclusive experience of Web 3.0 for Central customers at no charges. These NFT have been developed in collaboration with Mr. Nakrob Moonmanas as a collection inspired by Central's collectible shopping bags, since the '50s until today. The collection features 8 designs to represent 8 eras and integrates digital tokens so that the holders can redeem privileges. Central Retail has joined forces with the Central Innovation and T1 teams to create the wallet feature to collect digital assets and make sure the process will be easier for those who never own an NFT. With such a feature, having the T1 application on a smartphone alone facilitates participation in the activity to get the NFT at no charges and to redeem them for privileges, e.g., discount coupons and premium gifts.

In the food segment, innovations have been developed to deliver excellent experiences and services. For instance, Central Retail has employed an AI Service Robot, called "Nong Tem Jai," to serve customers since 2021. With this innovation, it was considered the first supermarket in Thailand that officially integrated artificial intelligence technology to serve customers. This has enhanced opportunities to greatly offer products and promote sales for brands regardless of any situation. For this year, Central Retail has increased the number of self-checkout machines to shorten payment time for convenience and impressive experience. Currently, there are two branches that feature self-checkout machines only, namely All Seasons Place and Silom where VDO Analytics and related data are applied to manage queues, provide services, and prevent item loss. In addition, Central Retail has developed innovations to promote the circular economy and sustain the economy (Circular Economy for Sustainability), with an emphasis on food waste management and reduced greenhouse gas emissions, e.g., a collaboration between Tops and Muvmi – EV Tuk-Tuk provider for passenger pick-up/drop-off and goods delivery. Tops has expanded its Muvmi passenger shuttle service, starting from its Kaset University branch to Sukhumvit 39 and Thonglor, which facilitates trips of Tops' customers and helps to reduce greenhouse gas emissions.

Central Retail still forges forward to develop innovative products and services that meet the needs of customers regardless of their lifestyle with safety and environmental impacts in mind to ensure a sustainable well-being for society and community. In this regard, Central Retail has invested over 9 million baht and 12 million baht in 2021 and 2022, respectively, to reach the above achievements.

1.3 Shareholding Structure of the Group of Company

1.3.1 Shareholding Structure of the Group of Company

Central Group was established in 1948 by Mr. Tiang Chirathivat ("Mr. Tiang") which was a small family-run shop in the city of Bangkok. In 1956, Mr. Samrit Chirathivat ("Mr. Samrit"), son of Mr. Tiang, expanded his father's general merchandise business with the establishment of the first Central Department Store in Bangkok's Wangburapha district. Both father and son, the group's founders, were fully engaged in running the business and were also helped by other members of the family. Then, Central Group expanded the business by the Chirathivat and hired professionals to operate the Company. After that, Central Group was restructured into a holding company and listed on the Stock Exchange of Thailand in February 2020 which Harng Central Department Store Co., Ltd., the major shareholder holding 35.06 percent of the shares.

The Company is a holding company which mainly invests in subsidiaries that can be organized into 3 operating segments, including

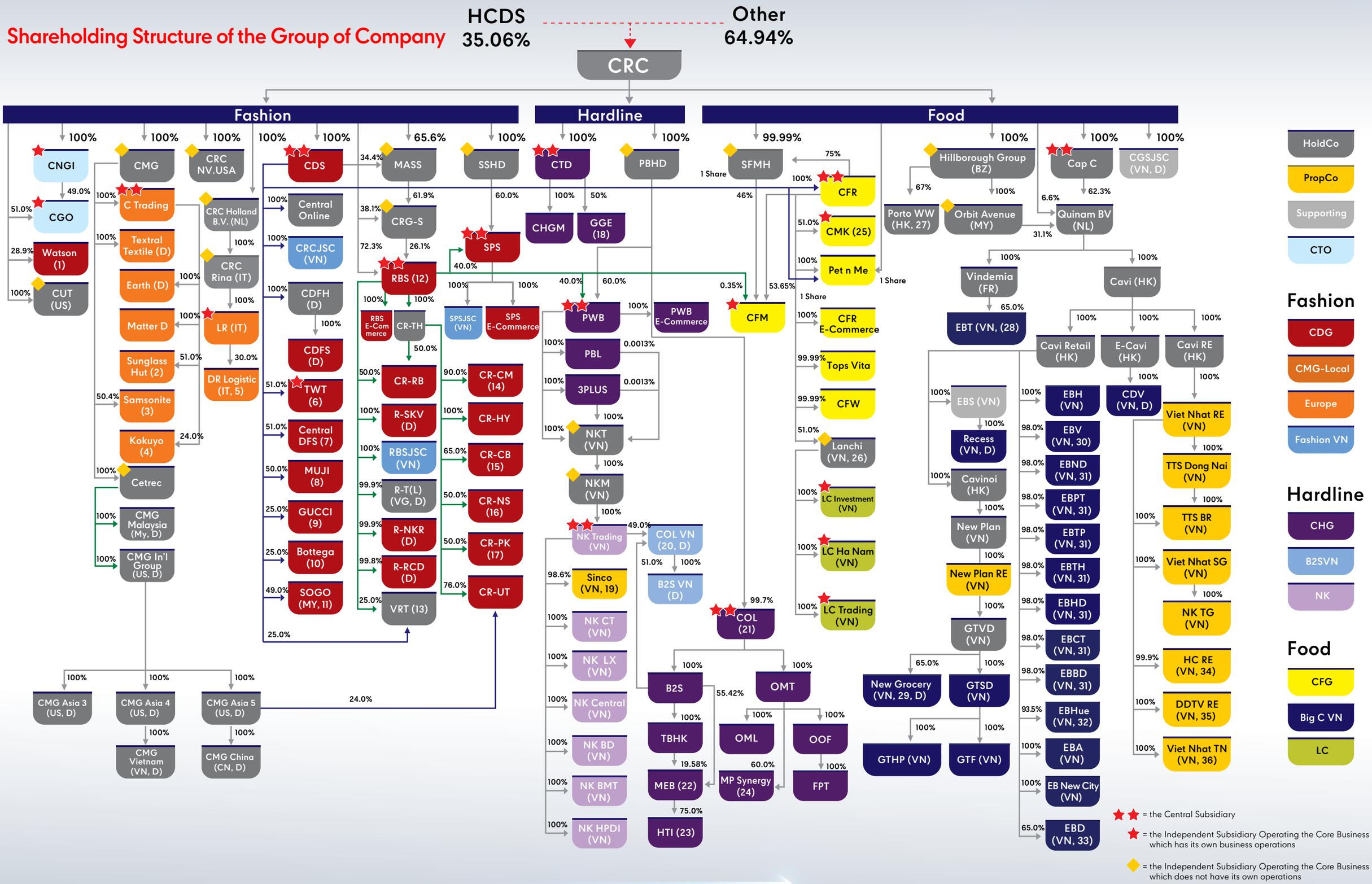
(1) Fashion segment offers apparel and accessories under retail brands, such as Central Department Store, Robinson Department Store, Rinascente Department Store, Supersports, and Brandshop.

(2) Hardline segment which consists of home decoration, home improvement, electronic products, stationery, office supplies, and e-Book under retail brands, such as Thai Watsadu, BnB home, Power Buy, OfficeMate, B2S, and Nguyen Kim Vietnam.

(3) Food segment provides a wide range of consumer products and products which found in convenience stores under various retail brands, such as Tops, FamilyMart, Big C / GO! and Tops Vietnam, go! Vietnam, and Lan Chi Mart Vietnam.

The aforementioned subsidiaries also operate in the Property segment and Health and Wellness segment.

Shareholding Structure of the Group of Company



Country Abbreviations:
BZ = Belize, CN = China, FR = France, HK = Hong Kong, IT = Italy, MY = Malaysia, NL = The Netherlands, US = the U.S., SG = Singapore, VG = the British Virgin Islands, and VN = Vietnam

Status Abbreviations:
D = These entities are dormant or in liquidation.

Remarks:
1. A.S. Watson Group and Thai shareholders who are not related to the Company hold the remaining 71.1% shares in Watson.
2. Luxottica Group S.P.A., a company established in Italy, holds 46.0% shares and Luxottica S.R.L., a company established in Italy, holds the remaining 3.0% shares in Sunglass Hut.
3. Delilah Europe Investment S.A.R.L., a company established in Luxembourg, holds the remaining 49.6% shares in Samsonite.
4. Kokuyo Co., Ltd., a company established in Japan, holds 49.0% shares, Practikable Co., Ltd. holds 24.0% shares, and MHCB Consulting (Thailand) Co., Ltd. holds the remaining 3.0% shares in Kokuyo.
5. F.LLI. Di Martino S.R.L, a company established in Italy, holds the remaining 70.0% shares in DR Logistic.
6. Watts Co., Ltd., a company established in Japan, holds the remaining 49.0% shares in TWT.
7. DFS Venture Singapore Pte. Ltd., a company established in Singapore, holds the remaining 49.0% shares in Central DFS.
8. Rychin Keikaku Co., Ltd., a company established in Japan, holds the remaining 50.0% shares in MUJI.
9. G Distribution B.V., a company established in the Netherlands, holds the remaining 75.0% shares in Gucci.
10. Bottega Veneta Holding B.V., a company established in the Netherlands, holds the remaining 75.0% shares in Bottega.
11. Sogo (K.L.) Department Store Sdn. Bhd., a company established in Malaysia, holds the remaining 51.0% shares in SOGO.
12. The remaining of ROBINS' shares are held by public shareholders.
13. Siam Piwat Retail Holding Co., Ltd. and The Mall Group Co., Ltd. hold the remaining 50.0% shares in VRT.
14. Mr. Worawat Tantranon holds the remaining 10.0% shares in CR-CM.
15. Center Town Co., Ltd. holds the remaining 35.0% shares in CR-CB.
16. Nakornsrithamrat Ocean Group Co., Ltd. holds the remaining 50.0% shares in CR-NS.
17. Phuket Ocean Group Co., Ltd. holds the remaining 50.0% shares in CR-PK.
18. GULF1 Company Limited holds the remaining 50.0% shares in GGE.
19. The Vietnamese who are not related to the Company holds the remaining 1.4% shares in Sinco.
20. B2S Company Limited holds the remaining 51.0% shares in COLVJSC.
21. The remaining of COL' shares are held by public shareholders.
22. Mr. Kittipong Saelim holds the remaining 10.1% shares, Mr. Rawiwon Mahasit holds the remaining 10.1% shares and Brain Ventures Limited holds the remaining 4.7% shares in MEB.
23. Mr. Phatthana Philuekruedet holds the remaining 25.0% shares in HTI.
24. Mr. Phonrasit Chitsaardkul holds the remaining 40.0% shares in MP Synergy.
25. Matsumoto Kiyoshi Holding Co., Ltd., a company established in Japan, holds the remaining 49.0% shares in CMK.
26. Ms. Nguyen Thi Lan holds the remaining 49.0% shares in Lanchi.
27. Chipper Global Limited is the 33.0% shares remaining shareholder in Porto WW where Central Pattana Public Company Limited indirectly holds 100% shares in Chipper Global Limited.
28. Thanglong GTC JSC, a company established in Vietnam, holds the remaining 35.0% shares in EBT.
29. Fresh Foods and Useful Goods Distribution Company Limited, a company established in Vietnam, holds the remaining 35.0% shares in New Grocery.
30. Vindemia holds 1.0% shares and Cavi RE holds the remaining 1.0% shares in EBV.
31. Cavi holds 1.0% shares and Cavi RE holds the remaining 5.9% shares in that company.
32. Cavi holds 0.6% shares and Cavi RE holds the remaining 5.9% shares in EBHue.
33. Dong Nai Food Industry Corporation, a company established in Vietnam, holds the remaining 35.0% shares in EBD.
34. Viet Nhat Real Estate, a company established in Vietnam holds 99.94% shares, TTS Dong Nai holds 0.03% shares, and Viet Nhat SG holds 0.03% shares in Houng Cuong Quang Ngai (HCRE).
35. Viet Nhat Real Estate, a company established in Vietnam holds 99.96% shares, TTS Dong Nai holds 0.02% shares, and Viet Nhat SG holds 0.02% shares in Dong Doung Tra Vinh Real Estate (DDTV RE).
36. Viet Nhat Real Estate, a company established in Vietnam holds 99.96% shares, TTS Dong Nai holds 0.02% shares, and Viet Nhat SG holds 0.02% shares in Viet Nhat Thai Nguyen (Viet Nhat TN).

As of the date of this document, the Company has subsidiaries and Joint Ventures companies that have shareholdings up to 10 percent in 143 companies, as detailed below. The percentage of shareholdings shown in the table below. Shareholding percentage may be adjusted in a decimal position.

(1) Fashion

No.	Company name	Type of business	Paid up capital	Shareholding proportion (%)	Head office
Central Department Store					
1.	Central Department Store Co., Ltd. ("CDS")	Operating Central Department Store	THB 3,335.0 million	100	1027 Central Chidlom Department Store, 7th Fl., Ploenchit Road, Lumphini, Pathum Wan, Bangkok
2.	Central Group Online Co., Ltd. ("Central Online")	Selling goods via online channel	THB 35.0 million	100	919/555 South Tower, 14th Fl, Room 7,8, Si Lom Road, Si Lom, Bang Rak, Bangkok
Robinson Department Store and Robinson Lifestyle Center					
3.	Mass Concept Co., Ltd. ("MASS")	Holding Company for Robinson department store and Robinson Lifestyle	THB 262.5 million	100	79/3 Sathu Pradit Road, Chong Nonsi, Yan Nawa, Bangkok
4.	C.R.G. Service Co., Ltd. ("CRG-S")	Holding Company for Robinson department store and Robinson Lifestyle	THB 1,089.4 million	100	22 Soi Somkid, Ploenchit Road, Lumphini, Pathum Wan, Bangkok
5.	Robinson Public Company Limited ("ROBINS")	Operating Robinson department store and Robinson Lifestyle in Bangkok and provincial area	THB 3,942.9 million	98.4	9/9 Central Plaza Rama 9, 14th-17th Fl., Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok
6.	RBS E-Commerce Co., Ltd. ("RBS E-Commerce")	Selling goods via online channel	THB 1.0 million	98.4	
7.	CR (Thailand) Co., Ltd. ("CR-TH")	Holding Company for Robinson Department Store in 7 provinces	THB 3,201.0 million	98.4	
8.	CR Ratchaburi (Thailand) Co., Ltd. ("CR-RB")	Operating Robinson Lifestyle in Ratchaburi	THB 645.6 million	98.4	265 Srisuriyawong Road, Na Muang, Muang Ratchaburi, Ratchaburi
9.	CR Chiangmai (Thailand) Co., Ltd. ("CR-CM")	Operating Robinson Department Store in Chiang Mai	THB 220.0 million	88.5	2 Mahidol Road, Haiya, Muang Chiang Mai, Chiang Mai
10.	CR Hatyai (Thailand) Co., Ltd. ("CR-HY")	Operating Robinson Department Store in Hat Yai	THB 202.0 million	98.4	9 Thammanoonvithi Road, Hat Yai, Songkhla
11.	CR Udonthani (Thailand) Co., Ltd. ("CR-UT")	Operating Robinson Department Store in Udon Thani	THB 225.0 million	98.8	277/2 Prachaksinlapakhom Road, Mak Kaeng, Mueng Udon Thani, Udon Thani
12.	CR Chantaburi (Thailand) Co., Ltd. ("CR-CB")	Operating Robinson Lifestyle in Chanthaburi	THB 160.0 million	63.9	22/107 Moo 7, Chanthanimit, Muang Chanthaburi, Chanthaburi
13.	CR Nakhonsrithammarat (Thailand) Co., Ltd. ("CR-NS")	Operating Robinson Department Store in Udon Thani and Robinson Lifestyle in Nakhon Si Thammarat	THB 560.0 million	49.2	89/201 Pattanakarn Kookwang Road, Klang, Muang Nakhon Si Thammarat
14.	CR Phuket (Thailand) Co., Ltd. ("CR-PK")	Operating Robinson Department Store in Phuket	THB 177.0 million	49.2	36 Tilok Utid 1 Road, Talad Yai, Muang Phuket, Phuket
15.	Robinson Sukhumvit Co., Ltd. ("R-SKV")	Dormant	THB 100 million	98.4	259 Sukhumvit Road, Khlong Toei Nuea, Vadhana, Bangkok
16.	R-Trading (L) BHD. ("R-T(L)")	Dormant	THB 50,000	98.3	P.O. Box 2208, Road Town, Tortola, British Virgin Islands
17.	Robinson Nakarin Co., Ltd. ("R-NKR")	Dormant	THB 105.0 million	98.2	9/9 Central Plaza Rama 9, 14th Fl., Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok
18.	Robinson Ratchada Co., Ltd. ("R-RCD")	Dormant	THB 75.0 million	98.2	9/9 14th-17th Fl., Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok

No.	Company name	Type of business	Paid up capital	Shareholding proportion (%)	Head office
Robinson Department Store (Vietnam)					
19.	Robinson Department Store (Vietnam) JSC ("RBSJSC")	Operating Robinson Department Store – Hanoi branch	VND 216,500.0 million	98.4	Basement B1, Mega Mall, Royal City Complex, No. 72A Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi, Vietnam
20.	Central Retail Corporation (Vietnam) JSC ("CRCJSC")	Operating Robinson Department Store – Ho Chi Minh City branch	VND 105,000.0 million	100	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
Rinascente					
21.	CRC Holland B.V. ("CRC Holland")	Holding Company for Rinascente Department Store	EUR 100	100	Herikerbergweg 238, Amsterdam, 1101 CM, the Netherlands
22.	CRC Rinascente S.p.A. ("CRC Rina")	Holding Company for Rinascente Department Store	EUR 120,000.0	100	Via Washington, 70- 20146 Milano (Italy)
23.	La Rinascente S.p.A. ("LR")	Holding Company for Rinascente Department Store in Italy	EUR 5.1 million	100	
Super Sports					
24.	SSHD Co., Ltd. ("SSHD")	Holding Company for Super Sports	THB 255.0 million	100	306 Si Lom Road, Suriyawong, Bang Rak, Bangkok
25.	CRC Sports Co., Ltd. ("SPS")	Selling clothes and sport equipment under Super Sports Thailand	THB 370.0 million	99.4	919/555 South Tower, 13th Fl., Room 1-6, 10, Si Lom Road, Si Lom, Bang Rak, Bangkok
26.	CRC Sport E-Commerce Co., Ltd. ("SPS E-Commerce")	Selling goods via online channel	THB 1.0 million	99.3	
27.	CRC Sports (Vietnam) JSC ("SPSJSC")	Dormant	VND 18,375.0 million	99.4	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
Central Marketing Group					
28.	Central Marketing Group Co., Ltd. ("CMG")	Holding Company for Central Marketing Group and provide warehouse for Central Trading Co., Ltd.	THB 1,876.0 million	100	3388/26-37 Sirinrat Tower 9th -11th Fl., Rama 4 Road, Khlong Ton, Khlong Toei, Bangkok
29.	Central Trading Co., Ltd. ("C Trading")	Manufacturing and importing goods for selling in Thailand for Central Marketing Group	THB 2,500.0 million	100	
30.	Earth Care Co., Ltd. ("Earth Care")	Dormant	THB 55.0 million	100	
31.	Matter D Co., Ltd. ("Matter D")	Selling goods via online channel	THB 2.0 million	100	
32.	Textral Textile Co., Ltd. ("Textral Textile")	Dormant	THB 34.5 million	100	
33.	Cetrec Sakol Co., Ltd. ("Cetrec")	Holding Company for Malaysian companies	THB 1,400.7 million	100	
34.	CMG International Group Ltd. ("CMG In'l Group")	Dormant	USD 8.3 million	100	5858 South Pecos Road Suite #100 Las Vegas Nevada 89120
35.	CMG Central Marketing Group Malaysia Sdn. Bhd. ("CMG Malaysia")	Dormant	MYR 2	100	Lot No. 15F-1A & 15F-2, 15th Floor, Tower 4 @ PFCC, Jalan Puteri 1/2, Bandar Puteri, 47100 Puchong, Selangor, Malaysia

No.	Company name	Type of business	Paid up capital	Shareholding proportion (%)	Head office
36.	CMG Asia Three Ltd. ("CMG Asia 3")	Dormant	USD 0.8 million	100	5858 South Pecos Road Suite #100 Las Vegas Nevada 89120
37.	CMG Asia Four Ltd. ("CMG Asia 4")	Dormant	USD 1.0 million	100	
38.	CMG Asia Five Co., Ltd. ("CMG Asia 5")	Dormant	HKD 5.8 million	100	RM 1401, 14/F3, World Commerce Centre, Harbour City, 7-11 Canton Road, Tsimshasui, Kowloon, Hongkong
39.	CMG Vietnam Limited Liability Company ("CMG Vietnam")	Dormant	USD 0.5 million	100	Unit G-100, HSC Building, 162B Dien Bien Phu Street, Ward 6, District 3, Ho Chi Minh City, Vietnam
40.	Central Marketing Group (Shanghai) Co., Ltd. ("CMG China")	Dormant and on process of liquidation	RMB 25.0 million	100	Zhabei District, Shanghai 200001, China
Komonoya					
41.	Thai Watts Co., Ltd. ("TWT")	Selling goods under Komonoya	THB 200.0 million	51.0	9/9 Central Plaza Rama 9, 17th Fl., Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok

(2) Hardline

No	Company name	Type of business	Paid up capital	Shareholding proportion (%)	Head Office
Thai Watsadu and Baan & Beyond					
42.	CRC Thai Watsadu Co., Ltd. ("CTD")	Selling construction material and home decoration under Thai Watsadu and Baan & Beyond	THB 5,430.0 million	100	88/88 Moo 13, Bang Kaew, Bang Phli, Samut Prakan
43.	CHG Marketing Co., Ltd. ("CHGM")	Selling goods via online channel	THB 1.0 million	100	
Power Buy					
44.	PBHD Co., Ltd. ("PBHD")	Holding Company for Power Buy	THB 11,400.0 million	100	306 Si Lom Road, Suriyawong, Bang Rak, Bangkok
45.	Power Buy Co., Ltd. ("PWB")	Selling electronic gadgets under Power Buy	THB 560.0 million	99.4	919/555 South Tower, 11th Fl., Si Lom Road, Si Lom, Bang Rak, Bangkok
46.	PB Logistic Co., Ltd. ("PBL")	Importing and selling electronic gadgets	THB 675.0 million	99.4	
47.	Three Plus Service Co., Ltd. ("3PLUS")	Provide repairing service for kitchenware, electronic gadgets and Home and garden accessories	THB 1.0 million	99.4	919/555 South Tower, 12th Fl., (Room 5) Si Lom Road, Si Lom, Bang Rak, Bangkok
48.	Powerbuy e-Commerce Co., Ltd. ("PWB E-Commerce")	Selling goods via online channel	THB 1.0 million	99.3	919/555 South Tower, 11th Fl., Room No. 5, Si Lom Road, Si Lom, Bang Rak, Bangkok
COL					
49.	COL Public Company Limited ("COL")	Land for rent (Nong Chok and Suwinthawong warehouse and Aunjai Building with COL's subsidiaries)	THB 320.0 million	99.7	24 Soi On Nut 66/1, On Nut Road, On Nut, Suan Luang, Bangkok

No	Company name	Type of business	Paid up capital	Shareholding proportion (%)	Head Office
50.	Officemate (THAI) Limited ("OMT")	Selling products in both retail and wholesale formats. Stationery products, office equipment, and furniture	THB 691.55 million	99.7	919/555 South Tower Building, 14th Fl., Room 2-6 and 9, Si Lom Road, Si Lom, Bang Rak, Bangkok
51.	Officemate Logistics Company Limited ("OML")	Warehouse management and distribution center	THB 200.0 million	99.7	
52.	Officemate Omni Franchises Company Limited ("OOF")	Consulting and managing the franchise system of the OfficeMate business	THB 200.0 million	99.7	919/555 South Tower Building, Room No. 2-6 and 9, 14th Fl., Si Lom Road, Si Lom, Bang Rak, Bangkok
53.	Future Plus Company Limited ("FPT")	Franchise management of OfficeMate business	THB 5 million	99.7	919/555 South Tower Building, Room No. 9, 14th Fl., Si Lom Road, Si Lom, Bang Rak, Bangkok
54.	MP Synergy Company Limited ("MP Synergy")	Produce selling furniture and office equipment	THB 10.0 million	60.0	587 Moo. 3, Theparak, Muang Samut Prakan, Samut Prakan Province
55.	B2S Company Limited ("B2S")	Operates a business that sells stationery, books, and lifestyle products	THB 640.0 million	99.7	919/555 Jewelry Trade Center Building, 16th, 17th Fl., Si Lom Road, Si Lom, Bang Rak, Bangkok
56.	Two Bees (HK) Limited ("TBHK")	Holding/Investment Company	USD 0.01 million	99.7	2503 Bank of America Tower, 12 Harcourt Road Central, Hong Kong
57.	MEB Corporation Public Company Limited ("MEB")	Selling E-Books and consulting on the preparation of E-Books	THB 138.8 million	74.8	99/27 Software Park Building, 8th Fl., Moo 4, Chaeng Watthana Road, Khlong Kluea, Pak Kret, Nonthaburi
58.	Hytexts Interactive Company Limited ("HTI")	Selling E-Books and electronic reading devices	THB 3.6 million	56.1	3 Promphan 3 Building, 7th Fl., Room No. 701-702 Soi Ladprao 3, Ladprao Road, Chomphon, Chatuchak, Bangkok.
59.	COL Vietnam JSC ("COLVJSC")	Dormant and on process of liquidation	VND 61,600.0 million	99.5	No. 63-65-67, Tran Hung Dao street, Cau Ong Lanh Ward, District 1, Ho Chi Minh City, Vietnam
60.	B2S Vietnam Co., Ltd. ("B2SV")	Dormant and on process of liquidation	VND 61,600.0 million	99.5	
Nguyen Kim					
61.	NKT New Solution and Technology Development Investment JSC ("NKT")	Holding Company for Nguyen Kim	VND 800,000.0 million	99.4	No. 63-65-67, Tran Hung Dao Street, Cau Ong Lanh Ward, District 1, Ho Chi Minh City, Vietnam
62.	Nguyen Kim Modern Trade Development Investment JSC ("NKM")	Holding Company for Nguyen Kim	VND 800,000.0 million	99.4	
63.	Nguyen Kim Trading JSC ("NK Trading")	Selling electronic gadgets under Nguyen Kim and managing Nguyen Kim stores	VND 800,000.0 million	99.4	
64.	Saigon Industrial Corporation ("Sinco")	Holding real estate for Nguyen Kim business	VND 20,165.82 million	97.9	No. 63-65, Tran Hung Dao Street, Cau Ong Lanh Ward, District 1, Ho Chi Minh City Vietnam
65.	Nguyen Kim Long Xuyen Co., Ltd. ("NK LX")	Selling electronic gadgets under Nguyen Kim retailing, totally 1 branch	VND 50,000.0 million	99.4	No. 01, Tran Hung Dao Street, My Binh Ward, Long Xuyen City, An Giang Province, Vietnam
66.	Nguyen Kim Can Tho Co., Ltd. ("NK CT")	Selling electronic gadgets under Nguyen Kim retailing, totally 2 branches	VND 20,000.0 million	99.4	No. 02, 30/4 Street, An Phu Ward, Ninh Kieu District, Can Tho City, Vietnam
67.	Nguyen Kim Binh Duong One Member Co., Ltd. ("NK BD")	Selling electronic gadgets under Nguyen Kim retailing, totally 2 branches	VND 20,000.0 million	99.4	No. 01, Tran Hung Dao Street, Phu Cuong Ward, Thu Dau Mot City, Binh Duong Province, Vietnam

No	Company name	Type of business	Paid up capital	Shareholding proportion (%)	Head Office
68.	Nguyen Kim Buon Ma Thuot One Member Co., Ltd. ("NK BMT")	Selling electronic gadgets under Nguyen Kim retailing, totally 2 branches	VND 28,156.0 million	99.4	No. 01, Nguyen Chi Thanh Street, Tan An Ward, Buon Ma Thuot City, Dak Lak Province, Vietnam
69.	Nguyen Kim Hai Phong Development Investment Co., Ltd. ("NK HPDI")	Selling electronic gadgets under Nguyen Kim retailing, totally 1 branch	VND 180,000.0 million	99.4	No. 104, Luong Khanh Thien Street, Luong Khanh Thien Ward, Ngo Quyen District, Hai Phong City, Vietnam
70.	Nguyen Kim Central Trading One Member Co., Ltd. ("NK Central")	Selling electronic gadgets under Nguyen Kim retailing, totally 1 branch	VND 58,396.0 million	99.4	No. 46, Dien Bien Phu Street, Chinh Gian Ward, Thanh Khe District, Da Nang City, Vietnam

(3) Food

No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
Tops and Central Food Hall					
71.	Central Food Retail Co., Ltd. ("CFR")	Selling food and consumer goods under Tops Market, Central Foodhall, Tops Superstore, and Tops Daily	THB 1,529.0 million	100	99/9 Central Plaza Chaengwattana – Office Tower, 12th, 15th-18th Fl., Moo 2 Chaengwattana Road, Bangtalad, Pakred, Nonthaburi
72.	Central Food Retail e-Commerce Co., Ltd. ("CFR E-Commerce")	Selling goods via online channel including the provision of online sales spaces	THB 1.0 million	100	
73.	Central Pet n Me Co., Ltd. ("Pet n Me")	Selling pet food and pet gadgets and services	THB 1.0 million	100	
74.	Tops Vita Service Company Limited ("Tops Vita")	Provide telehealth services, including online delivery of medicines, supplements, and medical equipment	THB 1.0 million	100	
75.	Central Food Wholesale Company Limited ("CFW")	Wholesale	THB 1.0 million	100	
Family Mart					
76.	SFM Holding Co., Ltd. ("SFMH")	Holding Company for FamilyMart	THB 1,805.0 million	100	919/1 Si Lom Road, Si Lom, Bang Rak, Bangkok
77.	Central FamilyMart Co., Ltd. ("CFM")	Operating Convenience Store under FamilyMart Thailand	THB 3,875.0 million	100	99/9 Central Plaza Chaengwattana – Office Tower, 21st Fl., Moo 2, Chaengwattana Road, Bangtalad, Pakred, Nonthaburi
Matsumoto Kiyoshi					
78.	Central & Matsumoto Kiyoshi Co., Ltd. ("CMK")	Selling healthy goods and cosmetic under Matsumoto Kiyoshi Thailand	THB 100.0 million	51.0	99/9 Central Plaza Chaengwattana – Office Tower, 18th Fl., Moo 2, Chaengwattana Road, Bangtalad, Pak Kret, Nonthaburi
Lanchi Mart					
79.	LCP Trading Services JSC ("Lanchi")	Holding Company for Lanchi Mart	VND 167,736.5 million	51.0	Tran Hung Dao Street, Vinh Tru Town, Ly Nhan District, Ha Nam Province, Vietnam
80.	Lan Chi Investment and Service Co., Ltd. ("LC Investment")	Operating hypermarket under Lanchi Mart, totally 23 branches	VND 127,542.6 million	51.0	5/230 Quan Nhan Street, Thanh Xuan Trung Ward, Thanh Xuan District, Ha Noi City, Vietnam

No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
81.	Lan Chi-Ha Nam Investment and Service Co., Ltd. ("LC Ha Nam")	Operating hypermarket under Lanchi Mart, totally 2 branches	VND 25,391.3 million	51.0	Tran Hung Dao Street, Vinh Tru Town, Ly Nhan District, Ha Nam Province, Vietnam
82.	Lan Chi Services and Trading Investment Co., Ltd. ("LC Trading")	Distributing and wholesaling for Lanchi Mart	VND 1,000.0 million	51.0	Dong Dai Vai Zone, Dai Lang, Trung Son Tram Ward, Son Tay Town, Ha Noi City, Vietnam
Big C / GO! Vietnam					
83.	Central Global Service JSC ("CGSJSC")	Dormant	VND 4,200.0 million	100	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
84.	Orbit Avenue Sdn. Bhd. ("Orbit Avenue")	Holding Company for Big C Vietnam	USD 0.5	100	Suite 16-03, Level 16 Wisma UOA Ii No.21, Jalan Pinang 50450 Kuala Lumpur W.P. Kuala Lumper
85.	Capital C Co., Ltd. ("Cap C")	Holding Company for Big C Vietnam	THB 26,800.0 million	100	22 Soi Somkid, Ploenchit Road, Lumphini, Pathum Wan, Bangkok
86.	Quinam B.V. ("Quinam B.V.")	Holding Company for Big C Vietnam	EUR 20,060	100	1101 CM Amsterdam, Herikerbergweg 238
87.	Vindemia SAS ("Vindemia")	Holding Company for Big C Vietnam	EUR 1.3 million	100	52 Rue De La Victoire Tmf Pôle 75009 Paris
88.	Espace BIG C Thang Long ("EBT")	Operating hypermarket under Big C, totally 7 branches	VND 167,447.7 million	65.0	No. 222 Tran Duy Hung Street, Trung Hoa Ward, Cau Giay District, Hanoi City, Vietnam
89.	Cavi Ltd. ("Cavi")	Holding Company for Big C Vietnam	HKD 2,670.5 million	100	14th Floor South China Building, 1-3 Wyndham Street, Central, Hong Kong
90.	Cavi Retail Ltd. ("Cavi Retail")	Holding Company for Big C Vietnam	HKD 1.0	100	
91.	E-Cavi Ltd. ("E-Cavi")	Dormant	HKD 74.0 million	100	
92.	Cavi Real Estate Ltd. ("Cavi RE")	Holding Company for Big C Vietnam	HKD 1.0	100	
93.	EB Services Co., Ltd. ("EBS")	Providing management service in Vietnam	VND 31,200.0 million	100	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
94.	Recess Logistic and Retail Co., Ltd. ("Recess")	Dormant	VND 85,711.5 million	100	
95.	Cavinoi Ltd. ("Cavinoi")	Holding Company for Big C Vietnam	HKD 1.0	100	14th Floor South China Building, 1-3 Wyndham Street, Central, Hong Kong
96.	New Plan Co., Ltd. ("New Plan")	Holding Company for Big C Vietnam	VND 1,144,634 million	100	5th Floor, No. 41A, Ly Thai To Street, Ly Thai To Ward, Hoan Kiem District, Hanoi City, Vietnam
97.	New Plan Real Estate Investment Co., Ltd. ("New Plan RE")	Holding real estate for Big C Vietnam	VND 1,138,814 million	100	No. 1/1, Truong Chinh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
98.	General Trading and Distribution Co., Ltd. ("GTVD")	Holding Company for Big C Vietnam	VND 651,994 million	100	792 Nguyen Kiem Street, Ward 3, Go Vap District, Ho Chi Minh City, Vietnam
99.	General Trading Service and Distribution Co., Ltd. ("GTSD")	Operating hypermarket under Big C, totally 2 branches	VND 510,094 million	100	5th Floor, No. 41A, Ly Thai To Street, Ly Thai To Ward, Hoan Kiem District, Hanoi City, Vietnam
100.	New Grocery Co., Ltd. ("New Grocery")	Dormant	VND 96,195 million	65.0	No. 163 Phan Dang Luu, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam
101.	General Trading of Household Products One Member Co., Ltd. ("GTHP")	Operating ratail under Big C (Shop-in-Shop) i.e. LookKool, Kubo, and Komonoya	VND 119,000 million	100	
102.	General Trading Fashions One Member Co., Ltd. ("GTF")	Operating sport gadgets under Super Sport in Vietnam	VND 385,116 million	100	

No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
103.	EB Hai Phong JSC ("EBH")	Operating hypermarket under Big C, totally 9 branches	VND 293,847.2 million	100	Lot 1/20, Nga Nam New Urban Area – Cat Bi Airport, Dang Giang Ward, Ngo Quyen District, Hai Phong City, Vietnam
104.	EB Vinh LLC ("EBV")	Operating hypermarket under Big C, totally 1 branch	VND 60,921.8 million	100	No. 02 Quang Trung Street, Quang Trung Ward, Vinh City, Nghe An Province, Vietnam
105.	EB Nam Dinh LLC ("EBND")	Operating hypermarket under Big C, totally 1 branch	VND 62,467.4 million	100	Thien Truong Supermarket – Commercial Center, Loc Hoa Village, Nam Dinh City, Nam Dinh Province, Vietnam
106.	E.B Phu Thanh LLC ("EBPT")	Operating hypermarket under Big C, totally 1 branch	VND 131,520.0 million	100	No. 53, Nguyen Son, Street, Phu Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
107.	EB Tan Phu LLC ("EBTP")	Operating hypermarket under Big C, totally 4 branches	VND 317,586.0 million	100	No. 1/1, Truong Chinh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
108.	EB Thanh Hoa LLC ("EBTH")	Operating hypermarket under Big C, totally 2 branches	VND 125,840.0 million	100	Big C Thanh HOA Commercial Center, Dong Le Street, Dong Hai Ward, Thanh Hoa City, Thanh Hoa Province, Vietnam
109.	EB Hai Duong LLC ("EBHD")	Operating hypermarket under Big C, totally 1 branch	VND 37,080.0 million	100	Km 54+100, Highway 5, Zone 3, Nhi Chau Ward, Hai Duong City, Hai Duong Province, Vietnam
110.	EB Can Tho LLC ("EBCT")	Operating hypermarket under Big C, totally 1 branch	VND 66,960.0 million	100	Lot No. 1, Hung Phu 1 Residential Area, Hung Phu Ward, Cai Rang District, Can Tho City, Vietnam
111.	EB Binh Duong LLC ("EBBD")	Operating hypermarket under Big C, totally 2 branches	VND 102,015.0 million	100	No. 555B, Binh Duong Boulevard Zone 1, Hiep Thanh Ward, Thu Dau Mot City, Binh Duong Province, Vietnam
112.	Espace Business Hue JSC ("EBHue")	Operating hypermarket under Big C, totally 5 branches	VND 281,483.0 million	100	Planning Area-Dong Da – Hung Vuong – Ba Trieu, Phu Hoi Ward, Hue City, Thua Thien Hue Province, Vietnam
113.	Espace Big C An Lac Co., Ltd. ("EBA")	Operating hypermarket under Big C, totally 5 branches	VND 422,885.0 million	100	No. 1231, Quarter 5, National Highway 1A, Binh Tri Dong B Ward, Binh Tan District, Ho Chi Minh City, Vietnam
114.	EB New City Co., Ltd. ("EB New City")	Operating hypermarket under Big C, totally 1 branch	VND 72,000.0 million	100	Lot A, Cityland Residential Area, No. 99, Nguyen Thi Thap Street, Tan Phu Ward, District 7, Ho Chi Minh City, Vietnam
115.	Espace BIG C Dong Nai ("EBD")	Operating hypermarket under Big C, totally 1 branch	VND 252,374.4 million	65.0	No. 833, Ha Noi Avenue, Long Binh Tan Ward, Bien Hoa City, Dong Nai Province, Vietnam
116.	C-Discount Vietnam Co., Ltd. ("CDV")	Dormant	VND 80,734.8 million	100	No. TM8, GS01 Road, Green Square Urban Commercial and Services Zone, Dong Hoa Ward, Di An City, Binh Duong Province, Vietnam
117.	Viet Nhat Real Estate JSC ("Viet Nhat RE")	Holding real estate for Big C Vietnam	VND 4,199,183.2 million	100	No. 222, Tran Duy Hung, Trung Hoa Ward, Cau Giay District, Ha Noi City, Vietnam
118.	TTS Dong Nai One Member LLC ("TTS Dong Nai")	Holding real estate for Big C Vietnam	VND 165,000.0 million	100	No. 1135, Nguyen Ai Quoc Road, Tan Hiep Ward, Bien Hoa City, Dong Nai Province, Vietnam

No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
119.	Tan Trung Son Br Company Limited ("TTS BR")	Holding real estate for Big C Vietnam	VND 336,045 million	100	2A, Nguyen Dinh Chieu Street, Quarter 2, Phuoc Hiep Ward, Ba Ria City, Ba Ria-Vung Tau Province, Vietnam
120.	Viet Nhat Sai Gon – My Tho Co., Ltd. ("Viet Nhat SG")	Holding real estate for Big C Vietnam	VND 200,300.0 million	100	No. 99 Nguyen Thi Minh Khai, Ben Thanh Ward, District 1, Ho Chi Minh City, Vietnam
121.	One Member Limited Company Investment Development Nguyen Kim Tien Giang ("NK TG")	Holding real estate for Big C Vietnam	VND 200,000.0 million	100	No. 545 Le Van Pham, Ward 5, My Tho City, Tien Giang Province, Vietnam
122.	Hung Cuong Retail Real Estate Investment Joint Stock Company ("HC RE")	Holding real estate for Big C Vietnam	VND 77,500.0 million	100	Ly Thuong Kiet Street, Nghia Chanh Ward, Quang Ngai City, Quang Ngai Province, Vietnam
123.	Dong Duong Tra Vinh Real Estate and Retail Supermarket JSC ("DDTV RE")	Holding real estate for Big C Vietnam	VND 46,600.0 million	100	Vo Nguyen Giap street, Ward No.7, Tra Vinh City, Tra Vinh Province, Vietnam
124.	Viet Nhat Thai Nguyen Real Estate JSC ("Viet Nhat TN")	Holding real estate for Big C Vietnam	VND 108,000.0 million	100	Residential Area on Viet Bac Road Residential Zone, Tan Lap Ward, Thai Nguyen City, Thai Nguyen Province, Vietnam
Holding Companies					
125.	Hillborough Group Ltd. ("Hillborough Group")	Holding Company for Big C Vietnam	USD 533 million	100	P.O. Box 2208 Road Town, Tortola, British Virgin Islands

(4) Supporting Business

No.	Company	Type of Business	Paid-up Capital	Shareholding Proportion (%)	Head Office
126.	CDF Holding Co., Ltd. ("CDFH")	Holding Company for CDFS	THB 1.0 million	100	1027 Central Chidlom Department Store, 7th Fl., Ploenchit Road, Lumphini, Pathum Wan, Bangkok
127.	Central Duty Free Shops Co., Ltd. ("CDFS")	Dormant	THB 1.0 million	99.9	
128.	Central US Trading Ltd. ("CUT")	Holding trademark that registered in Thailand and overseas	USD 75,000.0	100	112 North Curry Street, Carson City, Nevada, 89703
Supporting Business					
129.	Cenergy Innovation Co., Ltd. ("CNGI")	Providing information technology Omni-channel platform on program designing and website	THB 50.0 million	100	919/111, 919/11 Jewelry Trade Center, 54th-55th Fl., Silom Road, Si Lom, Bang Rak, Bangkok
130.	Central Group Online Co., Ltd. ("CGO")	Providing Omni-channel services to the Group i.e. marketing plan, logistic or customer service	THB 300.0 million	100	
131.	Central Retail Investment Limited ('CRI')	Providing loans to affiliated companies	EUR 130 million	100	112 North Curry Street, Carson City, Nevada

(5) Associates and Joint Ventures

No.	Company	Type of Business	Paid-up Capital	Shareholding Proportion (%)	Head Office
132.	Sunglass Hut (Thailand) Co., Ltd. ("Sunglass Hut")[1]	Selling sunglasses under Sunglass Hut	THB 85.0 million	51.0	999/9 The Offices at CentralWorld, 16th Room 1605, Rama 1 Road, Pathum Wan, Pathum Wan, Bangkok
133.	Samsonite (Thailand) Co., Ltd. ("Samsonite")[2]	Selling goods under Samsonite and TUMI	THB 21.0 million	50.4	98 Sathorn Square Office Tower, 37th Fl., Room 3705-3706 North Sathorn Road, Si Lom, Bang Rak, Bangkok
134.	MUJI Retail (Thailand) Co., Ltd. ("MUJI")	Selling goods under Muji	THB 660.0 million	50.0	4, 4/5, 9th Fl., Ratchadamri Road, Pathum Wan, Pathum Wan, Bangkok
135.	Luxury Goods (Thailand) Co., Ltd. ("GUCCI")	Selling clothes under Gucci	THB 300.0 million	25.0	87/2 CRC Tower All Season Place, 35th Fl., Unit 5 Wittayu Road, Lumphini, Pathum Wan, Bangkok
136.	Bottega Veneta (Thailand) Co., Ltd. ("Bottega")	Selling clothes under Bottega Veneta	THB 100 million	25.0	689 Bhiraj Tower at Emquatier, 30th Fl., Sukhumvit Road (Soi 35) Khlong Tan Nuea, Vadhana, Bangkok
137.	Central Watson Co., Ltd. ("Watson")[3]	Selling health and beauty product under Watson	THB 181.7 million	28.9	3388/23-24 Sirinrat Tower, 8th Fl., Rama 4 Road, Khlong Tan, Khlong Toei, Bangkok
138.	Central DFS Co., Ltd. ("Central DFS")	Selling tax free goods	THB 71.0 million	51.0	22 Chidlom Tower, 14th Fl., Room CCLT-14-RR-004 Soi Somkid, Ploenchit Road, Lumphini, Pathum Wan, Bangkok
139.	VAT Refund Center (Thailand) Co., Ltd. ("VRT")	Providing tax refund services for travellers	THB 30.0 million	49.6	100/9, 12th Fl., Vongwanich B, Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok
140.	DR Logistics S.R.L. ("DR Logistic")	Providing logistic services for Rinacente	EUR 100,000.0	30.0	PIACENZA (PC) Via Lombardia s.n.c. – 29122
141.	Kokuyo International (Thailand) Co., Ltd ("Kokuyo")	Importing and selling office furniture under Kokuyo	THB 10.0 million	24.0	999/9 Rama 1 Road, Pathum Wan, Pathum Wan, Bangkok
142.	Porto Worldwide Limited ("Porto WW")	Holding Company	USD 199.0 million	67.0	2503 Bank of America Tower, 12 Harcourt Road, Central, HK
143.	Greengen Energy Co., Ltd.	Production and sale of solar energy from rooftops	THB 90.0 million	50.0	87 M.Thai Tower All Seasons Place 11th FL, Wireless Road, Lumpini Sub District, Pathum Wan, District, Bangkok

(1) Luxottica Group S.p.A. and Luxottica S.r.l. have voting rights at 49.5%, 44.7%, and 5.8%, respectively
(2) Delilah Europe Investment S.a.r.l and Mr. Klein Jendro have voting rights at 57.8%, 42.3%, and 0.0%, respectively
(3) Jasmine Holding Co., Ltd. and Watson's the Chemist (Thailand) Holdings Limited have voting rights at 18.2%, 25.0%, and 56.8%, respectively

1.3.2 Person that have conflict of interest that holding shares more than 10% in subsidiaries and associates

-None-

1.3.3 Relationship with Business Corporation of Major Shareholders

One of many reasons which helped Central Retail becomes the leading multi-format and multi-category retailer in Thailand and abroad and the pioneer of omni-channel retailing in the country is the contribution from HCDS, a major shareholder (as of 31 December 2022, HCDS held the Company's share at 35.06% of total paid-up shares), and its subsidiaries through certain corporate services with respect to management, finance and accounting and legal services, and including certain aspects of our human resources and other functions. Central Retail has also joined loyalty programs for The 1 membership of The 1 Central Co., Ltd. (a subsidiary of HCDS), which owns and manages the loyalty programs.

In addition, HCDS has been providing business benefits, for example, granting the Company an exclusive right to use the trademark and servicemark, including the "Central" Trademarks for the retail business of Central Retail for 10 years since the first trading day of the Company, and provided for an additional ten year renewable period under conditions stating that the Company still retains the status as a listed company of the Stock Exchange of Thailand: (1) HCDS and/or its directors, executives or controlling persons, and/or their respective related persons, hold, directly or indirectly, at least 10% of our outstanding shares, or (2) HCDS is our controlling person. If HCDS terminates the agreement, it will come into effect in 3 years after the Company has acknowledged the termination. HCDS also granted the right to acquire the retail business of HCDS in many formats, for example, KaDeWe, Oberpollinger and Alsterhaus department stores in Germany, the ILLUM department store in Denmark and the Central Department Store in Indonesia, to the Company before HCDS can offer such business to other buyers (right of first refusal) at the prices and on conditions not more favourable than what HCDS received from outside parties. Central Retail was also granted the right to acquire the department store businesses at prices and on conditions which the parties will agree in good faith (call option). Moreover, HCDS granted the right to acquire JD Central to Central Retail before other buyers in case HCDS decides to sell the business to other buyers at the same price and on the same conditions (according to the conditions in the relevant joint venture agreement) to prevent potential conflicts of interest in the future, although the department store businesses in the countries and JD Central are not considered competing businesses of the Company as Central Retail does not operate any department store in these countries and JD Central has nature of business which focuses on Pure-play E-commerce, different from the omni-channel format of Central Retail.

For similar retail opportunities in the future which may compete with the Company's business, HCDS has designated Central Retail as the flagship company for the multi-format and multi-category retail business operations in Thailand and abroad, subject to the terms and conditions in the relevant agreements. Under certain policy, HCDS shall not invest in retail businesses in Thailand and abroad, which may be the same nature as our business and may compete with our business, except where our Board of Directors has resolved not to invest or wished to partially invest in such business. In such latter case, Central Retail still retains certain rights to acquire such new retail opportunity from HCDS, subject to certain limitations. These benefits, combined with opportunities in overseas markets that come with our global relationships, can help to further support our rapid growth and scale our business to another level.

As for the flagship designation of Central Retail by HCDS, to ensure transparency, the Company has specified in Charter of Board of Directors to hold a meeting to consider investment in retail businesses in the future, which may be of the same nature as our business and may compete with our business. In case the Board of Directors passes a resolution to refrain from investment, including partial investment, for the investment opportunities due to circumstances such as financial liquidity, current business plans of the Company, and profitability of the business that invest, etc. HCDS may invest in the opportunities, whether directly or indirectly, and may compete with the Company, solutions are as follows:

(1) Hold a Board of Directors' meeting with a notice of the Board of Directors' meeting clearly stating that if the Board of Directors has a resolution to refrain from investment, HCDS may invest in the business, whether directly or indirectly, as well as stating potential effect for the Company.

(2) Hold a Board of Directors' meeting, which allows directors without conflict of interest to participate and vote as well as inviting all independent directors without conflict of interest. If the number of directors does not meet the quorum, directors with conflict of interest shall fill the positions until reaching the quorum. The directors with conflict of interest are not allowed to voice opinions and vote.

    In case of urgency for the interests of the Company, if any independent directors without conflict of interest cannot attend the meeting, the absent directors are allowed to participate and vote through a telephone call as long as it does not violate related law regarding the quorum and vote for a resolution.

(3) The Board of Directors without conflict of interest shall consider business suitability and potential impact in case HCDS may invest in such business and compete with the Company while emphasis on rights and best interest of the Company and all shareholders.

(4) In case the Board of Directors without conflict of interest sees it appropriate, the Board of Directors may consult outside parties for professional opinions for further consideration.

(5) In case of urgency for business opportunities, the Board of Directors' meeting is allowed to take place for the consideration and the Board of Directors without conflict of interest pass a resolution and without a notice of the Board of Directors' meeting, which requires to be sent 7 days in advance.

(6) Final decisions in this case are determined by majority votes of the attending directors without conflict of interest who are eligible for voting. In case of a tied vote, the chairman in the meeting shall have the casting vote.

These considerations for investment are the absolute power of the Board of Directors and this duty cannot be delegated to other committees.

The Board of Directors has considered the mechanism for exercising and refusing of rights to vote under the exercise of rights agreements for regarding (1) offshore department stores, (2) JD Central business, and (3) retail business opportunities in the future, which may be of the same nature as our business and may compete with our business. The Company shall operate as per considerations of the Board of Directors and the Audit Committee in any circumstance even if such businesses and/or business opportunities under the exercise of rights agreements in each

consideration do not meet the criteria on scales which need to be approved by the Board of Directors under criteria of acquisition or disposal of assets and/or criteria on connected transactions of the Securities and Exchange Commission and the Stock Exchange of Thailand (case-by-case basis).

The Company shall disclose the exercising and refusing of rights under the exercise of rights agreement to shareholders and investors as follow:

In case of Undertaking Future Retail Business Opportunities which have Similar Nature of Business and May Compete with the Company (Flagship)

In case that the Board of Directors has a resolution to invest (including partially) in retail business opportunities which may be of the same nature as our business and may compete with our business, the Company shall disclose information through the SET Portal system of the Stock Exchange of Thailand under criteria of acquisition or disposal of assets and/or criteria on connected transactions of the Securities and Exchange Commission and the Stock Exchange of Thailand (case-by-case basis). Nevertheless, if the Board of Directors has a resolution not to invest or wishes to invest partially in such business, the Company shall disclose information through the SET Portal system of the Stock Exchange of Thailand in case HCDS chooses to invest in such business, whether fully or partially. The information shall include statements on declining to invest, including partially opinions of the Audit Committee and Board of Directors, details, conditions, and impact from HCDS's investment under conditions the disclosure information will not damage the Company, HCDS, or relevant outside parties, and/or under a confidentiality agreement with HCDS as HCDS enters into the agreement to invest in such business (if any) or a confidentiality agreement of the Company due to investment in such business (if any); the information will be disclosed shortly after the end of the confidentiality agreements. In addition, the Company shall disclose information on investment in retail business opportunities which may be of the same nature as our business and may compete with our business as well as statements on declining to invest or partial investment in case HCDS chooses to invest in such business, whether fully or partially, in Annual Registration Statement/Annual Report (Form 56-1 One Report). The disclosed information will include a number of the Board of Directors' meeting for a resolution to invest or decline to invest (in case of declining to invest or partial investment in case HCDS chooses to invest in such business, the Company shall include reasons for such case) and the scale of the transaction under conditions and limitations on the disclosure of such information.

In addition, in case the Company declines on an investment offer as granted right by the agreement and HCDS chooses to invest, HCDS shall grant the right to acquire all of the businesses from HCDS on a later date to the Company as described below:

1) If it is a transaction within 90 days after HCDS has granted Central Retail the right to acquire such business with prices equivalent to the cost of investment of HCDS in the retail businesses plus interest at the averaged Minimum Loan Rate (MLR) of the top four commercial banks in Thailand per annum on the date of HCDS's investment.

2) If the purchase occurs 90 days after HCDS has invested in such business, HCDS shall grant the right to acquire such business at a price which the parties will agree in good faith for the transaction to Central Retail.

HCDS shall notify Central Retail when HCDS wishes to sell such business to other buyers before the final decision.

In case of Undertaking with respect to Premium Offshore Department Stores and JD-Central Businesses

The Company shall disclose exercising and refusing of rights for premium offshore department stores and JD Central as per the exercise of rights agreement through the SET Portal agreement of the Stock Exchange of Thailand under criteria of acquisition or disposal of assets and/or criteria on connected transactions of the Securities and Exchange Commission and the Stock Exchange of Thailand (case-by-case basis). The disclosed information will include assets under rights, exercising or refusing of rights, and opinions of the audit committee and Board of Directors regarding the exercising or refusing of rights under conditions which may not damage the Company, HCDS, or relevant outside parties, and/or under a confidentiality agreement with HCDS, and/or subsidiaries of HCDS entering into the agreement to invest in such business (if any); the information will be disclosed shortly after the end of the confidentiality agreements. In addition, the Company shall disclose all information regarding exercising and refusing of rights in Annual Registration Statement/Annual Report (Form 56-1 One Report) under conditions and limitations on the dissemination of such information.

The reasons HCDS still operates and owns retail-related assets through holdings and/or business or asset management, directly and indirectly, can be summarized as follows:

1. Offshore Premium Department Store Businesses

The Company has not included such department store businesses under Central Retail as such businesses have certain limitations in terms of contractual obligations and/or results of operations. Moreover, the customer base of such department stores is geographically located in their regions and Central Retail currently does not operate any department store in such regions. To prevent conflicts of interest in the future, HCDS has agreed to enter into an agreement to grant the right to purchase such department store businesses to Central Retail before other buyers at the price and on conditions not favor than what HCDS received from outside parties and grant the right to purchase such department store businesses to Central Retail at the price and on the conditions which the parties will agree in good faith. The granting of such rights shall be in accordance with certain conditions as described in the relevant agreements.

2. JD Central Business

The Company has not included such businesses under Central Retail as the nature of the business of JD Central, which is an online marketplace is different from Central Retail's omni-channel format, and the operation of such company is mostly undertaken by JD.com. Moreover, JD.com has certain limitations in terms of its results of operations. To prevent conflicts of interest in the future, HCDS has granted the right to Central Retail to purchase JD Central before other buyers in the case that HCDS wishes to sell such business to other buyers at the same price and on the same conditions. The granting of such rights will be in accordance with certain conditions as described in the relevant agreements. The nature of the business of JD Central, which focuses on pure-play e-commerce is different from the omni-channel format of Central Retail since JD Central operates business through an online marketplace where stores are allowed to sell products through the website without the need to possess physical stores, whereas the omni-channel strategy of Central Retail is the combination of many selling channels for modern retailing, including through physical stores, online stores, mobile phone, information media, and social media, to create seamless purchasing experience and respond to popular trends in line with the changing behavior of customers.

Information Disclosure of exercising or refusing to exercise rights in a business with the conflict of interest

In order to inform investors about Information Disclosure of exercising or refusing to exercise rights in a business with the conflict of interest under Exercise of Rights Agreement of Future Retail Business Opportunities and Exercise of Rights Agreement of Premium Offshore Department Store and JD-Central Business to the Company and/or its subsidiaries. In 2022, the Company has considered the exercising or refusing to exercise the rights 1 time with the following details:

Refusing to exercise rights in a business with the conflict of interest

Subject	Type of exercise the rights	Management's comment	Audit Committee		Board of Directors		Remarks
			No./Date	Comments	No./Date	Comments	
1. Investing in Selfridges Group	Refusing to exercise rights to invest	Management considered the Company's business suitability, business strategy and plan, performance, financial structure policy, related keys risk as well as the investment value and conditions. The exercise of the rights to invest should be refused.	No. 1/2022 11 January 2022	Audit Committee has prudently considered, preferable to refuse to exercise the rights to invest in the Selfridges Group as proposed by the management.	No. 1/2022 21 January 2022	Board of Directors has prudently considered, including taking into account the benefits for the Company and all its shareholders, and approved the refusal to exercise the rights to invest in the Selfridges Group.	Disclosed via SETLink on 24 January 2022

1.3.4 Shareholders

(1) Major Shareholders

(a) Top 10 major shareholders as of 31 January 2023 which is the latest record date as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. Harng Central Department Store Limited ("HCDS")	2,114,284,890	35.06
2. Thai NVDR Company Limited	338,501,683	5.61
3. DEUTSCHE BANK AG SINGAPORE – PWM	277,963,444	4.61
4. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	98,491,143	1.63
5. Social Security Office	84,289,706	1.40
6. Mr. Isareit Chirathivat	79,754,213	1.32
7. STATE STREET EUROPE LIMITED	75,238,867	1.25
8. Mr. Narongrit Chirathivat	73,094,279	1.22
9. Mr. Suthidech Chirathivat	55,789,915	0.93
10. Mr. Pichai Chirathivat	53,227,462	0.88
11. Other shareholders	2,780,364,398	46.09
Total	**6,031,000,000**	**100.00**

(b) The list of Shareholders in HCDS, a major shareholders of the Company as of 31 January 2023 summarize as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. Mr. Isareit Chirathivat	13,014,346	3.83
2. Mr. Narongrit Chirathivat	11,873,980	3.49
3. Mr. Prin Chirathivat	11,772,740	3.47
4. Mr. Tos Chirathivat	11,772,740	3.47
5. Mr. Suthidech Chirativat	9,103,850	2.68
6. Mr. Watt Chirathivat	8,490,579	2.50
7. Mr. Pichai Chirathivat	8,490,577	2.50
8. Ms. Netanong Chirathivat	7,913,639	2.33
9. Ms. Tapida Norpanlop	7,317,755	2.15
10. Mrs. Natira Boonsri	7,317,755	2.15
11. Other shareholders[1]	242,682,034	71.43
Total	**339,749,995**	**100.00**

Remark: [1] Other shareholders include 66 members of Chirathivat family.

(2) List of Top 10 Major Shareholders in the Subsidiaries Operating Core Business

List of the Major Shareholders in the Subsidiaries Operating the Company's Core Business as follows:

1) CDS

As of 31 December 2022, shareholding structure of CDS was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	333,499,979	100.0
2. Mr. Suthichai Chirathivat	3	0.0
3. Mr. Suthikiati Chirathivat	3	0.0
4. Mr. Suthichart Chirathivat	3	0.0
5. Mr. Sudhitham Chirathivat	3	0.0
6. Mr. Isareit Chirathivat	3	0.0
7. Mr. Prin Chirathivat	3	0.0
8. Mr. Tos Chirathivat	3	0.0
Total	**333,500,000**	**100.00**

2) ROBINS

As of 31 December 2022, shareholding structure of ROBINS was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	803,139,212	72.31
2. CRG-S	289,645,489	26.09
3. CACEIS BANK	8,193,894	0.74
4. Others	9,682,520	0.87
Total	**1,110,661,133**	**100.0**

3) TWT

As of 31 December 2022, shareholding structure of TWT was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. CDS	1,020,000	51.0
2. Watts Co., Ltd.[1]	979,998	49.0
3. Mr. Fumio Hiraoka	1	0.0
4. Mr. Toshiyuki Inada	1	0.0
Total	**2,000,000**	**100.0**

Remark: [1] A retail company established under Japanese law and listed on the Tokyo Stock Exchange

4) SPS

As of 31 December 2022, shareholding structure of SPS was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. SSHD[1]	22,199,992	60.0
2. ROBINS	14,800,000	40.0
3. Mr. Suthisarn Chirathivat	1	0.0
4. Mr. Tos Chirathivat	1	0.0
5. Mr. Prin Chirathivat	1	0.0
6. Mr. Suthichart Chirathivat	1	0.0
7. Mr. Sudhitham Chirathivat	1	0.0
8. Ms. Wallaya Chirathivat	1	0.0
9. Mr. Pong Skuntanaga	1	0.0
10. Mr. Suthilaksh Chirathivat	1	0.0
Total	**37,000,000**	**100.00**

Remark: [1] Subsidiaries of the Company which the Company hold 100.0% of share

5) PWB

As of 31 December 2022, shareholding structure of PWB was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. PBHD[1]	33,599,993	60.0
2. ROBINS	22,400,000	40.0
3. Mr. Suthichai Chirathivat	1	0.0
4. Mr. Suthikiati Chirathivat	1	0.0
5. Mr. Suthichart Chirathivat	1	0.0
6. Mr. Suthilaksh Chirathivat	1	0.0
7. Mr. Narongrit Chirathivat	1	0.0
8. Mrs. Nidsinee Chirathivat	1	0.0
9. Mr. Prin Chirathivat	1	0.0
Total	**56,000,000**	**100.00**

Remark: [1] Subsidiaries of the Company which the Company hold 100.0% of shares

6) CFR

As of 31 December 2022, shareholding structure of CFR was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. CDS	15,289,994	100.0
2. Mr. Suthichart Chirathivat	1	0.0
3. Mr. Tos Chirathivat	1	0.0
4. Mr. Prin Chirathivat	1	0.0
5. Mr. Suthichai Chirathivat	1	0.0
6. Mr. Suthilaksh Chirathivat	1	0.0
7. Ms. Wallaya Chirathivat	1	0.0
Total	**15,290,000**	**100.0**

7) CFM

As of 31 December 2022, shareholding structure of CFM was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. SFMH[1]	19,627,617	50.66
2. CFR	18,987,500	49.0
3. ROBINS	134,883	0.34
Total	**38,750,000**	**100.0**

Remark: [1] Subsidiaries of the Company which the Company hold 100.0% of shares

8) CMK

As of 31 December 2022, shareholding structure of CMK was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. CFR	509,999	51.0
2. Matsumotokiyoshi Holdings Co., Ltd.[1]	490,000	49.0
3. Mr. Prin Chirathivat	1	0.0
Total	**1,000,000**	**100.0**

Remark: [1] A holding company established under Japanese law and listed on the Tokyo Stock Exchange

9) CMG Group

As of 31 December 2022, CMG group had 1 central subsidiary operating core business, which is C Trading. CMG hold 100% of shares in C Trading in which Mr. Pichai Chirathivat and Mr. Prin Chirathivat hold 1 share in CMG.

Shareholding structure of CMG Group was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	187,599,998	100.00
2. Mr. Pichai Chirathivat	1	0.0
3. Mr. Prin Chirathivat	1	0.0
Total	**187,600,000**	**100.0**

10) CTD

As of 31 December 2022, shareholding structure of CTD was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	542,925,000	100.0
2. Mr. Suthichai Chirathivat	12,500	0.0
3. Mr. Suthilaksh Chirathivat	12,500	0.0
4. Mr. Sudhitham Chirathivat	12,500	0.0
5. Mr. Prin Chirathivat	12,500	0.0
6. Mr. Tos Chirathivat	12,500	0.0
7. Mr. Suthisarn Chirathivat	12,499	0.0
8. Ms. Sukulaya Uahwatanasakul	1	0.0
Total	**543,000,000**	**100.0**

11) CNGI

As of 31 December 2022, shareholding structure of CNGI was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	4,999,997	100.0
2. Mr. Worawoot Ounjai	1	0.0
3. Mr. Pandit Mongkolkul	1	0.0
4. Ms. Sukulaya Uahwatanasakul	1	0.0
Total	**5,000,000**	**100.0**

12) CGO

As of 31 December 2022, shareholding structure of CGO was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	15,299,994	51.0
2. CNGI	14,699,997	49.0
3. Mrs. Yuwadee Chirathivat	3	0.0
4. Mr. Narongrit Chirathivat	3	0.0
5. Mr. Worawoot Ounjai	3	0.0
Total	**30,000,000**	**100.0**

13) LR

As of 31 December 2022, shareholding structure of LR was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. CRC Rina[1]	5,115,996	100.0
Total	**5,115,996**	**100.0**

Remark: [1] Subsidiaries of the Company which the Company hold 100.0% of shares

14) NK Group

As of 31 December 2022, NK Group had 1 central subsidiary operating the core business which is NK Trading.

NK Trading was wholly owned by NKM which 100% owned by NKT 100% which shareholding structure was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. PWB	76,860,745	100.0
2. PBL	1,000	0.0
3. 3PLUS	1,000	0.0
Total[1]	**76,862,745**	**100.0**

Remark: [1] NKT has paid up shares and capital totally 80,000,000 shares which NKT has 3,137,255 shares of treasury stock, equivalent to 3.9% of total paid-up shares

15) Lanchi

As of 31 December 2022, Lanchi had 3 independent subsidiaries operating the core business which are LC Investment, LC Ha Nam, and LC Trading. Shareholding structure of Lanchi was as follows:

LC Investment, LC Ha Nam, and LC Trading wholly owned by Lanchi (LCP). Shareholding structure of Lanchi was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. CFR	8,554,559	51.0
2. Ms. Nguyen Thi Lan	8,219,090	49.0
3. NK Trading	5	0.0
Total	**16,773,654**	**100.0**

16) Big C / GO! Vietnam

As of 31 December 2022, Big C / GO! in Vietnam had central subsidiary operating core business named Cap C. Shareholding structure of Cap C was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	2,679,999,998	100.0
2. Mr. Prin Chirathivat	1	0.0
3. Ms. Sukulaya Uahwatanasakul	1	0.0
Total	**2,680,000,000**	**100.0**

(3) Shareholders' agreement

-None-

1.4 Capital Registration and Paid-Up Capital

As at 31 December 2022, the Company register capital at THB 6,320,000,000 and paid-up capital at THB 6,031,000,000 with par value at THB 1.0

1.5 Other securities

-None-

1.6 Dividend Payment Policy

1.6.1 Dividend Payment Policy of the Company

CRC considers the ability to pay dividend as required by law including the Public Limited Company Act B.E. 2535 (as amended) which stipulates that the public company can pay dividend from its separated financial statements if there is no accumulated loss.

CRC has a policy to pay dividend to its shareholders at the rate of not less than forty (40) percent of the net profit from its consolidated financial statements after tax deduction, the allocation of various funds required by law and CRC in each year and the obligations under financial contract (if any). The dividend payment must not exceed the retained earnings from its separated financial statements. However, such dividend payment rate may be changed depending on the performance, cash flow, financial liquidity, financial position, investment plan, reserve funds for working capital, funds for future investment, funds for loan repayment, the obligation under financial contract, economic conditions, legal requirement as well as other necessities.

The annual dividend payment must be approved by the shareholders' meeting. Unless, the interim dividend may be paid by the resolution of the Board of Directors if CRC's profit deems sufficient to do so and such payment has to be reported in the next shareholders' meeting. The Shareholders and/or the Board of Directors of the Company has resolved to approve the dividend payment as follows:

	Approval date	Payment schedule	Dividend per share	No. of shares	Amount
			(Baht)	(million shares)	(THB million)
2021					
Annual dividend	29 April 2022	May 2022	0.30	6,031	1,809
2020					
Annual dividend	23 April 2021	May 2021	0.40	6,031	2,412
2019					
Interim dividend	10 December 2019	December 2019	0.90	4,700	4,230
Interim dividend	14 November 2019	December 2019	5.96	4,700	28,012
Annual dividend	30 April 2019	May 2019	8.50	470	3,995
Total					**36,237**
2018					
Interim dividend	1 March 2018	March 2018	11.00	211	2,326

1.6.2 Dividend Payment Policy of Subsidiaries

The Board of Directors of the subsidiaries consider the annual dividend and proposes to their shareholders' meeting for approval in each year. The subsidiaries shall pay dividend from the net profit in their separated financial statements after tax deduction, the allocation of various funds required by law and CRC in each year and the obligations under financial contract (if any). The dividend payment must not exceed the retained earnings from its separated financial statements. However, such dividend payment rate may be changed depending on the performance, cash flow, financial liquidity, financial position, investment plan, reserve funds for working capital, funds for future investment, funds for loan repayment, the obligation under financial contract, the obligation under merger contract, economic conditions, legal requirement as well as other necessities. Also, the Board of Directors of the subsidiaries have the authority to approve the interim dividend payment and such payment has to be reported in the next shareholders' meeting.

Prior to making the annual and interim dividend payments, the subsidiaries must seek for approval from the Board of Directors of CRC, except for the case that the total amount of dividend payment for the whole year is not less than that stipulated in the annual budget of each subsidiary or such dividend payment is in accordance with the dividend payment policy of the subsidiary which has been previously approved by the Board of Directors of CRC. This shall be in accordance with the Policy on Investment and Supervision and Governance of Subsidiaries and Associates of the Company.

2

Risk Management

2. Risk Management

The Company has been recognizing the significance of continued corporate management to solidly thrive the organization and flourish the business while also ensuring its financial stability and appropriate returns for shareholders. The Company has been operating on the foundation of good corporate governance in parallel with adequate internal control, check and balance amid the ever-changing competitive business environment currently facing the Company, which influenced by external and internal factors that may affect the ability to achieve its goals and core mission.

The Company's Board of Directors and executives have adopted risk management system to support the operations to ensure long-term stability in the business objective and maintain the risk to be at the acceptable level. To support this, the Company is thus managed by good corporate governance which strengthens the confidence of shareholders and all parties involved in its business operations while attaining the objectives and creating value added for the Company, as well as reducing risks from critical or uncontrollable events to minimize impacts. Thus, the Company places its focus on developing and strengthening the risk management system by formulating a risk management policy and framework with an analysis of material risks as follows.

2.1 Risk Management Policy and Plan

The Company has been aware of the importance and necessity of adopting a risk management system that in line with international standards to its management to ensure the achievement of objectives and in compliance with applicable laws and standards, in order to ensure the overall risk is within the acceptable level. As a result, a risk management policy then has been enforced, including

(1) Determine that employees at all levels will adhere to risk management practices and need to be aware of risks in their functions and the organization, focusing on risk management in different types and ensuring that all risks are managed under systematic internal control and limited to an adequate level.

(2) Define an enterprise risk management process that is in line with international practices and standards to establish efficient management approaches to risks that may affect the operations, initiating harmonious enterprise-wide risk management developments and adherence. The Company shall incorporate the risk management system into the decision making for strategic planning, plans, and operations, as well as aiming at achieving the determined objectives, goals, vision, mission, and strategies to attain work excellence and build confidence among all stakeholders.

(3) Define a prevention and mitigation guideline to avoid potential damage or loss, as well as regularly monitor and evaluate the risk management results.

(4) Promote and develop the incorporation of modern IT systems to be implemented in the Company's risk management process and support employees of all levels to get access to risk management resources as well as developing a risk report system to ensure effective acknowledgment of risks by the Risk Policy Committee.

The Company has integrated strategy development, business objective identification, and performance evaluation with corporate risk management under 5 principles that are interrelated, which will enhance the value creation for the organization as follows

1. Governance & Culture

The Company has structured the organization and clearly defined duties, responsibilities in risk management, as well as establishing a corporate culture that emphasizes the awareness of risks which may affect business operations.

2. Strategy & Objective-Setting

The Company has a strategic planning process that integrates risk management principles while also developing strategies and determining business objectives that are in line with the acceptable risk levels.

3. Performance

The Company identifies and assesses risks that may affect the accomplishment of strategies and business objectives. Risks are prioritized based on the degree of impact and the likelihood of events that can cause risks as well as determines appropriate risk response methods.

4. Review & Revision

The Company regularly reviews the overall performance to determine how effective its risk management is, the risk management has been reviewed from time to time for continuous improvements.

5. Information, Communication & Reporting

The Company implements an information system that promotes efficient risk management by which risk information, performance data, and the development of risk management reports to facilitate the communication of risk management results to stakeholders constantly and adequately.

2.2 Risk Factors Against The Business Operations

2.2.1 Risk Factors Against The Business Operations

The Company has analyzed risks in business operations, taking into account its goals, policies, strategies, and nature of the operations. In addition, it has also identified current and potential risks in the next 3 - 5 years as follows:

1. Competition Risk

Competition risks are still inevitable since the retail industry is a free market that is subjected to fierce competition. Even though Central Retail is considered as one of Thailand's largest retailers, it still needs to compete with a number of existing and potential competitors, both at the domestic and international level, regardless of their sales channels, including offline or online stores, department stores, specialty stores, supermarkets, hypermarkets, home décor stores, electronics stores, convenience stores, retail stores, catalog sales, or online marketplaces. Each store under the roof of Central Retail needs to be competitive in terms of location, types of products, pricing, convenience, and delivery duration, as well as distribution channels, either physical or online stores, and service platforms, to resonate with the shifting shopping behavior of customers.

Nonetheless, even though the overall retail business in 2022 has recovered to a certain extent, there are still risk factors to be monitored, especially the cost of goods and energy costs, as well as major retail trends, which dominate

and influence the retail competition in the future, e.g., seamless shopping experience. All these combined lead to necessities to pay attention to all distribution channels and to understand the target customers even more. Products that the Company offers should be available in every channels as preferred by customers in order to broaden the opportunity to generate sales with the support of new business models, new products/services models that gradually win popularity over consumers being integrated, among which include subscription models or mystery boxes. These are another field of business competition in which the Company needs to adjust to the shifting consumer behavior.

Besides, online channels and social media have maintained their popularity as a platform to communicate with consumers. The Company still needs to focus on the preferences of the target groups so that it can tailor suitable content formats (article, image, video, live) and platforms to publish communications and generate sales effectively.

In this regard, Central Retail believes that it possesses incompatible strengths, one step ahead of its competitors, especially in part of the variety of brands and products, impressive shopping experience (whether offline, online, or Omnichannel sales). Central Retail caters new experiences and holistically suggests relevant products to the customers to differentiate its position while also offering privileges and benefits on top of those they directly enjoy from each brand. As Central Retail considers voices of customers important, it regularly provides customer satisfaction surveys in each business segment to catch up with the rapid changes in the retail industry via various methods and channels, e.g., online self-survey, on-site personal interview, tele-interview, which are to gather information from both existing and potential customers to identify the level of expectation, customer satisfaction, as well as their preferences to ensure the service will never cease to improve.

Moreover, Central Retail is preparing to engage the development and improvement of its core businesses while also expediting the expansion of new business models with more investments in digital technology to enhance the potential of the CRC ecosystem and further develop the Omnichannel platform to meet customer preferences and cater better experiences to all visitors. By that, it has renovated, introduced new branches in each business, including those of Robinson Lifestyle Shopping Center, Robinson Department Store, Thai Watsadu, and Tops, as well as other specialty stores and forges forward to constantly launches new branch models, e.g., Tops standalone and other new formats, which focus on penetrating new markets; for instance, Tops CLUB, Tops Fine Food, go!, go! WOW, go! Power, Tops Vita, and Tops Care, with new food and non-food platforms and services being rolled out, e.g., Thai Watsadu mobile application, etc.

The constant development and expansion of new business models will allow Central Retail to maintain its strengths over competitors. With also precise and practical business plans and active investment and acquisition strategies, Central Retail will thrive and preserve its global leadership status in the future retail sphere and become Asia's No. 1 Retailer of the Future, in line with its goal, despite facing risks and challenges in 2022.

2. Economic Risk

The overall global economy continues to be in a sluggish state since there is an upsurge in energy prices and inflations, resulting in higher production costs and cost of living. The situation has been intensified with the uncertainty of geopolitical conflicts between countries such as Russia-Ukraine, the United States, China and Taiwan, which could intensify the bottleneck effect in the supply chain. In addition, energy prices, inflation, and financial volatility may also lead to a recession and tend to slow economic recovery in many countries.

Thailand, if compared to other countries around the world, is considered one among the countries facing slow recovery as its economy substantially depends on the tourism sector. The outbreaks of COVID-19 have precipitated economic stagnance for over 2 years. However, after the country could make it through the most critical part of the situation in Q3 of 2021, it was expected that 2022 would lead the way to economic recovery since the disease would be placed under control while the vaccination coverage would continue to expand. At the same time, the epidemic control measures would be relieved, resulting in people being able to live their life as usual and stores reopen. Thus, the economic driving force of 2022 has mainly been domestic spendings.

Central Retail is still affected by the global economic downturn, the ease of disease control measures, together with economic stimulus, indeed support and serve as positive factors, making tourism at a better stage. However, challenges from fragile purchasing power and inflationary pressures could limit the recovery.

The Company aims at being the leader of Reshape Retail industry through CRC Retailligence with the CRC data ecosystem serving as a driver. Four key strategies to steer CRC Retailligence are defined as follows

(1) Reinvent Next-Gen Omni Retail – Upgrade the Omnichannel platform by bridging gaps between the physical and the virtual world, leveraging new technology and digital capabilities to cater a superior shopping experience in all business groups, i.e., food, fashion, hard line, property, and new business groups in Thailand, Vietnam, and Italy.

(2) Accelerate Core Leadership – Proactively drive and generate growth in Central Retail's core business, both domestically and internationally, and cooperate with international partners.

(3) Build New Growth Pillars – Forge forward to build new businesses, starting from Health and Wellness segment to other segments that resonate with the global trends and consumer needs.

(4) Drive Partnership, Acquisition, and Spin-Off – Expand the business under the Inclusive Growth strategy, thriving success with partners to attain sustainable growth.

3. Cybersecurity Risk

Cyber threats can be in several forms such as hacking into the IT system to steal customers' personal data, corporate's confidential data, ransomware, or causes damage to IT system, resulting in data leakage and IT operation interruption which can bring about financial impacts as Central Retail will be subjected to fines from violating applicable laws, remedies to affected customers, loss of income as the competitors possess its confidential data from the leakage while the IT system is also being halted, as well as additional expenses required to recover the system and manage the threats. Moreover, other impacts may include damage to the reputation and loss of stakeholders' confidence, which could eventually affect the income.

With respect to cybersecurity measures, Central Retail always reviews and adheres to practices to address cyber threats, optimizing existing tools and deploying new tools to inspect all devices. It educates and builds awareness among the employees across the organization on a regular basis to ensure that they understand and realize the importance of data security and the prevention of personal data leakage to shield the Company from possible adverse impacts.

Central Retail has established measures to prevent data leakage and intrusion by suggesting personalized passwords for the device access of each personnel, verifying or authenticating identity in the IT system, and providing data accessibility based on functions, e.g., password requirement, restriction of access rights, regular backups, etc.

As for personal data protection measures, Central Retail has assigned knowledgeable and qualified personnel to the position of Chief Information Security Officer, being responsible for data security, and the position of Data Protection Officer to assume the responsibilities required by laws. Besides, it contracts a consulting company to render advice on system improvement to ensure its safety and compliance with legal provisions. With respect to personal data breach, Central Retail has formulated and set out policies, measures, objectives, conditions, notifications, consent requests, data collection, data usage, and disclosure of personal data to comply with legal requirements. It reduces the collection of sensitive data (e.g., customer's health information) and adopts other similar but effective alternatives instead. Moreover, Central Retail has been and sensible about the use of personal data, thus using merely the data to which from the subjects. At the same time, storefront staff are highly crucial to focus as they serve customers directly. As a result, it provides staff training on the Personal Data Protection Act and produces various kinds of media to explain about preferred customer service practices, aiming at respecting the rights of customers as much as possible. In this regard, there may be certain cases where customers still have concerns and require further information to avoid misunderstanding, or a feeling that they are not treated fairly on the basis of applicable laws. In such a case, an inquiry or the concern can be raised to dpo@central.co.th.

4. IT Infrastructure Risk

The Company targets to be the lead in Reshaping the Retail industry through CRC Retailligence with the CRC data ecosystem being a key driver to fulfill customer needs in both physical and virtual platforms, providing Hyper-Personalized products and services by using a customer insight database, providing a real-time "Now Moment" experience to engage and inspire customers, as well as to cater experiences that connect the two platforms through Next-Gen Omni Retail, by which customer preferences can be truly met.

Central Retail has always been placing its focus on Omnichannel platform service, which are experience-oriented and customer-centric, in every of its core businesses and in every countries Central Retail is present, among which include the fashion segment, e.g., Central, Robinson, and Rinascente; the hardline segment, e.g., Thai Watsadu, Power Buy, and Nguyen Kim; and the food segment, e.g., Tops, Tops Food Hall, Big C / GO! Vietnam, etc. Apart from physical and online shopping, the Omnichannel platform also includes other services that ensure convenient and fast purchasing; for example, the e-Ordering feature of Power Buy, the development of delivery services to provide the best customer experience, and the Reserve & Collect service whereby customers can reserve items they wish to purchase and later pay and pick up the products at stores.

In this regard, Central Retail is still aware of operational risks that may occur in product management, starting from product selection, inventory management, shipping, product returns and constantly monitor the performance to ensure efficient product management to accommodate the sales through Omnichannel platforms. As for potential risks in part of technology interface, the Company has partnered with world-class tech talents, e.g., Google, Meta, Microsoft, Accenture and Adobe to enhance the Next-Gen Omnichannel platform. The Company has professional teams that possess specific expertise and bounty experience in technology and digital active in Thailand and other countries,

who will be major taskforces in enabling the Company to become a full-fledged retail tech organization in line with the established CRC Retailligence strategy, be primed to turn the CRC ecosystem to the Asia's best up to a world-class retail tech.

5. Distribution and Inventory Management Risk

The Company is aware of various risk factors that may affect the chain of product distribution, which includes natural disasters, may lead to floods that cut off certain distribution and personnel mobility. During a flood crisis, products could be obsolete or shrinkage as they have to linger in stock for a period of time while some stores may not be supplied with certain products. Other risk factors include epidemic situations and travel restrictions imposed by the government, during which some areas may be defined as high risk and limit transportation, resulting in interruptions to goods distribution of both Central Retail and suppliers. There are also protest of workers, both domestic and international, or strikes that may affect the transport sector, which bring higher expenses or decrease in product quantity to be distributed.

Central Retail has managed the risk by utilizing multiple distribution centers to take over work from ones that are facing limitations in order to supply products at a preferable speed and be able to maintain product quality to ensure hygiene and to supply products that are in need and high demand during crises to serve all customers. Meanwhile, it adopts online channels to communicate, acknowledge complaints, and maintain its pace with the rapidly changing needs of customers in each period.

As of December 31, 2022, Central Retail's distribution centers consist of 26 locations, 14 of which is in Thailand, 11 in Vietnam, and 1 in Italy, with a total area of approximately 379,000 square meters, 56,171 square meters, and 35,000 square meters, respectively. In order to distribute products to different stores accurately and in time.

In part of inventory management, Central Retail has provided risk mitigation to ensure risk within the acceptable level by carrying out the followings:

(1) Products based on sales trends, cycle times, and product life cycles to maintain the appropriate stock.

(2) Appropriately report and monitor slow-selling and obsolete products.

(3) Product controlling, inspection, and stocks counting to avoid loss and regularly report the result.

(4) Provision of alternate warehouses in case of emergency when the major warehouses are inadequate or non-operational.

(5) Multiple shippers to exploit their expertise in each location and back up in case of emergency when any of them face a problem.

(6) Determination of stores with the ability to directly receive products from suppliers in case the distribution system faces an issue or problem.

(7) Collaborate with the distribution management units of business to synergize strength and address diversity risks of each business unit.

6. Risk from Overseas Business Operations: Vietnam

Operating the business in Vietnam still encounters a risk factor in the legal aspect as the uncertainty of legal system as well as the legal instruments that regulate the Vietnam's economy are still in their early stages of development. Hence, it is tough to predict the exact time of its clarity and maturity on par with those countries rooted with developed legal systems. In addition, Anti-Bribery/Corruption Act may not be rigorous enough compared to the developed countries, resulting in some companies under Central Retail in Vietnam being affected by the risk of legal interpretation. For that reason, certain agreements or transactions executed by the companies may become void or invalid, and may be subjected to fines. The Company thus establishes a guideline to manage and prevent risks by operating the business with prudence, cautiousness, and a clear organizational structure to have a specific department to oversee and closely monitor the progress of business administration with the management team in Vietnam so that it can arrange plans to address risks and solve potential issues in a timely manner.

In addition, the COVID-19 outbreaks in 2022 are still complicated. Supply chains encounter an intense dynamic of fluctuation. However, with the immunization policy and economic stimulus measures, Vietnam has gradually placed COVID-19 under control and adapted to the New Normal. Consumer demand bounced back and became a driver for growth. In 2022, retail business is expected to flourish and be oriented to digital transformation, sales channel distribution, online business promotion, and optimization of traditional sales channels. Meanwhile, changes in payment and delivery methods become a highlight in the retail industry of Vietnam. In the long run, Vietnam still remains a potential with supporting of the population nearly 100 million and being a country where the middle class rapidly develops and urbanization expands.

Based on the retail growth trend in Vietnam, the Company thereby focuses on investments to steer itself as an Omnichannel retailer. Over the past 10 years, Central Retail has become the leading hypermarket retailer and leader in lifestyle shopping malls in Vietnam, with stores covering 42 provinces across the country and a strong customer base of over 12 million. At the same time, Central Retail Vietnam is approaching success with an award-winning food Omnichannel platform that was modeled after best practices in the Thai market. In this regard, Omnichannel sales accounted for over 9 percent of Central Retail Vietnam's current total sales.

7. Risk from Overseas Business Operations: Italy

The business in Italy still needs a prudent operation. Therefore, there is close monitoring and analysis of risk factors in order to have a plan to cope with the risks and determine solutions to potential issues in a promptly manner as the business may be affected, especially by the economic situation of the country. According to the economic and financial report of the Italian Ministry of Economy and Finance (MEF) released in September 2022, the economy of Italy is at its slow pace and facing political situations, i.e., an election of Prime Minister held on September 25, 2022. Thus, there are domestic issues pending to be addressed by the new government of Italy, including high public debts or high inflation rate, and it is readily exposed to the investment if the new government adopts a lavish fiscal policy. In this regard, the recession in Italy is expected to begin in Q4 of 2022 and will continue to 2023 due to a rise in energy prices to an extent that it puts pressure on consumer preferences and confidence. As for inflation, it is likely to continuously hike. The rising inflation has been affecting all sectors, from manufacturing, end users, which rigorously affects the spending power of consumers through to the business sector, and online shopping trends for consumer goods in Italy. Therefore, any of these trends could potentially have a negative impact on the business, performance, financial statements, and its business opportunities.

The Company therefore operates its business with caution and closely monitors the performance with the Italy's management team so that it can plan to address risks and solve problems in a timely manner.

8. Financial Risk

Central Retail is exposed to various financial risks from day-to-day operations. Financial risk management guidelines of Central Retail focus on determining measures to prevent or reduce the impact of capital market instability and to mitigate negative impacts that may arise from the performance. For those reasons, it heightens the importance of efficient financial management by prioritizing investment projects and controlling costs appropriately to reduce the impact on profitability and maintain both short-term and long-term financial liquidity. Central Retail uses cash flow generated by operating and financing activities as a source of funds for its operations, i.e., working capital for goods purchases and capital expenditures. In this regard, Central Retail has assessed its funding needs on a regular basis, taking into account the cash flows generated by operating activities and market conditions. In case of insufficient of operating cash flow, Central Retail may seek a loan or increase its capital, establishing guidelines for cost management measures, reviewing investment and branch expansion plans in accordance with demand and market situations in order to maintain profitability and its financial liquidity, both short-term and long-term. The major financial risks are as follows:

8.1 Foreign Exchange

Exchange rate fluctuations are barely possible to predict as there are various factors that affect the rate movements, including fundamental economic factor in that country, monetary and fiscal policy, world economy, forecasting and speculation, domestic and international political stability, market psychology, rumors, or technical factors. Fluctuations in exchange rates pose risks to Central Retail because its subsidiaries are located in Vietnam and Italy, meaning they recognize sales and cost of goods sold in Dong and EUR currencies, respectively. Moreover, Central Retail has assets and liabilities denominated in foreign currencies, mainly consisting of the EUR and USD. Although the Company is unable to control the fluctuation of exchange rate, it can instead manage the risk using appropriate tools including the revenue and expenditure management in the same currency (Natural Hedge) to manage foreign exchange rate risks and ensure more effective revenue and cost management.

8.2 Interest Rate

As of December 31, 2022, Central Retail might have exposed to interest rate risk due to its loans. Thus, mitigates such risk by setting a fixed interest rate. In this regard, the loans, as of December 31, 2022, mainly consist of short-term loans from financial institutions in the amount of 34,954 million Baht, namely promissory notes, packing credit, letter of credit, and trust receipts, which are due for repayment in 2023 with an interest rate between 1.25%-8.50% annually and long-term loan agreements executed with several financial institutions, both local and foreign in the amount of 39,780 million Baht and long-term loans that are already due within one year amounted to 6,561 million Baht, which will be due for repayment as specified in agreement with the maximum tenure for 20 years ending in December 2041, with interest rate between 1.90%-10.60% annually.

8.3 Liquidity Risk

Liquidity risk is the risk related to Central Retail when it may not be able to meet short-term obligation. Central Retail has established guidelines for liquidity risk by managing short-term and long-term source of funds to have sufficient liquidity to operate the business and to support the repayment of debts and various obligations when it is due or

when it is recalled including reviews and monitor the fund usage plans in the investment projects as well as controlling the purchase of inventory to be at an efficient level and maintain the sufficient cash and cash equivalent in order for operations to reduce the impact of cash flow.

9. Emerging Risk

9.1 Risk of consumers' changing preferences due to climate change awareness

At present, more countries have recognized the significance of the environment and climate change that is steadily intense. This intensity is noticeable from meetings that brought together several countries to agree on joint plans, policy announcement, strategic plans, environmental legislation and raise public awareness, all of which are to be considered as a guideline for the reduction and elimination of carbon dioxide and greenhouse gas (GHG) emissions in order to maintain the severity of global warming.

For Thailand, even though the amount of GHG emissions is low compared to that of the global level, such an amount still inevitably brings about environmental crises. Thailand is hence committed to achieving the goal of Carbon Neutrality by 2050 and Net Zero by 2065. Both are a catalyst for the government to engage in environmental approaches and take actions to prevent or directly solve problems related to climate change. It is therefore imperative that the private sector always stays active and initiates climate change targets and action plans at different levels depending on the potential of business types and sizes of the organization. Besides, the public sector can also take part starting by changing their consumption behaviors and preferring activities that reduce GHG emissions and consume resources more efficiently. This matter is a crucial factor to encourage consumers and entrepreneurs to realize the importance of greener products and services. At the same time, stakeholders of all groups expect to witness Central Retail serving in a role that prioritizes both sustainable business operations and effective environmental management.

The Company is aware how necessary to be prepared for the mentioned events, thereby implementing the following measures

- Formulate policies and strategies that aim at achieving a Net Zero goal within 2050 in order to minimize GHG emissions generated by the operations and take part in addressing the problem, mitigating impacts, and shielding the business from such risks that are possible throughout the supply chain, e.g., unnecessarily rising energy costs, lack of natural resources necessary for production and transportation, and high emission-related taxes.

- Implement different projects that cover energy management, supply chain management, waste management, and launch campaigns to raise awareness and participation in environmental conservation, which consist of
    1) Solar rooftop system project to increase the proportion of solar energy and reduce the use of fossil-based electricity.
    2) To reduce energy consumption in the operations by integrating cooling innovations, which do not rely on chemical usage that destroys the atmosphere and incur unnecessary energy wastage.
    3) Electric Vehicle (EV) charging installation project to bolster the reduction of GHG emissions among customers.
    4) Watershed Forest Restoration Project to serve as a storage base for carbon sequestration, creating and conserving biodiversity and promoting community economy.

5) Organic Agricultural Goods Project to store GHG and maintain biodiversity, prevent pollution contaminants in the environment and products, as well as promoting the production process and increasing the value of community agricultural products, which can bring about impacts on the environment, promote community economy, and reduce inequality.
6) Quality at Heart Project to raise product standards throughout the supply chain to ensure quality and safety.
7) Increase the proportion of green packaging by 2030 while setting zero to single-use plastics.
8) The Journey to Zero Project promotes waste reduction at source, the collection and reusing recyclable materials, hazardous waste management, and food waste reduction, whether by managing excess food or food waste segregation for further processing into organic fertilizer and biogas for communities. In addition, the Company also focuses on raising awareness of waste segregation among employees within office premises, different branches, and visitor areas, Plastic-to-PPEs Project, development of new products using plastic waste, and donation of trendy clothes.

- Focus on decarbonization throughout the supply chain by considering three scopes, consisting of 1) direct GHG emitted by the organization; 2) indirect GHG emitted by the organization's energy usage; and 3) indirect GHG emitted by stakeholders.

- Prepare for climate change impacts by employing risk assessment and strategy adjustment based on the disclosure of climate-related financial risks based on the guidelines of Task Force on Climate-Related Financial Disclosure (TCFD).

- Build awareness among partners and initiate projects on energy management and climate change under the concept of creating shared value between business and society.

- Establish a Business Continuity Planning (BCP) that covers risks arising from climate change.

9.2 Risk from the increasing role of e-Commerce business

Technological advancement and changing consumer behavior are supporting mechanisms that provide a greater role for e-Commerce to play in consumption as the platform is subjected to low costs in selling products and it no longer requires a storefront or a salesperson. Thus, e-Commerce attracts small-scale merchants to sell their products on the online platform, in which financial transactions can be processed 24 hours a day while consumers at every corner of the world can be reached. Even so, product purchase is not limited to only retail outlets. At present, manufacturers can also directly offer their products to consumers through online sales channels. Besides, it can also conveniently and rapidly communicate and assess customer satisfaction to improve products and services through an Internet link. As a result, e-Commerce businesses can expand expeditiously and become increasingly popular in modern times.

Even though the introduction of e-commerce businesses may not be a direct competitor to Central Retail, this factor may result in changes in consumer purchase behavior, as it shifts from a conventional channel, i.e., physical stores to the online platform. However, the Company's storefront is not interrupted by e-Commerce, still it may need to further adjust to cater a better experience to consumers; for instance, render advice on products/services, arrange staff at product testing booths, and integrate online and offline sales channels to create an "Omnichannel" platform that meets the needs of today's consumers.

The Company has been aware of such changes and undertaken following measures to fulfill lifestyle needs of consumers.

- A wide assortment of products are available on the Omnichannel platforms, including
  1) Online platform: For example, Central, Supersports, OfficeMate, Tops, and GO! application, which can serve personalized needs of consumers; web stores for brands under Central Retail, Quick Commerce, and Marketplace.
  2) Social commerce: For example, Facebook, LINE, and e-Ordering, Call & Shop, Chat & Shop, to enhance the performance of Omnichannel platforms.

In addition, the network has been expanded via the Omnichannel platforms to cover all affiliated businesses located in areas that do not have physical stores.

- Consumer centric focus and consumer participation through store development and new product distribution channels that cover various types of businesses under Central Retail, such as go! WOW, go! Power, Tops Vita, etc., which can deliver a great extent of shopping experiences to consumers. Renovation of department stores to resonate with preferences of customers in each area, launches of applications based on business groups for consumers' convenience, and collection of The 1 members' data allow Central Retail to recognize and anticipate customer needs.

- Building alliances and being trusted by world-renowned brands, popular product brands, and building long-term relationships with trading partners that enable Central Retail to be flexible in executing distribution agreements for certain products that are different from those of competitors.

10. ESG Risk

10.1 Environment

The Company is aware that a decent business growth must parallel with sustainable environmental development, starting from supply chain through to the final end of well-structured waste management. The Company emphasizes the development of knowledge and innovation in environmental management, energy and natural resources management, first starting from internal personnel then disseminating the knowledge further to society and all groups of stakeholders.

With respect to energy management and climate change, the Company realizes that climate change is a global issue to which every organization has paid more attention. This is because impact on both business operations and well-being. As Central Retail has collaborated with partners and located its business in many locations throughout the globe, it places importance on energy management and takes part in solving problems, as well as assessing and managing potential risks. The Company invests in solar rooftop installation with an objective to produce clean energy from solar power while also reducing energy costs and GHG emitted by use of electricity. This installation was provided with a total of 83 branches (25 Robinson Department Stores, 38 Thai Watsadu in Thailand, and 20 of Big C / GO! in Vietnam). Other energy management aspects include reducing energy consumption within Tops Supermarket and FamilyMart, e.g., changing light sources to LED bulbs, using glass panels to reduce energy loss in freezers, improving the refrigeration system to save energy, and reducing the operating number of 24-hour stores.

The Company operates in compliance with the raw material sourcing standard, especially natural raw materials that are agricultural products and livestock, to minimize impacts on the environment, be compliant with applicable laws, establish a good relationship with local raw material suppliers and business partners, and promote employment in the community. The example project, "Quality at Heart," is to maximize safety standards for vegetables, fruits, and fresh food so as to respond to the modern lifestyle of consumers who center their interest in health-promoting products quality. The Sustainable Food Development Team has developed the quality standards of agricultural products, starting from the cultivating and harvesting process to the transportation and products distribution. The Quality at Heart Project focuses on safety and quality with environmental impacts being taken into consideration throughout the supply chain. It reduces plastic in the production process, minimizes GHG emissions in the transportation process, and enhances the livelihood of all farmers with employment opportunities in the community. Moreover, it sells seasonal products at reasonable prices, which consumers can trace back to every step of the production.

10.2 Social

The Company is determined to serve as a good role model for society in driving the business to achieve sustainable growth under corporate social responsibility, with a policy to support and respect human rights protection. It treats all stakeholders, including employees, communities, or third parties, with respect to human values, taking into account the equality and freedom and not violating fundamental rights nor discriminating against race, religion, language, skin color, gender, age, education, physical condition, or social status. The Company monitors the compliance with human rights requirements by encouraging employees to participate and express their opinions through complaint channels dedicated to those who affected from rights violation due to the business operation. In addition, the Company has recognized the significance of human resource development and fair labor practices, which serve as a supporter to increase the value of the business and strengthen the competitiveness and sustainable growth of Central Retail in the future. It determines policies and guidelines that value the rights of employees on the basis of human rights and comply with labor laws, thus ensuring fair recruitment process and employment conditions. In part of responsibility to customers, the Company is committed to treating customers with responsibility, honesty, and care, taking into account the quality and standards of products and efficiency in providing services, as well as focusing on supplying quality products that meet the required standards. Additionally, it develops a service management system so that products and services of quality, hygiene, and highest satisfaction are available to customers. Central Retail adheres to fair marketing with a policy to ensure that customers receive accurate information of products and services without being distorted, ambiguous, or exaggerated advertisement to support their decision making.

10.3 Governance

In operating the business, Central Retail adheres to the Principles of Good Corporate Governance of Listed Companies as stipulated by the Stock Exchange of Thailand and the Corporate Governance Code for Listed Companies 2017 as stipulated by the Securities and Exchange Commission (SEC) as a guideline for the operations to achieve operational efficiency and transparency for the benefits of all investors and confidence in the Company's business among third parties. The Company recognizes and places importance on the fundamental rights of shareholders while also having a mission to promote and facilitate the exercise of their rights. It requires equal treatment for all shareholders and values the rights of all groups of stakeholders. Besides, the Company considers the disclosure of important Group-related information, including financial and non-financial data, in an accurate, complete, timely, and transparent manner in accordance with the requirements of the SEC, and other information that may affect the price of the Company's securities, all of which influence the decision of investors. In this regard, the Company will provide a good corporate governance policy in writing as a guideline to be complied by the Board of Directors, executives, and

employees, with a review on an annual basis. In addition, the Company has also formulated policies to eliminate conflicts of interest with honesty, rationale, and independent under the business code of conduct.

2.2.2 Investment Risks for Securities Holders

(1) Limitations on the proportion of shareholding by foreigner prescribed by Thai laws and the Company's regulations

The Company's Articles of Association determines that the proportion of shares held by foreigners will be 49 percent of the total paid-up capital. This is in line with the foreign ownership limitation under Thai laws. Therefore, the liquidity and market price of the Company's shares may be adversely affected, especially when the proportion of shares held by foreigners dominate the full proportion given. This is because, in such a case, Thai shareholders will not be able to transfer their shares to their counterpart.

In addition, shareholders, including foreign shareholders who buy or sell Central Retail's shares, may not have knowledge whether the shares being traded have exceeded the specified proportion; whether the name of the buyer can be listed in the Shareholder Register Book; or whether the registrar will refuse to record such transfer of shares. As of January 31, 2022, the proportion of foreign shareholders represents 13 percent of the total paid-up capital, which is less than the proportion of shares permitted for foreigners as specified by the Company's Articles of Association.

(2) Risk of significant fluctuations in share price

The Company expects that its share price is subjected to significant fluctuations and investors may not be able to sell the Company's shares at a price that is equal to or higher than the purchase price, or cannot sell shares immediately after the purchase price tends to fluctuate and not be steady, within a fairly wide price range, which is the result of several factors, including but not limited to

- Fluctuations in expected or actual operating performance
- Issuance or revision of securities analysis or analyst recommendations regarding the Company's securities;
- Employment or loss of Central Retail's key personnel
- Announcements related to the development that promote competitive advantage, acquisition, or strategic alliance occurred in the industry in which the Company operates
- Strict regulations or restrictions issued by the government agencies that affect the industry in which the Company operates
- Fluctuations in foreign exchange rates
- Ongoing and potential litigation, including being investigated by public sectors
- Economic and market situation, or any other developments that affect the Group and industries in which it operates on domestic, regional, and global level

2.2.3 Risk of Investing in Foreign Securities

-None-

3

Business Sustainability Development

3. Steering the Business for Sustainability

3.1 Sustainability Management Policy and Goals

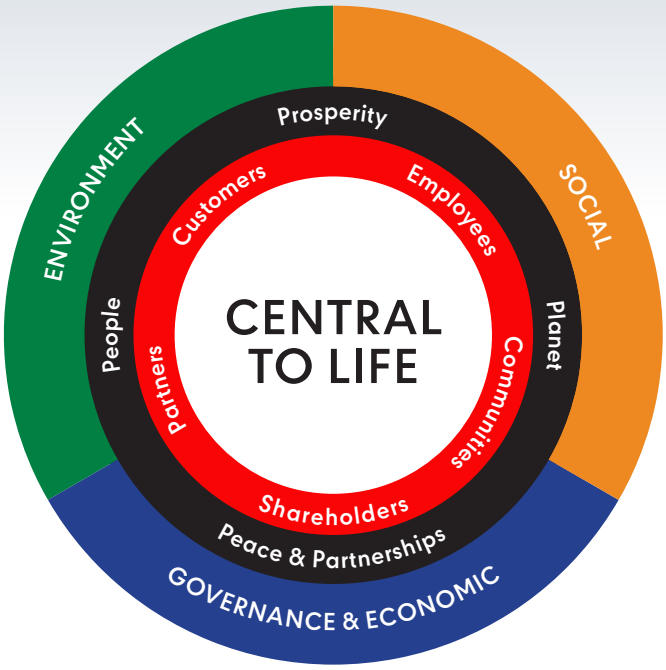
At present, the Company must deal with challenges and risks in several dimensions, whether society or the environment, resulting in impacts on both short-term and long-term business operations. Conversely, the Company must consider the effects of business impacts on stakeholders.

For this reason, it strives to be a role model organization that demonstrates continuous business growth alongside sustainable development to meet stakeholders' expectations. Therefore, Central Retail has established a social responsibility policy to guide ethical business operations against the corruption of all forms, uphold human rights, and promote social and environmental values.

Corporate Social Responsibility Policy

- Fair Dealing
- Anti-Corruption
- Respect for Human Rights
- Fair Labor Treatment
- Responsibility for Customers
- Environment Conservation
- Social and Community Improvement
- Innovation from the Business Operation and Dissemination of such Innovations for the Society

For more information of the Company's CSR Policy, please access via https://www.centralretail.com/storage/document/esg-reporting/corporate-social-responsibility-policy-en.pdf or QR Code



In addition, the Company has developed a sustainable development framework to meet the expectations of stakeholders and integrate the same with ESG-oriented operations (Environment, Society, Governance and Economic) to determine the direction of the operations of every business group and function under the roof of the Company to contribute to positive changes in the business, the environment, and society in the long run.

The Company operates on sustainability with key and conforming considerations following the United Nations Sustainable Development Goals (UNSDGs) as follows:

ESG	Key Issues	UN SDGs
Environmental Dimension	Climate Change	7, 8, 13
	Resource Management	12
	Raw Material Sourcing	12, 14, 15
Social Dimension	Healthy and Safe Products	3
	Labor Practice and Human Rights	8, 10
	Human Capital Development	4, 8
	Occupational Health and Safety	3
	Community Contribution and Product Development	1, 3, 8, 12
Corporate Governance and Economic Dimension	Supply Chain Management	8, 9, 11
	Cybersecurity and Privacy Protection	9
	Innovation	9
	Customer Relationship and Brand Management	9
	Corporate Governance and Business Ethics	16
	Risk and Crisis Management and Resilience	9

In 2022, the Company declared its intention to drive the organization towards Green & Sustainable Retail and has determined the strategy "ReNEW," which has become one of the critical factors that steer the business through the future. In addition, the company has set a 2030 goal and expects to achieve the net zero goal by 2050.

Green & Sustainable Retail: ReNEW Strategy

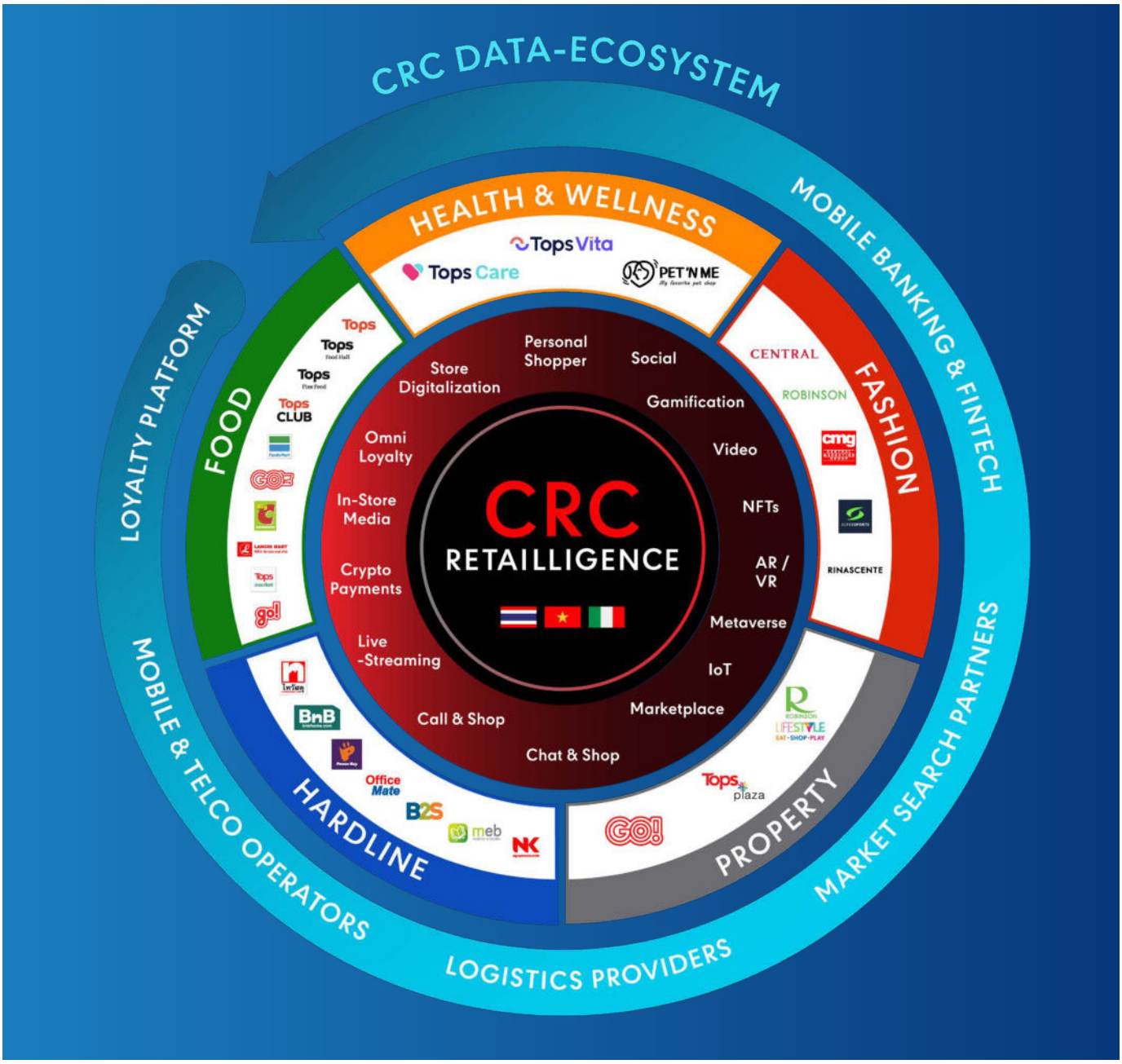
Reduce greenhouse gas	Navigate well-being society	Eco-friendly packaging	Waste Management
2030 Goals			
Reduce greenhouse gas emissions by **30%**	Generate an income of THB **5,400** million for communities	Use **100%** environmentally friendly packaging.	Manage waste and reduce food waste by **30%**
Long-term goals (2050) Reduce greenhouse gas emissions to zero (Net Zero) by 2050			
Guidelines • Enlarge clean energy adoption; install solar rooftops at shopping centers and stores, both in Thailand and Vietnam. • Transition to a low carbon logistic by switching to electric transporting trucks (EV Truck). • Using energy saving technology, e.g., energy efficient chillers, electric tricycles. • Promote the use of electric vehicles; install EV charging stations for customers at shopping centers, both in Thailand and Vietnam. • Not tolerate deforestation by not supporting products and suppliers, or manufacturers involving deforestation in their supply chain.	**Guidelines** • Focus on reducing inequality; be a leader in building equality and promoting diversity in society through employment and career creation for people with disabilities. • Foster community or local economies and create a good quality of life through the Jing Jai Farmers' Market project. In addition, Central Retail intends and is determined to continuously upgrade the community and Thai society to enable sustainable growth of all sectors.	**Guidelines** • Promote the use of ecofriendly products, recyclable packaging, natural materials, and materials that are durable to substitute consumable and single-use product to reduce plastic waste. • Launched a new store model that features high-quality products that considers environment and community, as well as organic products, vegetables and fruits.	**Guidelines** • Efficiently use resources, reduce waste generation to landfills, incineration, pollution and leakage into the environment throughout the supply chain. • Reduce the amount of food loss and food waste at source while distributing excess food to vulnerable groups and managing food waste by composting and producing fertilizer and biogas for community use. • Encourage plastic waste management with 'Journey to Zero: Empty bottles are not wasted' project to bring PET bottles to create benefits and upcycle them into products. This initiative creats job opportunities and generate income to the community. • Raise the priority of the Journey to Zero project. Encourage customers and employees to reduce, reuse and recycle waste. Provide a separate waste disposal area and encourage the use of renewable materials.

3.2 Management of Impacts on Stakeholders in Business Value Chain

The Company aims to produce quality products and services that are beneficial to consumers without contributing to any social or environmental impacts throughout the value chain. Hence, the Company has placed importance on sustainable procurement, delivery, distribution, and service both before and after the sales, as well as the application of innovations in the production process, human resource management, and community relations development to ensure the efficiency of all operations, demonstrating social and environmental responsibility.

3.2.1 Business Value Chain

The Company's business consists of



Hardline Segment

Selling products that meet all the needs for home, which consists of electronic products, construction materials and equipment, home decoration products, DIY products, stationery, office supplies, and e-Book under retail brands such as Thai Watsadu, BnB Home, Power Buy, OfficeMate, B2S, MEB, and Nguyen Kim.

Food Segment

Keeping up the pace with food trends and continuous improvement to meet the needs of consumers, with a wide range of consumer products under a range of retail brands, e.g., Tops Food Hall, Tops, FamilyMart, Big C / GO! Vietnam, Lan Chi Mart, Tops market Vietnam, and go!

Fashion Segment

Retailing fashion products, covering a wide variety of brands ranging from high-end to everyday use to complete all your fashion needs at Central Retail's stores in Central Department Store, Robinson Department Store, Supersports, Central Marketing Group, and Rinascente Department Store.

Property Segment

An innovator and leader in commercial real estate managed under retail brands, e.g., Robinson Lifestyle, Tops Plaza, and Big C / GO! Vietnam.

Health and Wellness Segment

The hub of good health that sells products of quality to meet all health needs of customers and pets with experts to readily render advice – another alternative for sustainable good health, with stores such as Tops Care, Tops Vita, and PET 'N ME.

The Company's value chain consists of 5 key activities: sourcing, production and service, distribution, marketing and sales, and customer. Central Retail places importance on the procurement of raw materials through the transparent and responsible selection of raw materials from trading partners and manufacturers. Especially in the food business segment, which acquires agricultural produce directly from local farmers. Concerning production and services, the company prioritizes products that promote good health and do not affect the environment. Specifically, it has established a Healthiful product segment that selectively chooses only organic and healthy products without contributing to environmental impacts.

The Company has used the most effective techniques and routes for distribution to shorten delivery distances and times. Therefore, it can lessen carbon footprints; an approach is to employ electric cars for transport. The Company's marketing and sales strategy focuses on developing sales channels and omnichannel communications to increase customer reach and respond to changes in consumer behavior in the digital era.

Finally, in customer relationship management, Central Retail has a function specifically responsible for the tasks, serving as a channel that offers special privileges to customers and is open to feedback from stakeholders while also providing after-sales service.

Company's Value Chain

3.2.2 Stakeholder Analysis in Business Value Chain

While operating a sustainable business, the Company must consider the impacts and expectations of all relevant stakeholders. As a result, we divide stakeholders into seven major groups: 1) Shareholders; 2) Employees; 3) Business Partners; 4) Customers; 5) Creditors; 6) Government Agencies; and 7) Communities and Society. Since each stakeholder group has different expectations, channels for participation, communication, and response must be appropriate for and consistent with each specific group. These are all essential factors for the organization's business goals and strategy.

Stakeholder Groups	Expectation	Response to Expectations	Contact
Shareholders	• Sustainable business growth and profits • Good governance • Transparency in management • Ability to create opportunities in response to challenges • Efficient risk management	• Business operation based on transparency, accountability, and good governance • Effective management to build confidence and create highest returns • Continuous information disclosure with transparency and completeness • Provision of accurate and complete financial information • Fulfill commitments with compliance to the law	• Quarterly investor meetings • Sustainability Report (Website) • Information disclosure in Annual Report (Form 56-1 One Report) • News and notifications via the Stock Exchange of Thailand • Shareholder meetings
Employees	• Good compensation and benefits • Job security and career advancement • Development human capital, knowledge, and capabilities • Engage with the Company via expressing opinions and feedback	• Allocation of commensurate compensation and proper welfare, and consideration for promotion and transfer • Fair and equal performance assessment system • Training arrangements to meet the needs of employees and business operation, and in response to change • Open to employees' feedback	• Annual Corporate Vision Announcement Meeting • Social media/email • Annual report/ Sustainability report (website) • Feedback and complaints • Yearly employee satisfaction and engagement survey
Business Partners	• Fair and equal business practices • Transparency in business operation • Mutual capacity development and growth • Punctual business management and payments	• Fair and transparent business competition • Fair and transparent business agreements • Training arrangements for capacity enhancement • Accurate, complete and punctual payments • Maintenance and protection of supplier data	• Annual meeting • Trainings and activities to enhance supplier knowledge and good relationships • Social media / email • Feedback and complaints • Information disclosure in Annual Report (Form 56-1 One Report) / Sustainability Report (website)
Customers	• Good quality products and services that are certified based on standards • Delivery of products and services within the specified timeframe • Excellent after-sales service • Personal data protection	• Responsible and good quality products and services • Punctual delivery of products and services • Offering experience and services that are beyond expectations • Development of personal data protection system in accordance with international standards	• Direct contact with customers • Customer service center • Social media / email • Annual customer satisfaction survey • Feedback and complaints
Creditors	• Good governance • Transparency in management • Effective management strategy • Ability to create opportunities in response to challenges • Accurate in financial information management • Complete and punctual payment	• Business operation based on transparency, accountability and good governance • Effective management to build confidence and create highest returns • Continuous information disclosure with transparency and completeness • Provision of accurate and complete financial information • Fulfill commitments with compliance to the law • Complete and punctual payment and maintain quality of collateral	• Quarterly investor meeting • Sustainability Report (Website) • Social media/email • Feedback and complaints • Information disclosure in Annual Report (Form 56-1 One Report)

Stakeholder Groups	Expectation	Response to Expectations	Contact
Government Agencies	• Compliance with legal provisions and promotion of good governance • Fair and equal business competition • Support and cooperation in activities • Efficient complaint management	• Transparency, accountability, fairness in business operation in compliance with the law • Transparent, complete and accountable information disclosure • Compliance with laws and regulations to ensure confidence • Maintenance of good management practice • Support and cooperation in activitie	• Transparency, accountability, fairness in business operation in compliance with the law • Transparent, complete and accountable information disclosure • Compliance with laws and regulations to ensure confidence • Maintenance of good management practice • Support and cooperation in activities
Community and Society	• Gives importance to public opinions from communities • Gives importance on safety and environmental impacts • Fair complaint management • Support and contribute to communities	• Sincere community engagement to understand concerns and respond to the concerns • Partner with communities to implement actions • Strengthen community relations • Creation of jobs and income for communities	• Sustainability Report (Website) • Social media / email • Feedback and complaints • Arrangement of activities in collaboration with government network

3.3 Environmental Sustainability Management

3.3.1 Environmental Policy and Practice

The Company is aware of the challenges caused by environmental impacts and climate change against the organization and stakeholders. Thus, the Company has established an environmental policy to supervise responsible business operations and analyze opportunities that will lead to ecological promotion and solutions to climate change.

Environmental Policy

- Reducing Greenhouse Gas Emissions
- Minimizing Ecological Footprint
- Moving Towards Zero Waste
- Sustainable Sourcing
- Offering of Eco-friendly Products/Services
- Transitioning to Sustainable Transportation and Distribution
- Advancing Sustainable Consumption and Production Patterns
- Due-diligence Process

For more information of the Company's Environmental Policy, please access via https://www.centralretail.com/storage/document/esg-reporting/crc-environmental-policy-en.pdf or QR Code

The Company has established enviromental practices as an operating guideline in 3 main areas:

1.
Guidelines for food loss and food waste reduction

Learn more about our environmental practices, please access via https://www.centralretail.com/storage/document/esg-reporting/crc-food-loss-and-waste-reduction-guidelines-en.pdf or QR Code

2.
Guidelines for solid waste segragation

Learn more about our environmental practices, please access via https://www.centralretail.com/storage/document/esg-reporting/crc-solid-waste-segregation-guidelines-en.pdf or QR Code

3.
Guidelines for plastic and packaging reduction

Learn more about our environmental practices, please access via https://www.centralretail.com/storage/document/esg-reporting/crc-plastic-and-packaging-reduction-guidelines-en.pdf or QR Code

Notably, the Company has set goals in the environmental dimension under the ReNEW strategy, which covers climate change issues and resource management while also driving the organization towards the net zero goal by 2050.

Reduce greenhouse gas emissions **30%** by 2030	Manage waste and reduce food waste **30%** by 2030
Use **100%** environmentally friendly packaging by 2030	Achieve **Net Zero** greenhouse gas emissions by 2050

3.3.2 Environmental Performance

In 2022, the company operated its business based on the ReNEW strategy to ensure that it could become a Green & Sustainable Retailer and achieve the net zero goal by 2050.

As a result, it identified key issues and obtained the following operating results in the environmental dimensions.

3.3.2.1 Climate Change

The Company is committed to reduce energy consumption and emissions across the supply chain, especially from the consumption of fossil fuels by installing energy-saving devices and switching to renewable energy through the installation of solar rooftop panels to achieve the target of reducing greenhouse gas emissions by 30% by 2030 and achieving net zero emissions by 2050. In addition, the Company has implemented forest restoration projects to absorb greenhouse gases while also conducting climate risk assessments that are in line with the Task Force on Climate-related Financial Disclosures (TCFD) reporting guidelines and being part of the founding committee of RE100 Thailand Club.

Forest Restoration and Green Area Expansion Project

The Company rolled out projects to restore watershed forests and enlarge green spaces with an objective to solve problems and reduce climate change impacts through the nature-based solution as follows:

1. Bhu Chee Duan Coffee and Forest Conservation Project
2. Organic Farming and GAP (Good Argricultural Practice) Project

The projects were established out of the collaboration between the Company and partner organizations, focusing on restoring ecosystems with communities in each area through the promotion of sustainable agriculture. In addition to restoring forest areas and enabling them to capture greenhouse gases, they also generate income and develop a safe food system for local communities. On top of the communities benefiting from knowledge of sustainable agriculture, production factors, processing, marketing, agricultural product value adding, the Company also leveraged the projects as a method to strengthen a good relationship with the communities and promote integrated farming covering 2,154 rais in 2021 and increasing to 5,519 rais in 2022.

Business Energy Management Project

The Company has implemented business energy management projects with objectives to reduce the use of energy generated from fossil fuels and to conserve energy in business operations. This leads to the reduction of energy costs and greenhouse gas emissions. There are several projects being implemented, including:

1. **Solar rooftop installation project** In 2022, the Company has additionally installed solar PVs rooftop at 43 more branches of shopping centers, department stores, and shops, totaling 43 additional branches, thus currently totaling 83 branches. (Thai Watsadu and BnB Home 38 branches, Robinson Lifestyle 24 branches, Robinson Department Store 1 branch and Big C / GO! Vietnam 20 branches)
2. **EV charging station project** This project is to enhance the capacity to accommodate and promote the adoption of electric vehicles of customers. By 2022, EV charging stations have been installed in 58 branches (Central and Robinson Department Store 18 branches, Thai Watsadu 1 branch, Big C/GO! Vietnam 39 branches) of shopping malls and able to serve a total 790 electric vehicles.
3. **EV promotion in transportation system project** The Company adopted 7 electric vehicles (Thai Watsadu 6 vehicles, Central Food Retail 1 vehicle) to transport goods in Ayutthaya and the eastern region in 2022 and planned to expand the scope of service and the number of vehicles to 30 within 2023.
4. **Energy-saving chilling system project** This is to reduce energy consumption in food business operations. The project consists of the installation of more energy-saving refrigerators, 217 freezers, which reduced greenhouse gas emissions by 630 tons of carbon dioxide equivalent.

3.3.2.2 Resource Management

Another way to lessen business impacts on the environment is to efficiently manage resources, including water and materials used in production, and reduce waste generation. The Company thus outlined a resource management plan framed by the concept of the circular economy. The procedure consists of reducing resource consumption, optimizing resource reuse, and disposing of waste residues using the most beneficial method. On top of that, it enabled the Company to reduce production costs and create opportunities whereby the customer expectations toward green products are addressed.

Furthermore, the Company also plans to collect data essential to the generation of solid waste in business operations through a real-time tracking system to achieve the goal of reducing waste in landfill.

Samui Zero Waste Model

Samui Zero Waste Model aims at reducing the solid waste impacts on Koh Samui, Surat Thani, through circular economy principles that focus on reusing resources and waste for maximum benefit. This project started with waste segregation at the source in department stores in Koh Samui. The Company's employees focus on sorting organic waste into edible and inedible ones for further processing into animal feed and organic fertilizers and cooking gas, respectively. The Company has encouraged the community to establish a community enterprise – Farm Chao Koh, to use compost in farming vegetables and fruits, which will be supplied to the Company's department stores. In 2022, this project helped reduce 41.7 tons of organic waste through processing and turn into biogas and fertilizer which has reduced 106 tons Co2e. Also, it has generated income to the community from selling fruits and vegetables in the department stores area.

Research Project for the Development of Biodegradable Packaging from Agricultural Residue

The Company has cooperated with Green Packaging Company (GRACZ) and Agricultural and Agro-Industry Research and Development Institute, Kasetsart University, in conducting research to develop biodegradable packaging from agricultural residue. This packaging has a property that extends the shelf life of food, thus reducing the amount of food waste. The Company has a plan to roll out the packaging under this project within 2024. Additionally, this project can also generate income for rice farmers who sell rice straw and bagasse to the Company, as the materials can be processed into environmentally friendly packaging.

U-Bag Project

The Company identified an opportunity to create value by processing plastic waste into a product following Circular Economy principles. Meanwhile, the U Bag campaign was launched in Koh Samui, collaboration with Company's employees, local partners, and Samui community enterprises. The initiative started from gathering sunshade net, thin plastic tarps, left over from the production process from factories on Koh Samui and deliver them to communities to create value and develop as a products. The waste material are recycled into cloth bags and distributed to department stores, hotels, and restaurants affiliated to the Company. This is to strengthen the awareness on environmental problems within communities and customers. This project was able to contribute incomes to the Samui community enterprises, accounting for THB 94,000 generated from selling 1,050 of reusable bags.

3.3.2.3 Raw Material Sourcing

The Company intends to reduce the environmental impact caused by business operations throughout the value chain, covering the procurement of raw materials upstream of the value chain. Therefore, apart from acquiring quality raw materials, the Company must also consider its sustainability. In particular, it is about promoting the use of natural materials that do not cause adverse effects against biodiversity and do not lead to deforestation. The benefits the Company enjoys from sustainable sourcing are confidence and trust in its products and meeting the needs of environmentally-conscious consumers. Sustainable sourcing allows communities to participate in the production process, being another way to promote income and well-being for the community.

Organic Agricultural Products and OTOP Project

The Company implemented projects to promote organic agricultural products and OTOP products. With production processes that do not contribute to environmental and social impacts, the key objectives are to promote raw materials of quality and steer community's economic development. Under this project, the Company supported young farmers and communities to increase their productivity further continuously with modernized products by providing production know-how, starting from design, product development, eco-friendly packaging, Modern Trade sales format, through to distribution channels.

Emphasizing on organic material sourcing encourages community to conserve forest lands and plant species based on Geographical Indication (GI). In 2022, organic products and OTOP products has been sold over THB 365 million and THB 144 million, respectively.

Year	2020	2021	2022
Sales of fruit and vegetable products in the organic farming segment (THB)	215,951,015	208,864,421	365,054,246

For more information of the Company's Environmental Performance, please access via https://www.centralretail.com/en/sustainability/document/sustainability-reports or QR Code

3.4 Sustainability Management in the Social Dimension

3.4.1 Policies and Practices in Social Dimensions

The Company believes that human resources are crucial to driving business toward sustainability. Human resources that are important to the Company consist of employees, operators throughout the supply chain, and residents of nearby communities.

With the development to achieve sustainability, the Company has been committed to taking care of employees and operators throughout the supply chain, whether it is employee skill development to be in line with the corporate direction, occupational health training for safety at work for employees and contractors, fair and competitive remuneration for both employees and contractors. The Company considers that such practices will help build good corporate engagement of employees and also help attract talented personnel to work with the Company. In addition, the Company also takes into account the provision of good value to customers by providing safe and standardized services and products. As for the surrounding communities, the Company supports them by initiating various projects under Central Tham to increase income for the people. Therefore, it focuses on operating the social dimension to be an organization responsible for stakeholders as well as employees, business partners, society, and communities (Good Corporate Citizens) according to the human rights policy, human rights regulations regarding labor, personnel development policy, safety, occupational health, and work environment policy.

1. Human Rights Policy

Learn more about the Human Rights Policy, please acccess via https://www.centralretail.com/storage/document/cg-policy/crc-human-right-policy-en.pdf or QR Code

2. Human Rights Regulations Regarding Labor

Learn more about the Human Rights Regulations Regarding Labor, please acccess via https://www.centralretail.com/storage/document/cg-policy/crc-regulation-on-human-rights-for-labor-en.pdf or QR Code

3. Personnel Development Policy

Learn more about the Personnel Development Policy, please acccess via https://www.centralretail.com/storage/document/cg-policy/crc-policies-human-resources-development-policy-en.pdf or QR Code

4. Occupational Safety, Health and Work Environment Policy

Learn more about the Occupational Safety, Health and Work Environment Policy, please acccess via https://www.centralretail.com/storage/document/cg-policy/occupational-safety-health-and-work-environment-policy-en.pdf or QR Code

The Company has set social goals under the ReNEW strategy that covers the issues of creating community economic value and local product development.

To generate an annual income for the community of **THB 5,400 million** by 2030

3.4.2 Social Performance

In 2022, the Company operates its business according to the ReNEW strategy in order to become a Green & Sustainable Retailer, thus identifying key issues and operating results in the social dimension as follows:

3.4.2.1 Healthy and Safe Products

Consumers nowadays pay attention to buying quality, safe and healthy products. In response to such expectations, the Company has selected and inspected the quality of the products based on the Food Safety System Certification (FSSC 22000), considering animal welfare and categorizing healthy products under the Healthiful Project. Its quality control unit has provided complaint mechanisms and established product recall procedures to improve product quality and build customer confidence.

Healthiful Project

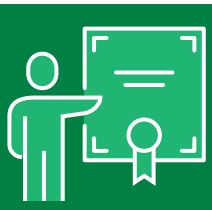
Initiated in 2019, the Healthiful Project focuses on maintaining the food segment as a source of safe and healthy products of good quality. Every product must meet the selection criteria, namely: 1) have a quality certification label from the Food and Drug Administration and are a quality product that undergoes a standardized production process; 2) have an aim to promote the health of consumers; and 3) are products qualified under 5 categories, namely organic products, natural products, vegetarian and vegan products, specific health products, and products with high nutritional value. A goal of the Company is to expand the Healthiful Project from 60 stores in 2025 to cover 119 stores by 2025. In comparison to the previous year's statistics, it wasfound that the sales of the organic product category increased by 10 percent and that of health food by 41 percent.

3.4.2.2 Labor Practice and Human Rights

The Company places great importance on labor practices and respect for the human rights of employees and all related stakeholders, and also complies with national and international labor laws. There is a policy on labor treatment and respect for human rights throughout the supply chain, consisting of diverse employment; assignment of key positions without discrimination against the place of origin, race, nationality, gender, age, or skin color; free association of employees; appropriate compensation; fair hiring and dismissal; a complete package of welfare, as well as training for employees and contractors and complaint mechanisms for human rights violations.

During the previous year, the Company initially planned and prepared to conduct a human rights audit and a risk assessment that is expected to be completed by 2023.

In addition to striving to promote equality and diversity, the company also places importance on attracting potential employees. It has formulated a strategy to attract employees consisting of 5 aspects: career, opportunity, challenge, growth, and work environment. Moreover, it has created a project that promotes the employment of new graduates and encourages both those with experience and new jobbers to attend retail operational and product management training.



Percentage of employees received Human Rights Training in 2022 **99%**

Share of female employees in 2022 **62%**

Human Rights Training Program

The Company has organized basic training on human rights for the Human Resources Department, which covers various human rights issues, e.g., human rights in the organization, the importance of human rights to business, human rights guidelines and considerations in managing the organization, appropriate and equal treatment of stakeholders according to the human rights principles. In 2022, there were 25 human resource employees participating in the training covering all business groups within the group, whose training results were evaluated using an online form. The evaluation showed that 80 percent of the attending employees on average were confident in the human rights lesson they have learned.

3.4.2.3 Human Capital Development

The company realizes the importance of potential employee development as a means to enable them to respond to changes and new opportunities promptly.

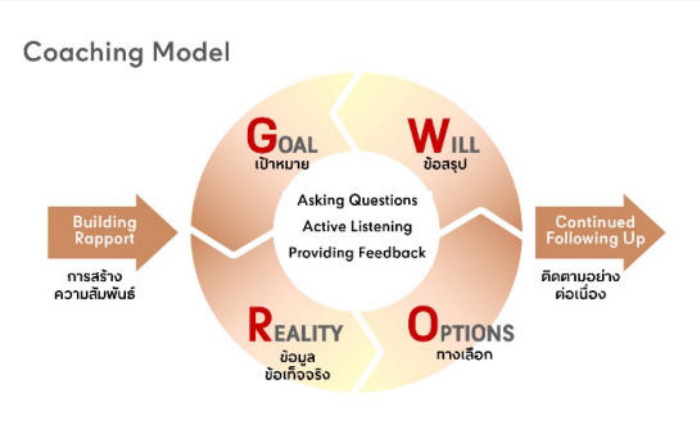
Therefore, it has developed and equipped employees with high potential, leadership skills, and omnichannel expertise to ensure they can effectively operate a customer-centric business through digital platforms with customers.

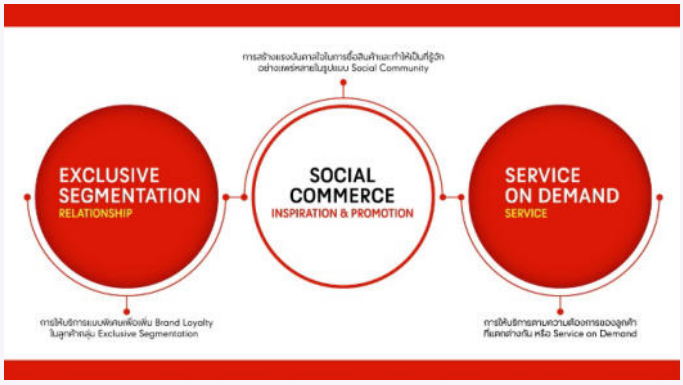
High Potential Employee Development Program

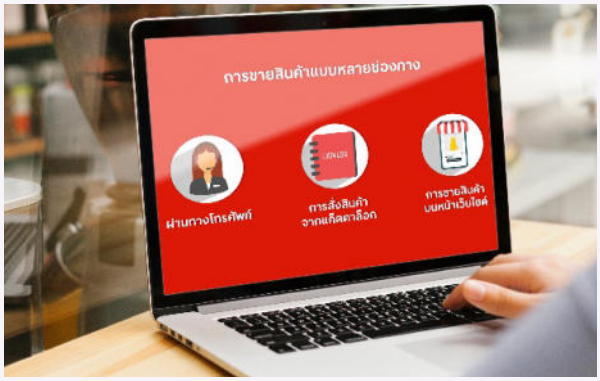
The Company has rolled out the Omnichannel Commerce Program (OCP) for qualified employees who represent the staff with outstanding performance to foster an in-depth understanding of the omnichannel platform and drive exponential growth, strengthen understanding of today's evolving customer behavior, and enhance skills and expertise in digital technologies as well as Omnichannel platforms. The OCP program comprises courses that include theoretical learning, operational skills and tools related to omnichannel platforms, including big data analysis and connection, etc. Importantly, the curriculum encompasses practical learning through assignments for employees to create projects that can be further applied and made into practice. Examples of projects created by OCP employees include: Training programs to develop an application to cater sales promotions to specific groups of customers. In 2022, the Company has acquired 26 high-potential employees to participate in this project.

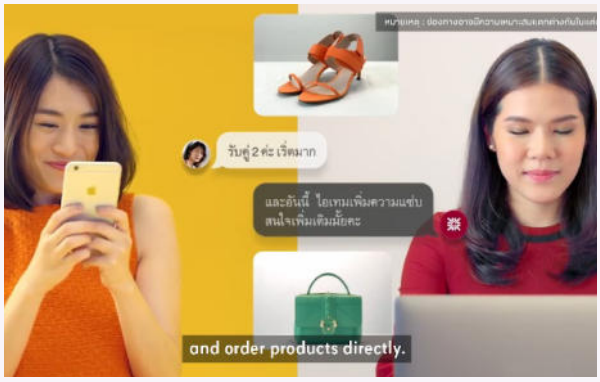
Leadership Development Program

With the Human Resources Department promoting leadership skills, in 2022, the Company organized a People Manager Program to ensure employee development. It is a leadership development program for employees of the manager level to equip them with team management skills and supervised people development. This project focuses on employee skill development according to 5 main roles, namely 1) selection and preparation of new employees; 2) performance management; 3) employee potential building and development; 4) employee care and relationships with the organization; and 5) post-employment relationship. In 2022, 56 percent of total employees participated in this program.









Omnichannel Development Program

The Human Resources Department has organized training to enhance omnichannel skills to suit the various nature of work of each business segment, be it the hardline segment, food segment, fashion segment, property segment, health and wellness segment. An outstanding Omnichannel development program in 2022 is the New Sales Channel Project, which was aimed to train salespeople about the needs of customers using the Omnichannel platforms and guide them how to retail omnichannelly, as well as cascading knowledge about strengths and limitations of each retail channel. This results in increasing sales for the Company. In 2022, there were 7,710 employees participating in this project.

3.4.2.4 Occupational Health and Safety

Concerning the safety, occupational health, and working environment policy, the Company has internal and external inspections of occupational safety, health, and the environment by the Head of Human Resources, while the head of Loss Prevention of each business unit will inspect the procedures in place before having the organization certified by an independent organization for ISO 45001 occupational health and safety management standards.

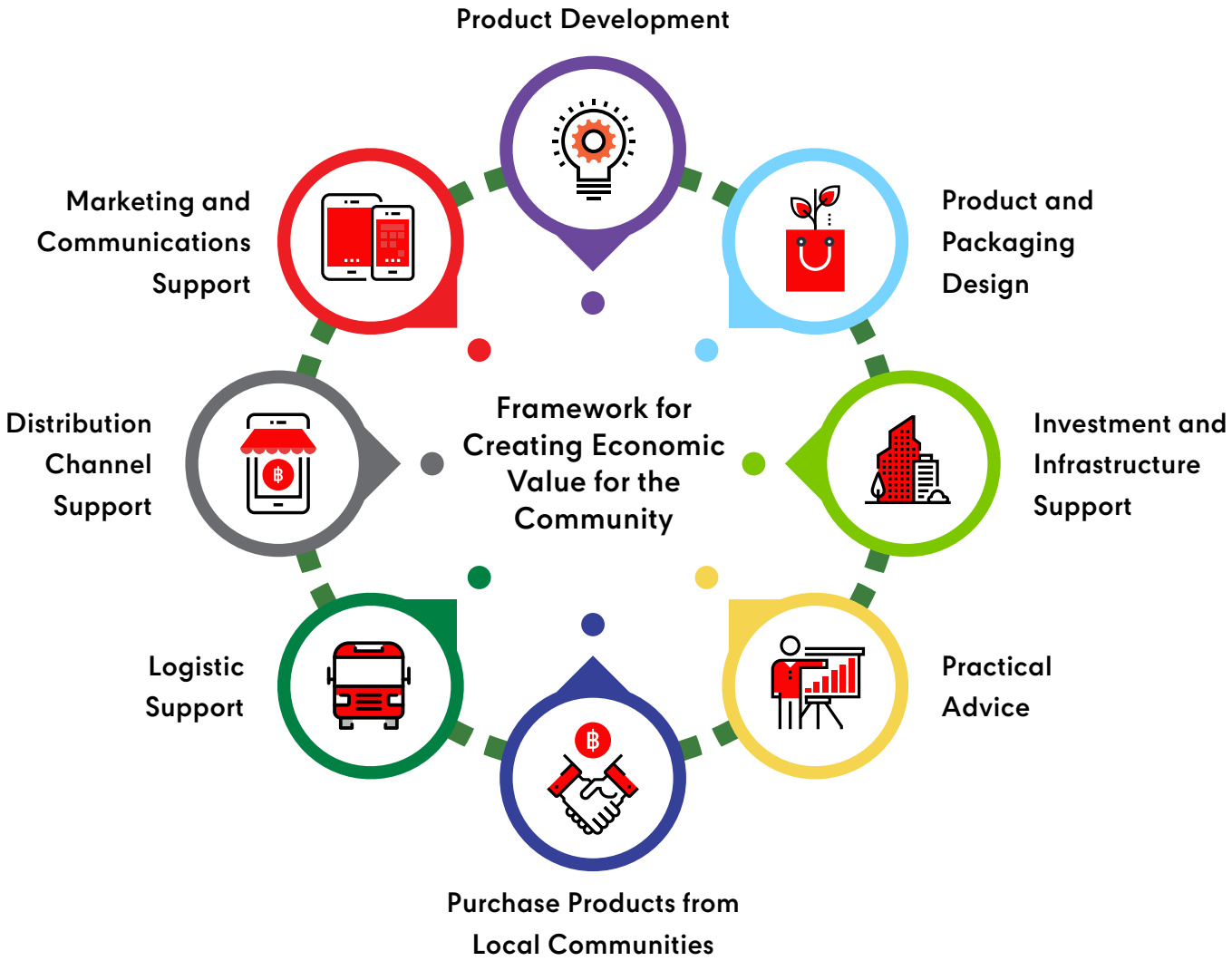
At the same time, the Company has a process for hazard identification and risk assessment, as well as an accident investigation and tracking process in place, all of which are used as a guideline for analyzing and evaluating the level of potential hazards or impacts. In addition, the Human Resources Department and the Loss Prevention Department of each business unit also jointly organizes training on occupational health and safety for employees to raise awareness of safety and reduce the risks of work harm. Examples of training topics include: Hazard Identification and Risk Assessment, Occupational Safety Handbook, and Warehouse case studies. In addition, the Human Resources Department and the Loss Prevention Department of each business unit are also responsible for documenting statistics related to injuries and deaths of employees and contractors for further improvement of the operational plans and training courses.

2022 Outstanding Model Organization Award for Safety, Occupational Health, and Work Environment

The Company is committed to establishing occupational health and safety standards in its workplace to build confidence among employees, partners and customers. In 2022, the Department of Labor Protection and Welfare, the Ministry of Labor, awarded the Outstanding Model Organization Award for Safety, Occupational Health and Work Environment to 7 branches of Robinson Lifestyle Shopping Center at the national level, which achieved a minimum evaluation score of 90 percent, and 12 branches at the provincial level, which achieved a minimum evaluation score of 80 percent. In this regard, the Company also has further plans for future improvements.

3.4.2.5 Community Contribution and Product Development

The Company is committed to improving the quality of life and well-being of communities through the concept of Creating Shared Values (CSV), which consists of promoting competency of the local people through education, skill development, provision of equipment and infrastructure, support for sales channels and marketing, and further improvement of local wisdom to add value to local products and increase the business capacity and income for the community. This development contributes to a decent long-term relationship between the company and the community. Additionally, the Company can meet the expectations of customers and stakeholders by distributing local products through its distribution channels. The process was started by surveying community expectations and assessing impacts caused by business plans, resulting in operational guidelines. Operational frameworks to create the community's economic value are as follows:



Surin People Unity Farming Pool 4.0 Project
(Khok Nong Na Model, Surin)

The Company has financially supported Nong Sanit Organic Vegetable Agriculture Cooperative Group in Surin, which consists of 96 households and a planting area of 60 rais, to upgrade traditional farming practices into organic farming, render advice on the process of organic certification, and assist them in planning the production process to meet market needs. This project helps develop products of higher quality, and organic farming will unlock opportunities to sell products at a higher price. It also promotes good health of farmers and customers by reducing exposure to chemicals.

In 2022, the Company has assisted the locals in having 22 of their products certified for organic farming standards, and also sponsored the raising of laying hens and financially support the construction of poultry house at THB 350,000 while also installing chicken feed mixing equipment and giving THB 600,000 to be spent on the construction of 100 ponds to solve the problem of water shortage in agriculture. Importantly, the Company has supported the community on brand building for their organic egg products, which are to be displayed in the Company's department stores through the Jingjai Farmer's Market. In 2022, the Khok Nong Na project has expanded its customer base and could generate income together with the local of over THB 1,109,484.

Jing Jai Farmer's Market project

As most of the Thai farmers are still facing challenges in accessing direct distribution channels to customers, the Company initiated the Jing Jai Farmer's Market project with an objective to provide a distribution platform for farmers and upgrade quality of life of people in the community and society, while also promoting the development of local products that are good for health and environmentally friendly. The Jing Jai Farmer's Market project focuses on giving farmers the opportunity to sell organic fruits and well-known local products themselves at dedicated areas within the Company's properties so that they can meet and exchange ideas directly with customers. Moreover, the Jing Jai Farmer's Market project prioritizes packaging produced from natural materials to reduce the amount of plastic waste and encourage the use of cloth bags.

In 2022, the Jing Jai Farmer's Market Project expanded to 32 branches in 28 provinces across the country. This success caters business opportunities that are in line with the expectations of appreciating customers. More than 38,000 farmers have participated in the project, contributing to a joint income between the Company and the community of over THB 250 million, covering more than 9,696 households.

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Contributed a joint income between the Company and the community of over
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Upcycling Product Project

The Company came up with the idea of upcycling to reduce the amount of plastic waste and its impacts on the environment. An objective was to maximize resource utilization in accordance with the circular economic principles and to create shared value between the Company and communities through promoting the community economy. The Company has sought collaboration from the Wat Chak Daeng Community in Phra Pradaeng District, Samut Prakan, in upcycling various forms of products using PET bottles to achieve added value and for reusing purposes.

In 2022, the product upcycling project using plastic waste has raised awareness among customers about the waste problem, environmental impacts and guidelines for waste management according to the principles of circular economy. It generated an income of THB 850,000 for the people at Wat Chak Daeng and contributed to the sales of the Company Good Goods cloth bags for up to THB 1 million. The project has additionally helped reduce the amount of plastic bottles over 67,628 bottles from upcycling the materials into 3 products including: 1) 2,157 cloth bags (upcycled from 8,628 plastic bottles); 2) 5,000 blankets (upcycled from 55,000 plastic bottles); and 3) 500 vests (upcycled from 4,000 plastic bottles).

For more information of the Company's Social Dimension Performance, please access via https://www.centralretail.com/en/sustainability/document/sustainability-reports or QR Code

4

Management Discussion and Analysis (MD&A)

4.1 Operating and Financial Position for the Year Ended 31 December 2022

Performance Overview

The overall Thai economy in 2022 has continued to recover after the COVID-19 outbreaks subsided, resulting in an evident improvement in economic activities and positive signs of gradual economic rebound in the tourism and private consumption sectors. In particular, the tourism sector has been robustly improved, following the implementation of Thailand's reopening policy in the second half of 2022, thus over 11 million foreign tourists flocking to Thailand this year. However, the overall picture of the Thai economy still faces challenges from the global economic slowdown due to the protracted Russian-Ukrainian crisis, European energy crisis, high inflation globally while the funding costs are likely to rise due to central banks' interest rate hikes including the Bank of Thailand. Hence, all these factors affect the purchasing power of consumers.

The Bank of Thailand forecasted that the Thai economy in 2023 would expand at the rate of 3.7%, owing to the trend of recovery in the tourism sector. The reopening of the country, especially for Chinese tourists, will be one of the key factors that bolster the Thai economy in 2023, as it is expected to attract more than 20 million foreign tourists, accounting for more than 50% compared to the pre-COVID-19. Moreover, private consumption has benefited from economic activities while employment rates and labor income have improved and are more thoroughly distributed. The tourism sector and private consumption are expected to be key drivers for the Thai economy in 2023.

Business Situation in 2022

The Company's performance in Q4 of 2022 has continued to improve, thanks to the strong business model driven by CRC Retailligence strategy. It adjusted operational strategies to be in line with changing lifestyles of consumers after the COVID-19 epidemic, including the development of the Central Retail Ecosystem and omnichannel platform. In addition, the Company continues to manage expenses with vigilance, such as managing products and promotions to suit and meet the needs of each customer group or using energy-saving innovations, e.g., the installation of solar panels or the use of electric trucks (EV Truck) for goods transportation in several business units to reduce its operating costs as well as adjusting the funding cost structure to be appropriate amid the rising interest rates.

- **Thailand:** With respect to the operations this year, the Company has launched new branches while also renovating existing branches, especially department stores, to add modern elements and feature world-class brands, as well as celebrating the 75th anniversary of Central Department Store together with fully reopening country which contributed to continuous growth in traffic and sales, especially in tourist provinces. In the fourth quarter, sales in Thailand improved from the previous quarter and from the same period last year and showed the highest growth compared to the previous quarter. The Company continued to drive sales through omnichannel channels and improve its services through the mobile application to fulfill consumer needs. As a result, omnichannel sales for 12-month period grew by 12% compared to the previous year and accounted for 23% of the total sales in Thailand.

- **Vietnam:** Overall, Vietnam was the country showcasing the most robust economic growth and expansion among other countries in Asia. This was supported by the industrial sector and the recovery of the service sector. In 2022, the Company expanded branches and renovated GO! mall and different branches under

the food and hardline segments according to the plan, resulting in the continued rise of Company's sales compared to the same period last year. In addition, the Company also drives sales through omnichannel platforms, resulting in omnichannel sales in the 12-month period rose by 40% compared to the previous year and accounted for 9% of the total sales in Vietnam.

- **Italy:** The business situation in Italy is likely to recover continuously as the country is reopened. This has stimulated the purchases of local customers and tourists. In the fourth quarter, sales in Italy improved from the previous quarter and from the same period last year, recording the highest growth compared to the previous quarter, thanks to the continuous renovation of flagship department stores as planned. Launching product brands to meet consumer needs and selling products through omnichannel channels drove the omnichannel sales growth by 48% compared to the previous year and accounted for 5% of the total sales in Italy.

The Company never ceases to steer its business to achieve sustainable growth in the environmental, social, and economic aspects under CRC ReNEW strategy to turn the organization into a Green & Sustainable Retailer. It aims at reducing GHG emission and achieving the net-zero goal by 2050, as a long-term target. A medium-term target is to be accomplished by 2030 as follows

- **Reduce Greenhouse Gases** by 30% by installing solar-cell rooftops on malls and stores in 83 stores, using EV trucks for product deliveries, adopting energy-saving technologies across various forms, investing in clean energy under Greengen Energy Co., Ltd. (GGE). Moreover, we enhance Carbon Sequestration by foresting and agricultural development of more than 5,500 Rai, targeting to expand to 50,000 Rai in 2050.

- **Navigate Society Wellbeing** We commit to promoting diversity, equity, and inclusion by developing employee potential and supporting SME entrepreneurs and forming a Tops Tongtin and OfficeMate Plus. Moreover, there are projects under "Central Tham" by creating a total of 412 employment opportunities for people with disabilities. The Company has also supported local communities and enhanced quality of life through the Jing Jai Farmers' Market initiative and has helped a total of 9,696 households and generated an annual income of THB 255 million for local farmers.

- **Eco-friendly Product & Packaging** by increasing green products, the use of recyclable, natural, and durable materials, which can reduce waste of single-use items and plastic materials as well as expanding a new store format that distributes high-quality products with a strong commitment to the environment and communities, including organic fruits and vegetables under Tops Green brand, the first green store in Thailand.

- **Waste Management and reducing food waste** by 30%. It will help in using resources more efficiently, reduce food waste throughout the value chain. The food waste will be effectively managed through fertilization and the production of biogas. Before becoming waste, food surplus that can still be consumed will be shared to vulnerable groups and elevate plastic waste management by upcycling PET bottles initiative where customers can donate PET bottles for recycling and upcycling into other products, creating employment and income opportunities for communities.

The Company appointed an environmental committee to prepare guidelines and raise the level of management as well as improving various environmental policies and practices, such as the commitments to conservation of biodiversity, preservation, and restoration of forest areas, etc., to ensure continuity and quality in sustainability work and the dimension of environmental quality development that meet both domestic and international standards.

With respect to good governance management, in the fourth quarter of 2022, the Company implemented good corporate governance practices by reviewing and revising various policies and charters, e.g., the Board of Directors Charter, Audit Committee Charter, Corporate Governance and Sustainable Development Committee Charter, Good Corporate Governance Policy, Insider Policy, and environmental policies. It also improved the good corporate governance handbook and corporate ethics. The Company has reviewed and approved the annual vision and mission, which are in line with its strategy. Moreover, it has promoted anti-corruption practices with regular communications and internal anti-corruption training while also expanding the scope of operations from 3 subsidiaries that represent each business type, namely Thai Watsadu, Tops Supermarket, Central and Robinson Department Store, and Robinson Lifestyle. It also communicated anti-corruption policies to all business partners for their acknowledgment and compliance to underline the transparency, verifiability, and clear measures and penalties against persons committing corruption of the Company.

Awards and Recognition in Q4 of 2022

The Company has received prestigious awards from various institutions and organizations both national and international in terms of Corporate Excellence, Investor Relations, and Corporate Governance.

In terms of Corporate Excellence, the Company was acknowledged by Asian Excellence Awards 2022 Asia's leading award institution, which granted Central Retail for the second year the 5 prestigious awards: Asia's Best CEO, Asia's Best CFO, Asia's Best CSR, Best Investor Relations Company, and Best Corporate Communications. Central Retail is also honored to be the first and only retailer in Asia to receive 5 awards for two consecutive years.

In terms of Investor Relations, the Company received "Outstanding Investor Relations Awards" From the Stock Exchange of Thailand and Money & Banking Magazine in SET Awards 2022 ceremony. This award reflected the Company's strength in a good relationship with all investors through constant communication, information providing, and sincere support. The Company also received 'Best in Sector: Consumer Discretionary' award in Southeast Asia for 2 consecutive years from IR Magazine's South East Asia Awards 2022, a global publication in sector field. This award is selected by fund managers and analysts in South East Asia.

In terms of sustainability and corporate governance, the Company was being shortlisted as "Sustainable Stocks" of 2022 Thailand Sustainability Investment (THSI) for the 2nd consecutive year by the Stock Exchange of Thailand and selected into Dow Jones Sustainability Indices (DJSI) 2022 by being ranked in the Top 3 in the retail sector out of 476 participating companies around the world and has been selected as a member of the DJSI from the Emerging Markets. Moreover, the Company won at an international stage the Best Environmental Excellence Award from The Global CSR & ESG Awards 2022 and has been granted to be a member of Thai Private Sector Collective Action Against Corruption (CAC). The Company received corporate governance assessment with 5 stars level or "Excellent" for two consecutive years, from Thai Institute of Directors (IOD) as well as received the ASEAN Asset Class PLCs Award from the 2021 ASEAN CG Scorecard.

Major Developments in 2022

1) Branch Expansion and Improvement

In 2022, the Company continuously expanded and renovated its business branches in 3 countries where we operate. In Thailand, it launched new branches, namely Robinson Lifestyle Ban Chang in Rayong, Robinson Lifestyle Thalang in Phuket, and Robinson Lifestyle Ratchaphruek in Bangkok, 6 branches of Thai Watsadu. In Vietnam, the Company

opened a branch of GO! mall, 1 branch, 5 new branches of Tops market and go! Additionally, the Company has continuously launched specialty stores as well as various brand shops in Thailand and Vietnam.

With respect to Renovation & Rebranding in Thailand, the Company had renovated branches of Robinson Lifestyle and Central flagship stores, e.g., Robinson Lifestyle Chachoengsao and Srisamarn branches, Central Lad Phrao, Chidlom, and Rama 2 branches, as well as renovating other smaller stores.

In Vietnam, the Company rebranded and renovated Big C branches into GO! mall and GO! Hypermarket for 10 branches, while in Italy it had renovated flagship department stores such as Milan, Florence, and Cagliari branches.

As of December 31, 2022, the Company has 3.3 million square meters of net sales area and 0.7 million square meters of net leasable area, which increased by 1% and 11%, respectively.

2) Omnichannel

The Company continuously developed the Next-Gen Omnichannel Platform to enhance ultra-personalized shopping experience, which is superior and able to connect offline and online platforms seamlessly, covering the entire Central Retail network in Thailand, Vietnam, and Italy. The core of its success is an in-depth analysis to cater to customers with perfect shopping experiences. It also creates Inclusive Growth for partners, making this platform a 'Destination' for customers, partners, and everyone.

As for the 12-month, omnichannel sales grew by 15%, compared to the same period of last year, accounting for 18% of the total sales of the Company. In addition, the Company has continuously strengthened its omnichannel platform of all segments and launched new platforms and services in both food and non-food segments, for example, Thai Watsadu launched a new mobile app, Central Department Store launched "Central Luxe Chat & Shop" which offered luxury products while Tops launched "Tops Prime" (monthly subscription program for unlimited deliveries) and "Professional Picker" (to assist online shoppers in choosing products as if in the store themselves). In 2023, the Company plans to revamp mobile application platform to serve our customers' need better.

Moreover, the Company also drove sales growth of omnichannel platforms through a new sales channel that coordinates between the physical platform and online platform or O2O channel. This includes Personal Shopper, Social Commerce, Chat & Shop, e-Ordering, etc. All of which has been expanded to cover all company's business segments, resulting in rapid sales growth. This reflects how it understood customers' shopping behaviors and is able to respond to customers' lifestyle very well.

3) The Progress of Synergy Plan

The Company has implemented a synergy plan to cultivate benefits in terms of both revenues and efficient management of expenses. The projects have progressed as planned, as follows:

- Generating incremental sales through product cross-listings that to serve the needs of customers in each business on each platform.

- Long-term profit margin increase was done by increasing gross margins and managing expenses more efficiently in all departments of the Company. The cost of purchasing products has been managed, pool purchasing to achieve reasonable costs, which increases the gross profit margin.

- Strong and prudent financial management with the 3C strategy: The first C is Cost and expense management with maximum efficiency. The second C, Capex, focuses on investments that maximize the benefits of strategic businesses and accelerate the expansion of proven formats. The last C, Cash Flow, expands the ability to manage working capital to become more agile, flexible and that can increase cash flow for further business growth.

- In part of expenses, the Company focuses on cost reduction and management efficiency, such as reducing personnel costs due to redundant work, installing solar rooftops and EV trucks to save energy and be environmentally friendly, adjusting advertising through online channels or social commerce to reduce marketing costs, and managing obsolete goods to be more efficient.

4) New Format and New Growth Pillar

The Company has developed a new store model and expanded stores continuously to meet the lifestyle of customers, for example, Thai Watsadu in hybrid format which combining Thai Watsadu and BnB home into one store, Tops Fine Food and Tops CLUB, new membership-based store with imported exclusive offerings around the world as well as stretching the customer base to cover all groups while also accelerating the expansion of the new business segment Health & Wellness to meet the trend of demand for people's health and pet; for example, Tops Vita (selling health products with emphasis on vitamins and dietary supplements), Tops Care (pharmacy, pharmaceutical, and health care products with consulting services – omni-pharmacist), and PET 'N ME. Moreover, it actively expands go! WOW (miscellaneous goods store) and go! Power (electronic appliances store). In 2022, the Company launched its 3 branches of go! lifestyle shopping mall in Nakhon Si Thammarat. At the end of 2022, the Company operated Tops Food Hall 2 stores, Tops Fine Food 2 stores, go! WOW 28 stores, go! Power 12 stores, Tops Vita 29 stores, Tops Care 12 stores, and PET 'N ME 3 stores.

5) Partnership and Acquisition

The Company continues to accomplish new milestones under the concept of Inclusive Growth, attaining success together with partners to strengthen the Company's ecosystem and ensure its capacity to meet the needs of customers regardless of their lifestyles.

- May 2022: The Company has cooperated with Gulf Energy Development Public Company Limited or GULF, to establish Greengen Energy Company Limited (GGE) in the production and retailing of renewable energy with targets to be the leader in clean energy for Thais by 2026.

- June 2022: The Company continues to expand its business portfolio in the Health and Wellness segment by engaging in a joint venture with MP Synergy Company Limited, a leader in ergonomics furniture, which has a tendency to grow greatly due to the Work from Anywhere trend and as consumers become more health conscious. This also enables OfficeMate to expand its hardline business to B2C customers and enter the health and wellness furniture market.

- Thailand's e-book distributor, MEB Corporation Company Limited, or MEB, which is a subsidiary of Central Retail had an initial public offering (IPO) and listed on mai on 14 February 2023 to raise funds from both local and international investors for the purposes of supporting its continued growth by expanding the business on the current platform, introducing new businesses, and using the funds as a working capital for further business operations.

Financial Summary for the Year Ended 31 December 2021 and 2022 are as follows:

	31 December 2021 *THB million*	31 December 2022 *THB million*	Increase (Decraese) %
Revenue from sales	175,975	211,903	20.4
- Fashion segment	42,810	55,496	29.6
- Hardline segment	63,565	72,852	14.6
- Food segment	69,600	83,556	20.1
Revenue from rental services	4,990	6,583	31.9
Revenue from rendering of services	826	1,411	70.9
Investment income	221	214	(3.4)
Other income	13,641	16,133	18.3
Total revenue	**195,654**	**236,245**	**20.7**
Cost of sales of goods	134,082	157,499	17.5
Gross profit from sales	41,893	54,405	29.9
Cost of rental and rendering of services	1,765	2,148	21.7
Gross profit from rental & services	4,051	5,847	44.3
Gross profit	45,944	60,251	31.1
Selling expenses	40,363	45,674	13.2
Administrative expenses	16,705	18,865	12.9
Profit from operating activities	**2,739**	**12,058**	**340.2**
Finance costs	3,113	3,479	11.7
Share of profit of associates and joint ventures accounted for using equity method	279	820	193.8
Profit (loss) before tax expense	(95)	9,399	9,991.5
Tax expenses (income)	(372)	1,794	582.5
Profit for the year	**277**	**7,605**	**2,647.5**
Profit (loss) to owners of the parent	59	7,175	11,974.0
Operation information			
EBITDA	20,059	30,049	49.8
Normalized EBITDA	20,110	29,743	47.9
Normalized Profit (loss)	407	7,360	1,710.3
Normalized Profit (loss) to owners of the parent	189	6,930	3,562.8
Financial position			
Total assets	263,228	275,984	4.8
Total liabilities	204,147	211,099	3.4
Total equity	59,081	64,885	9.8

The Analysis of Operating Results for the Year 2022

1. **Revenue from sales of goods** was THB 211,903 million, an increase of 20.4% YoY. Revenue from sales can be categorized as follows:

   1.1 **Revenue from sales of fashion segment** was THB 55,496 million, an increase of 29.6% YoY, due to an increase in sales of both in Thailand and Italy as people were less concerned about COVID-19 outbreaks and visited physical stores as usual while tourism recovered after the easement of international travel restrictions in the second quarter and even more strongly in the fourth quarter, in contrast to last year, where the segment had been affected by COVID-19 outbreaks throughout the year. In addition, the segment this year benefited from the government's shopping stimulus scheme effective at the beginning of the year. Sales also increased as a result of branch renovations and additions of brand selections to meet customer needs. Besides, there was also positive impact from the rebranding of Robinson Khon Kaen Department Store into Central Department Store in December last year while sales of branches in tourist areas continued to improve. For Omnichannel sales, the volume was at a slight drop from the previous year due to more customers preferring shopping at physical stores.

   1.2 **Revenue from sales of hardline segment** was THB 72,852 million, an increase of 14.6% YoY, due to the growth of both existing and new branches as consumer demand for residential repair and decoration had continuously increased, students returned to on-site classrooms and office workers returned to work onsite in the second quarter, and the launches of new branches, for example, Thai Watsadu in Chaiyaphum, Nan, Bang Saen Chon Buri, Mae Chan Chiang Rai, and Bang Bon Bangkok, BnB home in Chanthaburi, and specialty stores, including new store formats, go! WOW and go! Power. Moreover, the revenue was generated by the sales from the COL Group which was merged in February 2021. There were launches of new branches, namely B2S and OfficeMate, as well as the growth of MEB due to the increasing demand for e-Books. Omnichannel sales grew higher, with Omnichannel sales increasing 22% from last year.

   1.3 **Revenue from sales of food segment** was THB 83,556 million, an increase of 20.1% YoY, mainly from Vietnam business as stores could operate as usual, new branches of go! were launched, Big C was rebranded into GO! Mall and GO! Hypermarket; including opened Go! Hypermarket and Tops Market. For the business in Thailand, the food segment achieved a steady increase in sales due to store expansion including Tops CLUB, Tops standalone. Even in the first half of the year when there was still the outbreak of COVID-19, and the Company had strict preventive measures in place. In addition, customers were less concerned about the diseases owing to the widespread immunization from thorough vaccination, and the reopening of department stores and shopping centers, resulting in an increase in the number of customers. In addition, branches in major tourist provinces have recovered from the ease of international travel restrictions. Omnichannel sales continued to increase by 58% compared to last year.

2. **Revenue from rental services** was THB 6,583 million, an increase of 31.9% YoY. This is a result of the increasing number of service users due to the less intensity of the COVID-19 outbreaks and the expansion of leasable areas in Thailand and Vietnam. However, the Company still supported certain tenants even though they could operate as usual by offering lower discount on rent.

3. **Revenue from rendering of services** was THB 1,411 million, an increase of 70.9% YoY, as there were more visitors to food courts and more users of other services.

4. **Gross profit** was THB 60,251 million, an increase of 31.1% YoY. The major components are as follows

   - Gross profit from sales was THB 54,405 million, an increase of 29.9%, or representing a gross profit margin of 25.7%, compared to 23.8% of the same period in the pevious year mainly due to the change in the sales mix proportion. The fashion segment, which had a higher profit margin than other segments, achieved a sharp increase in sales while sales of high-margin products had increased as customers preferred visiting physical stores. For the fashion segment in Thailand, trade discounts were appropriately adjusted. For the hardline segment, the gross margin was slightly higher due to the reduced trade discounts as well. As for the food segment, margins were slightly higher as it sold more private label products and consistently adjusted product assortments.

   - Gross profit from rental services and rendering of services was THB 5,847 million, an increase of 44.3% YoY. The gross profit margin was 73.1% compared to 69.7% of the previous year due to the increase in service users and less rental discounts, thus receiving more rental and service fees.

5. **Other income** was THB 16,133 million, an increase of 18.3% YoY thanks to the increase of income generated by sales promotions and advertisements, logistic and distribution income in line with the sales growth, increased utilities income due to more leasable areas.

6. **Selling expenses** were THB 45,674 million, an increase of 13.2% YoY, in line with the increase in sales. This was due to the reopening of department stores as usual and the expansion of new branches, resulting in higher expenses related to sales staff, rent, utilities, marketing, credit card, cleaning, and security expenses. In this regard, the Company managed the selling expenses effectively, which accounted for 19.3% of the total revenue, a decrease from 20.6% last year.

7. **Administrative expenses** were THB 18,865 million, an increase of 12.9% from the previous year, mainly due to an increase in personnel expenses, technology expenses for maintenance, and development of the omnichannel platforms, an increase in land and building taxes due to the revocation of the land tax discounts by the Thai government, while the provision of losses from obsolete and shrinkage was reduced thanks to better stock management. The administrative expenses accounted for 8.0% of the total revenue, a decrease from 8.5% of the same period last year.

8. **Finance costs** which were interest expenses from loans and lease agreement, was THB 3,479 million, an increase of 11.7% YoY, due to an increase in both interest rates and loan amounts.

9. **Share of profit of associates and joint ventures** was THB 820 million, an increase of 193.8% YoY. This was mainly due to the increase in profits of associates and joint ventures.

10. **Tax expenses (income)** was THB 1,794 million, an increase of 582.5% YoY as the Company generated more profit from operations.

Financial Position

1. **Total assets** as of 31 December 2022 and 31 December 2021 were THB 275,984 million and THB 263,228 million, respectively, which increased by THB 12,757 million or 4.8% YoY. This was substantially due to the increase in inventory of THB 7,159 million, property, plant and equipment of THB 5,686 million, other current liabilities of THB 1,403 million, investment properties of THB 1,008 million, investment in associates and joint ventures of THB 759 million and while there was a decrease in right-of-use asset of THB 2,059 million and cash and cash equivalents of THB 1,863 million.

2. **Total liabilities** as of 31 December 2022 and 31 December 2021 were THB 211,099 million and THB 204,147 million, respectively, which increased by THB 6,953 million or 3.4% YoY. This was substantially due to the increase in loans of THB 3,728 million, trade payable of THB 2,923 million, other current payable of THB 2,010 million while there was a decrease in lease liabilities of THB 1,952 million.

3. **Total equity** as of 31 December 2022 and 31 December 2021 were THB 64,885 million and THB 59,081 million, respectively, which was an increase of THB 5,804 million or 9.8% YoY. This was substantially due to the increase retained earnings of THB 5,366 million from net profit of THB 7,175 million and dividend payment of THB 1,809 million and other components of equity-mainly from gain on remeasurements of defined benefit plans of THB 809 million.

Capital Structure

As of 31 December 2022, the Company's capital structure comprised total liabilities of THB 211,099 million, which included interest-bearing debts of THB 81,295 million (excluding lease liabilities), and total shareholders' equity totaled THB 64,885 million. Net interest-bearing debt to equity ratio was at 1.03 times.

Statement of Cash Flows

For the year ended 31 December 2022, the Company reported the cash flows as follows:

1) **Cash flows from (used in)** operating activities of THB 22,460 million, decreased by THB 901 million from the same period of last year. This was substantially due to an increase of profit after adjusted to cash of THB 7,532 million and changes in operating assets and liabilities being a cause of cash decreased of THB 7,714 million, while tax paid increased of THB 718 million.

2) **Cash flows from (used in)** investing activities was THB (14,848) million, decreased by THB 8,057 million from the same period of last year. This was substantially due to the acquisition of subsidiaries COL of THB 10,778 million last year and investment in Joint Ventures, Porto Worldwide Limited, which invests in Grab Taxi Holdings (Thailand) Limited of THB 4,452 million and trade payable due to the acquisition of subsidiaries NK of THB 323 million, while this year, the Company received repayment of loan related parties of THB 200 million and the increase of net acquisition of property, plant, equipment and investment property of THB 6,675 million and acquisition of other intangible assets were THB 459 million and acquisition of current investment of THB 372 million and the acquisition of subsidiaries MP Synergy of THB 187 million.

3) **Cash flows from (used in)** financing activities of THB (9,638) million, decreased by THB 9,489 million from the same period of last year. This was substantially due to loans (net) decreased of THB 8,394 million. The lease liabilities and interest payment increased by THB 970 million and THB 343 million while decreased of dividend payment by THB 181 million.

Key Financial Ratios

Profitability Ratios

Gross profit margin was 27.4% and 25.3% for the years ended 31 December 2022 and 2021, respectively. This is primarily due to an increase of gross profit from sales. For fashion segment, which had a higher profit margin than other segments, achieved a sharp increase in sales both Thailand and Italy while sales of high-margin products had increased as customers preferred visiting physical stores. In addition, trade discounts were appropriately adjusted for the Fashion segment in Thailand. For the Hardline segment, the gross margin slightly increased due to the reduced trade discounts as well. For the food segment, the gross margin slightly increased from consistently adjusted product assortment. Gross profit from rental services and rendering of services increased, due to the increase in service users and less rental discounts, thus receiving more rental and service fees.

Operating profit margin was 5.5% and 1.5% for the years ended 31 December 2022 and 2021, respectively. This is primarily due to an increase of gross profit margin although an increase of selling expenses and administrative expenses from store expansion.

Net profit margin was 3.2% and 0.1% for the years ended 31 December 2022 and 2021, respectively. This is primarily due to an increase of operating profit margin and tax income, while the Company had higher financial costs from an increase of both interest rates and loan amounts together with an increase of tax income due to the Company has net profit before tax this year, while last year has tax income from loss before tax.

Return on equity (ROE) was 12.3% and 0.5% for the years ended 31 December 2022 and 2021, respectively. This is primarily due to an increase of net profit.

Efficiency Ratios

Return on assets (ROA) was 2.8% and 0.1% while return on fixed assets was 18.2% and 13.2% for the year ended 31 December 2022 and 2021, respectively. This is primarily due to an increase of net profit while there was an increase of total assets and fixed assets from store expansion.

Liquidity Ratios

Current Ratio was 0.7x and 0.6x for the year ended 31 December 2022 and 2021, respectively. This is primarily due to an increase of inventory in accordance with an increase of number of stores from expansion and preparing products to be sufficient for sales during the economic recovery while current assets decreased from the decrease of bank overdrafts, short-term borrowings from financial institution and current portion of long-term borrowings. However, the quick ratios were both 0.3x for the year ended 31 December 2021 and 2022.

Cash cycle was 21.1 days and 22.7 days for the year ended 31 December 2022 and 2021, respectively. This is primarily due to the decrease of inventory days.

Financial Policy Ratio

Net interest-bearing debt[1]/Equity was 1.0x and 1.0x for the year ended 31 December 2022 and 2021, respectively. This is primarily due to the increase of bank overdrafts, short-term and long-term borrowings from financial institution while equity increase from an increase of net profit.

[1] Net interest-bearing debts are excluding financial lease from TFRS 16 and deduct with cash and cash equivalents

Business outlook

The Company is committed to creating sustainable growth for the business and becoming Asia's No. 1 Retailer of the Future through its **CRC Retailligence** Strategy with 4 key strategies:

1) **Reinvent Next-Gen Omni Retail** – Elevate omnichannel platforms by merging physical and virtual worlds, and leveraging new digital technologies to deliver next-level shopping experiences across all business segments, including food, fashion, hardline, property, and new businesses across Thailand, Vietnam, and Italy.

2) **Accelerate Core Leadership** – Accelerate growth across Central Retail's core businesses, both locally and globally, and capture new growth opportunities with world-class partners.

3) **Build New Growth Pillars** – Capture new business opportunities by starting with the health and wellness segment followed by other segments that tap into changing global trends and consumer needs.

4) **Drive Partnership, Acquisition, and Spin-Off** – Expand the business under the concept of inclusive growth, inspiring collective success with partners and enabling value-led sustainability.

Central Retail is committed to improving the efficiency of operational processes of all departments, ensuring that risk management is in line with the economic conditions and shifting consumer behavior, and that cost and expense management is efficient for robust and sustainable growth. The Company is also determined to direct all businesses toward sustainability (ESG). In this regard, the monetary goals or operational figures specified have been considered by the Company to be feasible, with supporting strategies or operational measures, along with guidelines to achieve such goals.

4.2 Factors That May Affect the Financial Position or Significant Future Performance.

In 2022, overall retail and hospitality businesses began to recover after the ease of COVID-19 restrictions and the full reopening of the country. However, it is still challenging due to several uncertainties in the global economy such as the energy cost crisis, higher interest rates, or inflation that occur from time to time. Thereby being considered a challenge to the Company's operations.

The Company has put its efforts into learning the situation and adjusting operational plans by focusing on formulating proactive strategies in combination with reactive ones including adjustment of operational strategies in conformity to the changing lifestyles of post-COVID-19 consumers. Moreover, the operational plans have been regularly followed up on a quarterly basis. Others that have been conducted include risk management, in response to economic challenges as well as efficient cost and expense management for sustainable growth.

For more information regarding Company's business plans, see sections "1.2 Nature of Business" and "4.1 Operating and Financial Position for the Year Ended 31 December 2022".

4.3 Financial Information

4.3.1 Summary of Independent Auditor's report

The summary of independent auditor's report from consolidated financial statements of the Company as follows:

Year	Auditor	Summary of independent auditor's report
2020, 2021, and 2022	Ms. Pornthip Rimdusit Certified Public Accountant Registration No. 5565 KPMG Phoomchai Audit Ltd. Approved by The Securities and Exchange Commission (SEC)	The auditor has audited the consolidated and separate financial statements of Central Retail Corporation Public Company Limited and its subsidiaries (the "Group") and of Central Retail Corporation Public Company Limited (the "Company"), respectively, which comprise the consolidated statements of financial position as of 31 December 2020, 2021, and 2022, the consolidated and separate statements of comprehensive income, statement of changes in equity and the consolidated and separate statement of cash flows for the year ended, and notes, comprising a summary of significant accounting policies and other explanatory information and expressed an unqualified opinion in the auditor's report that the above-mentioned consolidated financial statements and separate financial statements presented fairly, in all material respects in accordance with the relevant accounting standards, the consolidated and separate financial positions of the Company and subsidiaries as of 31 December 2020, 2021, and 2022, the results of consolidated and separate operations, and the consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

4.3.2 Summary of consolidated financial statements as of 31 December 2020, 2021, and 2022

Statement of financial position

The table below presents details about statement of financial position as of the date presented.

Asset

	For the year ended 31 December					
	2020		2021		2022	
	THB Million	*%*	*THB Million*	*%*	*THB Million*	*%*
Assets						
Cash and cash equivalents	15,912	6.7	16,579	6.3	14,716	5.3
Other current financial assets	1,830	0.8	1,508	0.6	901	0.3
Trade receivables	4,570	1.9	4,860	1.8	5,421	2.0
Other current receivables	10,129	4.2	9,868	3.7	11,270	4.1
Short-term loans	44	0.0	142	0.1	43	0.0
Current portion of finance lease receivables	-	-	36	0.0	-	-
Inventories	34,296	14.3	36,516	13.9	43,675	15.8
Derivative assets	-	-	5	0.0	74	0.0
Other current assets	396	0.2	404	0.2	431	0.2
Total current assets	**67,177**	**28.1**	**69,918**	**26.6**	**76,531**	**27.7**
Investments in associates	483	0.2	390	0.1	481	0.2
Investments in joint ventures	548	0.2	5,169	2.0	5,837	2.1
Other non-current financial assets	1,603	0.7	1,617	0.6	1,978	0.7
Finance lease receivables	2,177	0.9	2,171	0.8	2,171	0.8
Investment properties	13,807	5.8	16,284	6.2	17,292	6.3
Property, plant and equipment	41,654	17.4	43,359	16.5	49,045	17.8
Right-of-use assets	67,029	28.0	65,338	24.8	63,279	22.9
Goodwill	27,948	11.7	38,085	14.5	38,019	13.8
Intangible assets other than goodwill	6,842	2.9	8,885	3.4	9,426	3.4
Deferred tax assets	3,382	1.4	4,815	1.8	4,600	1.7
Long-term derivative assets	-	-	-	-	139	0.1
Other non-current assets	6,530	2.7	7,197	2.7	7,186	2.6
Total non-current assets	**172,003**	**71.9**	**193,310**	**73.4**	**199,453**	**72.3**
Total assets	**239,180**	**100.0**	**263,228**	**100.0**	**275,984**	**100.0**

Statement of financial position (Continued)

Liabilities and equity

	For the year ended 31 December					
	2020		2021		2022	
	THB Million	*%*	*THB Million*	*%*	*THB Million*	*%*
Liabilities						
Bank overdrafts and short-term borrowings from financial institutions	31,625	13.2	35,632	13.5	34,954	12.7
Trade payables	31,569	13.2	36,905	14.0	39,828	14.4
Other current payables	16,483	6.9	17,828	6.8	19,838	7.2
Derivative liabilities	12	0.0	3	0.0	60	0.0
Current portion of long-term borrowings	2,763	1.2	13,418	5.1	6,561	2.4
Current portion of lease liabilities	6,471	2.7	7,428	2.8	6,524	2.4
Current income tax payable	126	0.1	448	0.2	723	0.3
Total current liabilities	**89,049**	**37.2**	**111,662**	**42.4**	**108,488**	**39.3**
Long-term borrowings	29,492	12.3	28,517	10.8	39,780	14.4
Lease liabilities	51,566	21.6	50,300	19.1	49,253	17.8
Deferred tax liabilities	2,669	1.1	3,042	1.2	2,918	1.1
Non-current provisions for employee benefits	2,228	0.9	2,309	0.9	2,235	0.8
Unearned lease income	5,673	2.4	5,521	2.1	5,481	2.0
Long-term derivative liabilities	-	-	21	0.0	-	-
Other non-current liabilities	2,788	1.2	2,775	1.1	2,944	1.1
Total non-current liabilities	**94,416**	**39.5**	**92,485**	**35.1**	**102,611**	**37.2**
Total liabilities	**183,465**	**76.7**	**204,147**	**77.6**	**211,099**	**76.5**

Statement of financial position (Continued)

Liabilities and equity

	For the year ended 31 December					
	2020		2021		2022	
	THB Million	*%*	*THB Million*	*%*	*THB Million*	*%*
Equity						
Authorised share capital[1]	6,320	2.6	6,320	2.4	6,320	2.3
Issued and paid-up share capital[2]	6,031	2.5	6,031	2.3	6,031	2.2
Share premium:						
Share premium on ordinary shares	66,761	27.9	66,761	25.4	66,761	24.2
Share premium on treasury shares	123	0.1	123	0.0	123	0.0
Difference in value arising from restructuring transactions of entities under common control	(2,393)	(1.0)	(2,393)	(0.9)	(2,833)	(1.0)
Retained earnings						
Legal reserve	632	0.3	632	0.2	632	0.2
Unappropriated	10,145	4.2	7,792	3.0	13,158	4.8
Difference arising from acquiring of non-controlling interests	(23,265)	(9.7)	(23,265)	(8.8)	(23,265)	(8.4)
Other components of equity	(4,641)	(1.9)	707	0.3	1,516	0.5
Equity attributable to owners of the parent	**53,394**	**22.3**	**56,388**	**21.4**	**62,123**	**22.5**
Non-controlling interests	2,321	1.0	2,693	1.0	2,762	1.0
Total equity	**55,715**	**23.3**	**59,081**	**22.4**	**64,885**	**23.5**
Total liabilities and equity	**239,180**	**100.0**	**263,228**	**100.0**	**275,984**	**100.0**

[1] Compose of 6,320 million shares, Par at 1 Baht
[2] Compose of 6,031 Million shares, Par at 1 Baht

Statement of comprehensive income

The table below presents details about summary of statement of comprehensive income as of 31 December 2020, 2021, and 2022

	For the year ended 31 December					
	2020		2021		2022	
	THB Million	*%*	*THB Million*	*%*	*THB Million*	*%*
Revenue						
Revenue from sale of goods	173,138	89.1	175,975	89.9	211,904	89.7
Revenue from rental services	5,598	2.9	4,990	2.6	6,583	2.8
Revenue from rendering of services	1,212	0.6	826	0.4	1,411	0.6
Dividend income	-	-	-	-	4	0.0
Interest income	302	0.2	221	0.1	210	0.1
Other income	14,062	7.2	13,641	7.0	16,133	6.8
Total revenue	**194,311**	**100.0**	**195,654**	**100.0**	**236,245**	**100.0**
Expenses						
Cost of sales of goods	133,033	68.5	134,082	68.5	157,499	66.7
Cost of rental and rendering of services	1,915	1.0	1,765	0.9	2,148	0.9
Selling expenses	40,514	20.8	40,363	20.6	45,674	19.3
Administrative expenses	16,574	8.5	16,705	8.5	18,866	8.0
Total expenses	**192,036**	**98.8**	**192,914**	**98.6**	**224,187**	**94.9**
Profit from operating activities	**2,275**	**1.2**	**2,739**	**1.4**	**12,058**	**5.1**
Finance costs	(2,950)	(1.5)	(3,113)	(1.6)	(3,479)	(1.5)
Share of profit of associates and joint ventures accounted for using equity method	132	0.1	279	0.1	820	0.3
Profit (loss) before tax expense (income)	**(543)**	**(0.3)**	**(95)**	**(0.0)**	9,399	4.0
Tax expenses (income)	(884)	(0.5)	(372)	(0.2)	1,794	0.8
Profit for the year	**341**	**0.2**	**277**	**0.1**	**7,605**	**3.2**

Statement of comprehensive income (Continued)

	For the year ended 31 December					
	2020		2021		2022	
	THB Million	*%*	*THB Million*	*%*	*THB Million*	*%*
Other comprehensive income						
Items that will be reclassified subsequently to profit or loss						
Exchange differences on translating financial statements	(452)	(0.2)	5,422	2.8	367	0.2
Gain (Loss) on cash flow hedges	(12)	(0.0)	9	0.0	31	0.0
Income tax relating to items that will be reclassified to profit or loss	3	0.0	(2)	(0.0)	(7)	(0.0)
Total items that will be reclassified subsequently to profit or loss	**(461)**	**(0.2)**	**5,428**	**2.8**	**391**	**0.2**
Items that will not be reclassified to profit or loss						
Gain (Loss) on investments in equity instruments designated at FVOCI	(86)	(0.0)	(1)	(0.0)	202	0.1
Gain (Loss) on remeasurements of defined benefit plans	(14)	(0.0)	157	0.1	10	0.0
Income tax relating to items that will not be reclassified to profit or loss	21	0.0	(32)	(0.0)	(40)	(0.0)
Total items that will not be reclassified to profit or loss	**(79)**	**(0.0)**	**124**	**0.1**	**172**	**0.1**
Other comprehensive income for the year, net of tax	**(540)**	**(0.3)**	**5,553**	**2.8**	**563**	**0.2**
Total comprehensive income for the year	**(199)**	**(0.1)**	**5,830**	**3.0**	**8,168**	**3.5**

Statement of comprehensive income (Continued)

	For the year ended 31 December					
	2020		2021		2022	
	THB Million	*%*	*THB Million*	*%*	*THB Million*	*%*
Profit attributable to:						
Owners of the parent	46	0.0	59	0.0	7,175	3.0
Non-controlling interests	295	0.2	217	0.1	430	0.2
Profit for the year	**341**	**0.2**	**277**	**0.1**	**7,605**	**3.2**
Total comprehensive income attributable to:						
Owners of the parent	(393)	(0.2)	5,407	2.8	7,745	3.3
Non-controlling interests	194	0.1	423	0.2	423	0.2
Total comprehensive income for the year	**(199)**	**(0.1)**	**5,830**	**3.0**	**8,168**	**3.5**
Basic earnings (loss) per share	**0.01**		**0.01**		**1.19**	

Statement of cash flows

The table below presents details about summary of our statement of cash flows for the periods presented.

	For the year ended 31 December		
	2020	2021	2022
		THB Million	
Net cash from (used in) operating activities	11,961	23,360	22,460
Net cash used in investing activities	(8,779)	(22,906)	(14,848)
Net cash from (used in) financing activities	2,905	(149)	(9,638)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rate	**6,087**	**306**	**(2,026)**
Effect of exchange rate changes on cash and cash equivalents	186	572	339
Translating foreign operations	(435)	(210)	(176)
Net increase (decrease) in cash and cash equivalents,	**5,839**	**667**	**(1,863)**
Cash and cash equivalents at 1 January	10,073	15,912	16,579
Cash and cash equivalents at 31 December	**15,912**	**16,579**	**14,716**

Other financial information

The table below presents a reconciliation of our profit from continuing operations to core net profit for the periods presented.

	For the year ended 31 December		
	2020	2021	2022
		(THB Million and %)	
Reconciliation of Core Net Profit			
Profit from continuing operations	341	277	7,605
Core items after tax	956	(130)	245
Total adjustments to earnings after tax	**(614)**	**407**	**7,360**
Core net profit margin (%)[1]	**(0.3)**	**0.2**	**3.1**

[1] Percentage margin is calculated from net profit excluding adjustments divided by total revenues

The table below presents adjustments to earnings, net of tax for the period presented.

	For the year ended 31 December		
	2020	2021	2022
		(THB Million)	
Adjustments to Earnings, net of tax			
Net gain on foreign exchange	686	(249)	(39)
Impairment loss – reversal and others	138	119	-
Gain on disposal of assets	(36)	(0.5)	(33)
Gain on disposal of investment	-	-	317
Deferred tax asset in prior year which recognized in this year	168	-	-
Total adjustments to earnings, net of tax	**956**	**(130)**	**245**

4.3.3 Financial Ratios

The table below presents certain financial ratios for the periods indicated.

Financial Ratios	Units	For the year ended 31 December		
		2020	2021	2022
Liquidity Ratios				
Current ratio	Times	0.8	0.6	0.7
Quick ratio	Times	0.4	0.3	0.3
Cash flow liquidity ratio	Times	0.1	0.2	0.2
Accounts receivable turnover	Times	38.0	36.0	40.0
Average collection period	Days	9.6	10.1	9.1
Inventory turnover	Times	3.5	3.5	3.7
Inventory days	Days	105.4	104.6	99.7
Accounts payable turnover	Times	3.9	4.0	4.2
Accounts payable days	Days	92.9	92.0	87.7
Cash cycle	Days	22.1	22.7	21.1
Profitability Ratios				
Gross profit margin	%	25.0	25.3	27.4
Operating margin	%	1.3	1.5	5.5
Non-operating profit margin	%	7.4	7.1	6.9
Cash flow to income ratio	%	525.7	852.8	186.3
Net profit margin	%	0.2	0.1	3.2
Net profit margin for the owner of the Company	%	0.0	0.0	3.0
Return on equity	%	0.7	0.5	12.3
Return on equity for the owner of the Company	%	0.1	0.1	12.1
Efficiency Ratios				
Return on total assets	%	0.2	0.1	2.8
Return on fixed assets	%	16.1	13.2	18.2
Total asset turnover	Times	0.9	0.8	0.9
Financial Policy Ratios				
Interest bearing debt to equity	Times	1.1	1.3	1.3
Net Interest bearing debt to equity	Times	0.9	1.0	1.0
Debt to equity	Times	3.3	3.5	3.3
Interest coverage ratio	Times	6.4	6.4	8.6
Dividend payout ratio	%	5,214.2	3,047.5	n.a.[1]

[1] Board of Director's meeting of the Company has a resolution to propose annual dividends based on the operating results for the year ended 2022 of Baht 0.48 per share to shareholders for approval at the Annual General Meeting of Shareholders on 28 April 2023

Financial Ratio Formula

Liquidity Ratios

- Current ratio is calculated as total current assets divided by total current liabilities.
- Quick ratio is calculated as the sum of cash and cash equivalents, current investments, trade accounts receivables and other receivables divided by total current liabilities.
- Cash flow liquidity ratio is calculated as cash flow from continuous operation divided by average total current liabilities.
- Accounts receivable turnover is calculated as the sum of revenue from sales of goods, revenue from rental services, and revenue from rendering of services divided by average trade accounts receivable before allowance for doubtful account.
- Average collection period is calculated as 365 divided by account receivable turnover.
- Inventory turnover is calculated as the sum of cost of sales of goods divided by average inventories, excluding work in progress, raw material and factory supplies and others.
- Inventory days is calculated as 365 divided by inventory turnover.
- Accounts payable turnover is calculated as the sum of cost of sales of goods and cost of rental and rendering services divided by average trade accounts payable.
- Average accounts payable days is calculated as 365 divided by accounts payable turnover.
- Cash cycle is calculated as the sum of average collection period and inventory days minus average accounts payable days.

Profitability Ratios

- Gross profit margin is calculated as gross profit (loss) divided by the sum of revenue from sales of goods, revenue from rental services, and revenue from rendering of services multiplied by 100.
- Operating margin is calculated as operating income divided by the sum of revenue from sales of goods, revenue from rental services, and revenue from rendering of services multiplied by 100.
- Non-operating profit margin is calculated as the sum of investment income, other income, and gain on disposal of assets divided by total revenue, multiplied by 100.
- Cash flow to income ratio is calculated as cash flow from continuing operation divided by operating income, multiplied by 100.
- Net profit margin is calculated as profit (loss) for the period divided by total revenue, multiplied by 100.
- Return on equity is calculated as profit (loss) for the period divided by average total shareholders' equity, multiplied by 100.

Efficiency Ratios

- Return on total assets is calculated as profit (loss) for the period divided by average total assets, multiplied by 100.
- Return on fixed assets is calculated as the sum of profit (loss) for the period and depreciation divided by the sum of net property, plant and equipment, net investment property, net leasehold rights, net rights of use, and net other intangible assets, multiplied by 100.
- Total asset turnover is calculated as total revenue divided by average total assets.

Financial Policy Ratios

- Interest-bearing debt to equity is calculated as total interest-bearing debt - cash and cash equivalents divided by total equity.
- Debt to equity is calculated as total liabilities divided by total equity.
- Interest coverage ratio is calculated as the sum of EBITDA divided by finance cost paid.
- Dividend payout ratio is calculated as dividend paid divided by profit (loss) for the period from continuing operation.

5

General Information

General Information

5.1 General Information (as at 31 December 2022)

Company's name	:	Central Retail Corporation Public Company Limited
Type of Business	:	Holding Company
Head Office	:	22 Soi Somkid, Phloen Chit Road, Lumphini Sub-District, Pathum Wan District, Bangkok, 10330
Registration Number	:	0107562000386
Registered Capital	:	THB 6,320,000,000 (Six Thousand Three Hundred Twenty Million Baht)
Paid-up Capital	:	THB 6,031,000,000 (Six Thousand Thirty-One Million Baht)
Par Value	:	THB 1 (One Baht)
Website	:	http://www.centralretail.com
Telephone Number	:	+66 (0) 2650 3600 Ext. 1654
Registrar	:	Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building, 14th Floor, Ratchadaphisek Road, Din Daeng Sub-District, Din Daeng District, Bangkok, 10400 Tel.: +66 (0) 2009 9000 Fax: +66 (0) 2009 9991 Website: www.set.or.th/tsd
Auditor	:	KPMG Phoomchai Audit Ltd. 1 Empire Tower, 48th - 51st Floor, South Sathon Road, Yan Nawa Sub-District, Sathon District, Bangkok 10120 Tel.: +66 (0) 2677 2000 Fax: +66 (0) 2677 2222 Website: home.kpmg/th/en/home.html

5.2 Other Material Information

5.2.1 Other Information That May Materially Affect Investors' Decisions

The Group's retail businesses are under several laws of Thailand, Italy, and Vietnam. Applicable and important laws that affect these businesses are summarized as follows

A. Thailand

1. Laws on Town Planning, Building Control, and Environmental Impact Assessment (EIA)

1.1 Town Planning Act

The Town Planning Act B.E. 2562 (including amendments) ("Town Planning Act") is the law on the formulation, preparation, and implementation of town plans, both unitary town plans and specific town plans, for urban and rural zones for the purposes of preparing urban development in an orderly manner and also of promoting social, economic and environmental development. Works done under this law take into account asset utilization, public safety, social welfare, as well as the conservation of fine arts, architectures, natural resources, landscapes, etc. A town planning committee shall be a regulator and enforcer of the Town Planning Act. For example, town planning in Bangkok is subject to the Ministerial Regulation on Bangkok Town Plan B.E. 2556 ("Bangkok Town Plan"), which is issued under the Town Planning Act. This regulation governs land utilization in the Bangkok Town Plan according to zoning. There are residential zones, commercial zones, industrial zones, warehouse zones, and conservation zones, etc. The town planning regulation governs land utilization to the point of looking into commercial operations, office-building constructions, warehouses, and billboard installations in each zone too.

The Department of Public Works and Town & Country Planning and relevant local officials must review the ministerial regulation at least once every five years. This regulation can be revised to improve the overall town plan in events that the review shows the situation and environment have already changed significantly and without an update, the town plan will no longer be appropriate for developing/maintaining the town, and that the revision is needed for urban development's economic, social, and environmental benefits. The overall town plan applies to each of its zones, requiring land utilization to match the zone assigned. Each zone has different restrictions on land usage. For example, the Bangkok Town Plan has the following rules:

(1) Yellow Zone Type Yor 1 is a sparsely populated residential zone. It is designated as such for the purpose of promoting suburban environment for residences in the zone. Land plots in the zone cannot be used for many activities. For example, a commercial operation in the zone must not cover more than 100 square meters of area each. The zone also prohibits shop houses, row houses, warehouses, freight stations, and logistics businesses.

(2) Red Zone Type Por 1 is a commercial zone. It is designated as such to facilitate communities' commercial center and distribute commercial activities/services for the convenience of people living in suburban areas. This zone imposes certain restrictions on land utilization. For example, while a commercial business is allowed, its total space must not be over 5,000 square meters each. Exceptions are granted only when the commercial business of over 5,000 square meters of space is located on a public road with at least 16-meter-wide traffic surface and is within 500 meters from an electric-train station.

(3) Purple Zone Type Or 1 is an industrial zone. It is designated as such to manage environmental impacts from industrial operations with low pollution. In this zone, a commercial business of over 300 square meters of space is prohibited unless it occupies no more than 500 meters of space and is located on a public road with at least 16-meter-wide traffic surface. In an event that a commercial business spans over 500 square meters but not more than 1,000 square meters of space, it is allowed in the zone if it is located on a public road with at least 30-meter-wide traffic surface.

(4) Reddish Purple Zone Type Or 3 is a zone for warehouses. It is designated as such to host warehouses that back Southeast Asia's transportation hub. This zone has land-utilization restrictions. For example, a commercial business of over 300 square meters of space is not allowed.

(5) White Zone with Green Diagonal Lines Type Kor 1 is a zone for conserving rural life and agriculture. It is designated as such to maintain the natural landscape of rural and agricultural areas. Restrictions are imposed on such zone. For example, the zone prohibits a commercial business from occupying over 100 square meters of space, except when a commercial business having more than 100 square meters but not over 300 square meters of space is located on a public road with at least 16-meter-wide traffic surface and has an empty space of at least six-meter wide in front of its building. This zone prohibits warehouses, freight stations, and logistics businesses.

(6) Light Brown Zone Type Sor 1 is a zone for conserving Thai arts and culture. This zone bans certain activities, including a commercial business occupying more than 1,000 square meters of space, warehouses, freight stations, and logistics businesses.

(7) Blue Zone Type Sor is a zone for government agencies, public utilities, and public facilities. Land utilization in this zone must serve the purposes related to government agencies providing public utilities/public facilities or public benefits, government agencies, religions, education, public utilities, public facilities, and public benefits only. The Town Planning Act has direct impacts on the Company's property development and business expansions including the increase of its branches. Any new branch established must comply with applicable local town plans.

1.2 Building Control Act

The Building Control Act B.E. 2522 (including amendments) ("Building Control Act") aims to control constructions and ensure that buildings are secure and safe. It therefore governs the constructions of various types of buildings, their utilization, modification, and demolition. Under this law are the process to request construction permits, which must be done prior to construction, and the process to request the certification for building constructions, which is issued after the construction is completed. Stipulations are different depending on each type of buildings. The Building Control Act affects the Company's businesses in regard to constructions, additions, modifications, and utilization of buildings. The Company has the duty to comply with this law, including to seek permits required by it.

1.3 Enhancement and Conservation of National Environmental Quality Act

The Enhancement and Conservation of National Environmental Quality Act B.E. 2535 (including amendments) ("Environmental Quality Enhancement and Conservation Act") aims to control and solve environmental problems by engaging people and non-governmental organizations in the enhancement and conservation of environmental quality. The Minister of Natural Resources and Environment, with the endorsement from the National Environment Board, has the power to issue regulations requiring entrepreneurs

whose operations have adverse environmental impacts and meet prescribed criteria to conduct an environmental impact assessment ("EIA") and submit it to seek an approval from the Office of Natural Resources and Environmental Policy and Planning (ONEP). The size and type of operations requiring EIA are in line with the Ministry of Natural Resources and Environment's announcement on projects, businesses, or operations requiring an EIA and EIA criteria, methods, and conditions dated 19 November 2018, which was promulgated in the Royal Gazette on 4 January 2019 and took effect the following day, and also the Ministry of Natural Resources and Environment's announcement that some provincial authorities have enforced for EIA process in their areas.

When expanding its businesses or branches, the Company has to comply with the Environmental Quality Enhancement and Conservation Act. This law has required that some types of buildings such as a building for retailing and wholesaling, an office building, a private building that is more than 23 meters high or have the combined space of over 10,000 square meters either on one floor or more to conduct an EIA in compliance with the Ministry of Natural Resources and Environment's announcement on projects, businesses, or operations requiring an EIA and EIA criteria, methods, and conditions dated 19 November 2018, which was promulgated in the Royal Gazette on 4 January 2019. A request for construction permit can be submitted only after the ONEP approves the EIA.

2. Laws on Consumer Protection and Product Liability

2.1 Consumer Protection Act

The Consumer Protection Act B.E. 2522 (including amendments) ("Consumer Protection Act") aims to prescribe rights to consumers and duty to manufacturers/service providers so as to ensure fairness to consumers. This law lays down criteria on consumer protection in many ways, including:

(1) The law gives consumers an option to lodge a complaint to the Consumer Protection Board, In this regard, the provisions on consumer protection shall apply to the extent that they are not repeated or contrary to the provisions that have been specifically provided.

(2) Regarding advertising, the law requires that advertisements do not present unfair content such as exaggeration or a misleading message that may cause significant misunderstanding in the product/service.

In addition, the advertisement must comply with the Ministerial Regulation B.E. 2564 regarding unfair advertising messages of goods or services that may cause negative effects on society as a whole. Initially, there must be a statement stating or declaring that the business operator will arrange a giveaway or a prize by gambling before authorized by the official under the law on gambling, or a statement indicating that the business operator has been authorized by the official under the law on gambling to arrange for a giveaway or a prize by gambling.

(3) Regarding labels, the law requires that labels must present accurate information and must not contain any message that may cause significant misunderstanding in the product. Also, the law stipulates that the label must display the name of manufacturer or importer, the place of manufacturing or the business venue of the importer, information on product category, quantity, instructions, advice, and other necessary information.

2.2 Product Liability Act

The Product Liability Act B.E. 2551 ("Product Liability Act") aims to remedy parties suffering damages from unsafe goods. Under this act, an "entrepreneur" refers to a manufacturer; a person/entity paying for manufacturing; importer; and seller who is unable to

identify a manufacturer, a person/entity paying for manufacturing, or importer; and a person/entity using the name, a trademark, a sign, a message or any presentation that convince others that he/she/it is a manufacturer, a person/entity paying for manufacturing, or importer shall be liable to damages under the Product Liability Act. A damaged party may sue an entrepreneur under the act without any need to prove which entrepreneur has caused damages, as the damaged party is required to prove that it is damaged only. Damages from unsafe goods refer to damages arising from manufacturing/design defects or entrepreneurs' failure to provide instructions, storage guideline, warnings or product information, or failure to accurately and clearly provide the said information given the nature of product conditions, usage conditions, and storage.

An entrepreneur shall not be held responsible for damages if it successfully proves that the product is not unsafe or that the damaged party has known before that the product is unsafe or has sustained damages because they have themselves failed to use or store goods properly despite reasonable instructions, storage guideline, product information given by the entrepreneur.

However, the Product Liability Act has defined entrepreneurs broadly and given consumers the right to not prove which entrepreneur has been responsible for damages. When this law is invoked, each accused entrepreneur has the duty to prove their innocence.

3. Law on Trade Competition

The Trade Competition Act B.E. 2560 ("Trade Competition Act") regulates and prevents monopoly, including reduced or restricted trade competition, by business operators. Under this law, "business operators" are defined as a vendor producer for sale, person who orders or imports goods into Thailand for sale, buyer for production or resale of goods, or service provider in the business. The Trade Competition Act issues measures to control product/service selling prices, trade conditions, the partial/complete acquisition of assets/takeover of another business, etc.

The Office of Trade Competition Commission has issued several announcements, pursuant to the Trade Competition Act so as to prescribe guidelines for the enforcement of the law. One of the announcements gives the guideline on how to review unfair trade practices between retailers/wholesalers and manufacturers or vendors ("Announcement on Unfair Trade Practice Review Guideline"), which has taken effect from 20 July 2019. Based on the guideline, activities that may be unfair or cause damages to manufacturers/vendors include:

(1) Setting buying prices or buying goods from manufacturers/vendors at the rate lower than normal prices, or forcing manufacturers/vendors to lower prices of goods that have already been delivered and accepted without any sound reason;

(2) Demanding unfair economic benefits by forcing manufacturers/vendors to pay unnecessary or unreasonably high benefits when taking into account what returns they will get. Those returns, for example, are in the form of entrance fee, special display fee, supplementary fee or discount on special occasion, promotional expenses, rebates for achieving revenue or unit target, discount to compensate for loss of delivered goods, etc.;

(3) Unfair and unreasonable return of goods, which happen not on the fault of manufacturer/vendor or is carried out without any prior agreement or without consent. For example, goods are returned because agreements are changed from purchase agreements to consignment agreements;

(4) Using unfair consignment agreements that require manufacturers/vendors to agree to unfair conditions that put them at serious disadvantage when compared with normal consignment, or forcing specific manufacturers/vendors to enter into consignment agreements instead of purchase agreements in order for retailers/wholesalers to reap benefits from consignment agreements just like from purchase agreements;

(5) Unfairly forcing manufacturers/vendors to buy or pay service fees for the benefits of retailers/wholesalers without any sound reason, for example, by requiring manufacturers/vendors to buy some or all of retailers/wholesalers in an unfair manner, or unreasonably forcing them to pay for the advertising of goods while retailers/wholesalers are major beneficiaries;

(6) Giving unfair assignments to staff of manufacturers/distributors, without their consent or without prior agreements. For example, manufacturers/distributors are forced to pay staff of retailers/wholesalers or forcing staff of manufacturers/distributors to work at the business places of retailers/wholesalers and assist with works that normally belong to retailers/wholesalers with aim to reduce retailers'/wholesalers' expenses except in events of exemptions mentioned in the "Announcement on Unfair Trade Practice Review Guideline";

(7) Unfair refusal to accept all or some goods ordered for a private brand/house brand of retailers/wholesalers, which are manufactured based on specific standard, format and type without a sound reason, without the fault on the part of manufacturers/distributors, or without prior notice except in events that manufacturers/distributors agree to accept the refusal and retailers/wholesalers pay for damages that are generally incurred from refusal; and

(8) Other unfair trade practices by retailers/wholesalers that may cause damages such as delaying payments for goods, estimating purchase volumes, or ending business contacts in retaliation against manufacturers/distributors' refusal to comply with retailers'/wholesalers' conditions, or unreasonable delisting or delisting made for a reason not mentioned in agreements. These measures have posed significant restrictions on business operations and expansions, which are designed to promote free and fair trade. As the Group's retail businesses are considered business operators under the Trade Competition Act, their operations and expansions are subject to the law.

4. Law on Direct Sale and Direct Marketing

The Direct Sale and Direct Marketing Act B.E. 2545 (including amendments) ("Direct Sale and Direct Marketing Act") aims to govern business operators engaged in direct sale and direct marketing for increased consumer protection. The Direct Sale and Direct Marketing Act defines "direct marketing" as marketing goods or services directly to consumers at a distance with aim to sell goods or services to each consumer. This definition covers the direct presentation of goods to consumers via media such as internet or TV too. The electronic distribution of goods via the Group's websites or internet as a result is considered a direct sale business. The Group therefore has the duty to register itself as an operator of direct sale business with the Office of the Consumer Protection Board to comply with the law. For registration, direct-sale business operator must submit documents to Office of the Consumer Protection Board for review. Only qualified operators shall be registered in line with legal requirements. For example, direct marketing business operators must not sell goods that are not allowed for direct sale such as medicines, medical appliances, liquor, and fertilizer. Also, they must have never had their direct-sale licenses revoked in the past five years since the submission of the latest license request. Direct marketing business operators must also comply with applicable rules: for example, they must neither force consumers nor unreasonably tout goods under a brand name. Agreements made must contain minimum details required by laws. Also, the operator of a direct sale business must submit their operation reports to the Registrar.

5. Laws on Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing

The Anti-Money Laundering Act of B.E. 2542 and the Counter-Terrorism and Proliferation of Weapon of Mass

Destruction Financing Act B.E. 2559 (including amendments) aim to prevent ill-gotten or illegally acquired gains from being laundered to ensure such money or assets are no longer used for crimes, terrorist acts, or terrorism support. These laws affect and apply to financial institutes, including legal entities whose business operations are related to financial activities covered by the laws namely the operators of payment system businesses pursuant to laws on payment systems and operators of payment service businesses pursuant to laws on payment systems. In addition, these two acts apply to practitioners of certain professions such as those working in the field of e-Money cards and are not financial institutions under the Ministry of Finance's Announcement on Credit Card Businesses or the law on financial-institution supervision or those working in the field of e-payment pursuant to the law governing e-payment services.

Judging by the nature of its businesses, the Group is an operator of payment service businesses that is under the law on payment systems and the supervision of the Bank of Thailand. As a result, the Group is considered a financial institution with the duty to comply with requirements related to The Anti-Money Laundering Act B.E. 2542 and the Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing Act B.E. 2559 (including amendments). It is also under the supervision of the Anti-Money Laundering Office, which has the power and duty to formulate guidelines on how to enforce, supervise, audit, and evaluate compliance with the laws. Under the laws, the Group has the duty to report transactions based on criteria and guidelines prescribed. For example, all financial institutions have to report a transaction of over THB 100,000 to the Anti-Money Laundering Office and shall require all customers to identify themselves prior to conducting any transaction, unless that customer has previously done so before, or require occasional customers to identify themselves prior to any of the following transactions: (1) a payment-service transaction involving more than THB 50,000; and (2) a transfer of e-Money or an electronic transfer of money involving more than THB 50,000. In addition, the Group must compare customer names against Thailand's list of high-risk persons and the Civil Court-designated high risk persons and the UN Sanction List in compliance with laws.

6. Law on Public Health

The Public Health Act B.E. 2535 (including amendments) ("Public Health Act") aims to take care of people's health, with the Public Health Committee as the executor of the act. This law governs key issues related to the hygiene of people such as the establishments of markets, food shops, or food storages, waste management, hygienic conditions of buildings, nuisances to neighbors, and unhealthy business operations. Different activities covered by the law are subject to different control measures as follows:

(1) The establishments of food shops or food storages: In an event that a food shop or a food storage shall cover more than 200 square meters of space, its establishment must obtain a permit from local officials in advance. If a food shop or a food storage shall cover no more than 200 square meters of space, the business operator involved shall have to notify local officials to obtain a certificate prior to establishment.

(2) If business operations are unhealthy by the definition of the Ministry of Public Health's announcements or local stipulations such as bakeries or electronic-device production/repair, the business operator involved shall have to obtain a permit from local officials prior to the start of the business operations.

The Group's business operations involving the establishment of food shops/food storages and unhealthy business operations that affect the hygiene of people are under the Public Health Act. Also, the Group must ensure that it does not cause

a nuisance to people in its neighborhoods. For example, it must refrain from any activity that threatens health with noise, odor, or dust. Such polluting activities are governed by the Public Health Act.

7. Law on Personal Data Protection

The Personal Data Protection Act B.E. 2562 ("Personal Data Protection Act") aims to protect personal data that has been compiled, used, or disclosed by data controllers. Under the Personal Data Protection Act, "data controllers" mean a person or legal entity having the power to make decisions regarding collection, use, or disclosure of personal data. Today, advanced technologies and communication systems make it easy to compile, use, disclose, or seek benefits from personal data and such action may disturb or damage personal-data owners. The Personal Data Protection Act is executed by the Personal Data Protection Committee, which has the duty to supervise and take actions for the protection of personal data in regard to its collection, use, and disclosure, including the formulation of necessary measures such as

(1) Personal data shall be collected where necessary and for legitimate purposes of data controllers only. Data controllers must inform personal-data owners of the purposes of data collection, the types of collected data, and the types of persons or agencies personal data may be disclosed to either prior to or during the collection;

(2) Collection, usage, and disclosure of personal data can be done with consent from personal data owners only, except in events sanctioned by laws, and data usage must be made for the purposes stated to personal data owners prior to or during data collection only; and

(3) Management of Data Subject Rights. In order to properly comply with the rights of the data subject under the law, which are 1. the right to receive notification 2. the right to amend information 3. the right to withdraw consent 4. the right to request for suspension of information use 5. the right to access, request a copy, or disclose the acquisition of personal data 6. the right to obtain and transfer personal data 7. the right to object to the collection, use, or disclose of personal information 8. the right to request the deletion or destruction of personal information 9. the right to make a complaint via various forms of systems for the data subject to submit the complaint request easily and conveniently.

In carrying out its retail business, the Group may obtain customer data that is defined as personal data. Therefore, the Group is a data controller under the Personal Data Protection Act, and its collection, use, and disclosure of personal data must comply with the Act's stipulations. The complete Personal Data Protection Act will come into force in 2022. The Act comprises broad and non-specific laws, most of the regulations require that individuals who collect, use, or disclose personal data must have standardized measures to strictly keep personal data. This is considered a preventive measure before any damage to personal data occurs. In addition, in terms of penalties under the Personal Data Protection Act, it also requires the court to calculate punitive damages as a punishment to those who collect or process personal data without consent, or those committing any acts against this Personal Data Protection Act, whether intentionally or not, to pay damages to the owner of the personal data accordingly. The Group recognizes great importance of complying with the Personal Data Protection Act. The Group has conducted studies, plans, and implementations according to the law, ensuring that the Group will comply with the law accurately and completely.

8. Important Draft Laws Related to Business Operations

-None-

B. Italy

1. Law on Retail Businesses

Retail businesses in Italy are under its Legislative Decree 114/1998 ("Decree 114/1998") and other applicable regional laws. The Decree 114/1998 has categorized business places into three groups based on their "Sale Surface Area" (It refers to areas for selling activities, shelves, and other similar activities. It excludes storage spaces, areas for manufacturing process, offices, and service points, etc.). Each group of business places undergoes different procedures to start its operations. The process for the three groups of business places can be summarized as follows: (a) Small Retail Business, each with the sale surface area of no more than 150 square meters; (b) Medium Retail Business, each with the sale surface area of between 151 square meters and 1,500 square meters; and (c) Large Retail Business, each with the sale surface area of over 1,500 square meters. In a municipal area with more than 10,000 residents, maximum sale surface areas range between 250 and 2,500 square meters.

A small retail business may start its operation by submitting "SCIA" (SCIA refers to a certificate on the start of operations pursuant to Article 19 of Law 241/1990). Members of the private sector may submit SCIA for its activities, without the need to undergo an inspection by state officials. Their operations, however, are subject to checks to determine if they meet laws-prescribed criteria and conditions (Code on Buildings in Municipal Areas and Zoning Criteria). If municipal officials find that applicants lack a qualification or fail to meet any condition prescribed by laws, they may ban the operation within 60 days after SCIA submission. The ban shall not be imposed if applicants take necessary measures to comply with the qualification or the condition within 30 days of being informed by municipal officials. A medium or large retail business need a trade license. If applications for the license comply with municipal officials' stipulations related to retail plans and general regional regulations, municipal officials have the duty to issue the license to applicants.

A medium retail business may open, relocate, or expand its area (to the maximum area allowed for a medium retail business) with the license issued by municipal officials in its area. In an event that municipal officials do not reject an application for medium-retail-business license within a deadline (90 days since the submission of applications), applicants shall be considered as having been granted the license (in the process known as "Silent Consent").

The opening of a large retail business and its expansion are under regional regulations. Operators must comply with commercial-area regulation plans, with their shops adhering to environmental and town-planning rules. To open, relocate, or expand a large retail business, business operators must obtain a permit from municipal authorities in their area. Within 60 days since the submission of applications, municipal authorities must convene a committee meeting. This committee shall comprise three members namely a representative of the region, a representative of the province, and a representative of the municipality. The permit can be granted only with the approval from the representative of the region. Regional authorities have the duty to formulate guidelines governing large retail businesses, including general guideline on when an applicant shall be considered as having got the permit if there is no clear rejection of their application (no more than 120 days since the committee holds its meeting).

Operators of retail non-food businesses have the duty to comply with "Good Reputation" stipulations of Article 71 of Legislative Decree 59/2010 (they must not be convicted of several types of crimes). Retail food business operators shall have to comply with specific guideline on their professions too.

In addition, the Parliament of Italy is now reviewing a draft law that may require shops and department stores to close on Sunday and national holidays. At present, it remains unclear as to whether the draft law will receive parliamentary approval and whether the said draft law will grant certain exemptions. There are also uncertainties about how local authorities will enforce this law, if it is introduced.

2. Law on Food and Beverage Services

In Italy, services related to food and beverages including alcoholic drinks for members of the public or in a public space are under Law No. 287/1991 that is issued pursuant to Legislative Decree 59/2010 as well as regional/local laws/rules (including those of municipalities). Such services refer to the distribution of food and beverages to customers for consumption within the places of business (such as bars or restaurants) or a public space or an area designated for food/beverage services (Article 1 of Law No. 287/1991).

Generally, to start or transfer a food/beverage business requires the submission of a letter on the start of operations or SCIA (segnalazione certificata di inizio attività). With the submission, the business can be immediately launched while officials reserve the right to review documents or compliance with applicable regulations for 60 days since the submission (Article 54, Clause 1 of Legislative Decree 59/2010).

For a business unit located inside a protected area (such as old town, historical town, or art town), the start or transfer of food/beverage business is subject to provisions on official license applications and certain restrictions such as the maximum number of new businesses allowed (Article 54, Clause 3 of Legislative Decree 59/2010).

Starting a business requires compliance with regulations on town planning, laws on building controls, hygiene, and workplace safety (Article 54 Clause 6 of Legislative Decree 59/2010), as well as any technical standards issued by local authorities. Regarding a food/beverage business, Article 71 of Legislative Decree 59/2010 stipulates that business operators must comply with good reputation stipulations (as mentioned earlier for retail businesses) as well as requirements related to their professions. For example, the operators of food/beverage businesses must undergo training related to their operations, food/beverage preparations and management. Also, the operators must complete secondary education or higher education in the field of trade and food preparations. In addition, they must have operated food services/food and beverage services for a combined period of at least two years during the past five years prior to applying for a license (Article 71, Clause 5 of Legislative Decree 59/2010).

3. Laws on Jewelry Trade

Regarding stipulations on jewelry retail, Article 127 of Consolidated Act of Public Security (pursuant to Royal Decree No. 773 dated 18 June 1931 or "ICAPS") requires manufacturers, traders, or agents of gems or precious items to seek and obtain a license from the chief of police departments in their areas (enforcing local officials). This license applies to all kinds of shops or retail outlets of the same company, regardless of where they are located (Article 127.4 of ICAPS). These legal stipulations apply to foreign traders, manufacturers, and entrepreneurs engaged in the distribution of precious metals in Italy.

Agents, representatives, and salespersons of the foreign entrepreneurs have the duty to seek the license by proving their status based on certificates issued by authorities of countries where their companies have been registered. The certificates must be certified by an Italian consulate too (Articles 127.5 and 5.6 of ICAPS). Article 243 of rule on ICAPS compliance, which is pursuant to Royal Decree No. 635 dated 6 May 1940, stipulates that manufacturers, traders, and agents of precious metals have the duty to seek a license from police chiefs even when they conduct their operations on an occasional basis. The issuance of licenses shall be subject to some ethical requirements as stated in Article 11 of ICAPS (for example, license holders must not be a convict of serious crimes against others, theft, robbery, extortion, kidnapping, or a crime against the state or public order).

4. Laws on Beauty-Salon Operators

Operations related to hair and beauty services pursuant to Article 241/90 and amendments require "SCIA", which must be submitted to the Single Productive Activities Desk (SUAP) of an applicable jurisdiction. Whether conducted in a private or public place at a fee or without a fee, operations related to hair and beauty services are under subjective and objective legal requirements:

4.1 Subjective requirements refer to:

a) Moral code pursuant to Article 71 of Royal Decree No. 59/2010 and amendments, as well as Royal Decree No. 159/2011 (Code of Mafia Suppression); and

b) Professional stipulations pursuant to related laws.

4.2 Objective requirements refer to:

a) Ownership of land and buildings (agreements on ownership, the right to reap benefits from, lease, and borrowing) that is registered under laws; and

b) Compliance with regulations on land and buildings pursuant to sanitation, building and town planning laws.

Manicurists, tattoo artists, and body piercers may proceed with service checks through a jurisdiction of health services mentioned in regulations on land and buildings, equipment, goods and others, laws related to employees' health and safety, and rules on preventive measures for safety by consulting Circular 05.02.1998 No. 2.9/156 "Subject: Ministry of Public Health's Policy Guideline on Tattoo and Body Piercing Procedures" and explanations mentioned in Circular 16.07.1998, which are given for efficient contacts related to health and sanitation with municipal offices. Operators for the aforementioned businesses must meet, if any, professional qualifications, as required by laws.

5. Laws on Personal Data Protection

EU Regulation No. 679 dated 27 April 2016 of the European Parliament and the Individual Protection Committee on the processing and free flow of personal data ("General Data Protection Regulation" or "GDPR") and the Italian Law No. 163 dated 6 November 2017, which was approved under Legislative Decree No. 101 dated 10 August 2018 ("Decree 101"), aim to lay down GDPR as a legal framework for Italy in regard to personal data protection that applies to companies and organizations in Europe. Personal data means any data that can be used to identify a person. Decree 101 has taken effect from 19 September 2018, automatically canceling the Italian Law No. 196 dated 30 June 2003 ("Code of Data Protection") and introducing new stipulations for data protection that are in line with GDPR.

Many stipulations of GDPR are related to the core businesses of the Company. For example, the Company is required to send a letter on personal data to data owners again and also to comply with legal requirements on the processing, collection, recording, and storage, or any action regarding personal data; assessments of data-protection impacts; and the appointment of data controllers. Violations against GDPR may result in an administrative punishment in the form of a fine of up to 20,000,000 euro or no more than four percent of the Company's global revenue in the past accounting year, whichever amount is higher. Decree 101 of Italy has been amended to ensure its adequacy and compliance with GDPR in regard to data protection. As parts of the amendment, criminal punishments are also prescribed (for example, a jail term of up to six years) for violations (such as the disclosure of certain types of information or unauthorized marketing).

6. Laws on Consumer Protection

Selling goods to retail customers is under Italy's law on consumer protection, which is issued pursuant to Legislative Decree No. 206/2005 ("Code of Consumer Protection"). This law protects consumers in every stage of selling process including marketing, the disclosure of product information and prices,

product safety and quality, disclosure of contractual information, fairness, and class-action lawsuit procedures.

In addition, the Code of Consumer Protection bans unfair trade. Trading activities shall be considered unfair when they are against the guideline on professionals' precautions, materially distort information, or may materially distort economic activities of general consumers or members of target groups. In particular, unfair trade practices cover (1) misleading trading activities and (2) aggressive trading activities. Misleading trading activities refer to practices that use or contain false information, or generally deceive consumers into making a transaction even when the information is correct in essence. If the said information prompts consumers into making a transaction that they might not do if taking into account all relevant topics such as the availability or conditions of products, prices, pricing method, and price advantages, it is considered misleading in all events. Aggressive trading activities refer to events whereby trading practice violates consumers or forces them with physical means or illegitimate influence in a way that significantly strips them of the freedom to choose or take an action regarding that product, and making them or having the possibility to make them do a transaction that they would not do otherwise.

The Code of Consumer Protection also defines what are considered unfair contracts between professionals and consumers. According to the code, a contract is unfair when it is dishonest and causes significant inequalities in the rights and duties under the contract with consumers at a disadvantage. Under the code, any unfair clause of contracts shall be invalid while other clauses remain enforceable.

Under the Code of Consumer Protection, sellers have the duty to submit products to consumers without delay or within 30 days after the signing of contracts. The products can be submitted by a transfer of ownership or by handing over the control of the said product to consumers.

If the seller is also a manufacturer, it shall be subject to manufacturers' liability stipulations. It must take responsibility when a product is defective. A defective product is a product that cannot be used safely, failing to meet the reasonable expectations of persons. These stipulations take into account related issues such as: (1) distribution method; (2) reasonable use of products; or (3) distribution period. In events of defective products, manufacturers must pay compensation for damages caused to a life or body, as well as assets in addition to the defective product on conditions that that product is for personal use and the damaged party is the main product user.

Lastly, it should be noted that the Code of Consumer Protection stipulates a guideline on consumer goods warranty. In particular, the code states that sellers have the duty to deliver products to consumers in line with purchase agreements and shall also be liable to consumers if the delivery fails to meet any stipulation of the contract. In an event of contractual breach, consumers may exercise judgment in asking the sellers to repair or replace products without any additional expense. If the sellers fail to provide such remedy or fail to proportionately remedy the damages, consumers may ask for a discount or the cancellation of the contract. End-sellers shall be liable to consumers for any contractual noncompliance arising out of an action or an inaction of manufacturers, any seller, or any intermediary in the same chain. When shouldering such liability towards consumers, end-sellers shall have a right of recourse against others in the same chain for the contract except when it has been agreed otherwise or when end-sellers have agreed to waive this right. Sellers shall have the duty to inform consumers of any non-compliance detected within two years of their acceptance of products. Consumers shall also have the duty to inform sellers of any non-compliance detected within two years since the detection. Consumers, however, shall not have the duty to inform sellers of non-compliance in an event that sellers are fully aware of it or try to conceal it.

7. Laws on Employment and Hygiene Including Workplace Safety

Laws and regulations on employment, including collective bargaining agreements, aim to protect employees and ensure that their workplace is safe and complies with legal requirements. Law No. 300/1970 ("Employment Law") covers other laws that stipulate general principles and rights (individual or collective) for employees' benefits, for example, the right to establish or join an organization/a strike, economic benefits, and protection against discrimination and unfair termination of employment.

Regarding employment with clearly specified employment period and staff-leasing, Italian laws and collective bargaining agreements set the maximum number of employees who were recruited without a specified end of employment period in the past year, the maximum length of such employment contracts, the maximum number of renewals, and needs (for some situations) to provide guideline on how to hire employees with a clear employment period. Legal entities hiring employees with clear employment period and temporary employees are under the aforementioned legal stipulations.

Companies in Italy must comply with Legal Guideline on Employment No. 68/1999. Under this legal framework, companies must hire physically challenged persons as well as members of protected groups such as orphans and war widows. There are specific guidelines on how to calculate the number of physically challenged or vulnerable employees, as well as how to fulfill employers' other duties.

Moreover, criteria laid down by Decree No. 81/2008 require that companies implement safety measures so as to prevent accidents at workplaces as well as occupational health problems.

8. Laws on Legal Entities' Liabilities

The Organizational Model and the Supervisory Board for the management of corporate procedures aimed at the prevention of crimes committed by the management, in the interest of the Company, as an exoneration of the entity's liability.

Legislative Decree No. 231 dated 8 June 2001 ("Decree 231") lays down guideline on legal entities' administrative liabilities. This guideline applies to companies as well as associations, regardless of whether they are legally recognized as juristic persons or not. Duties and liabilities of legal entities are referred to as administrative duties and liabilities even when liabilities arise out of crimes. The Criminal Court shall be responsible for handling cases related to administrative liabilities through criminal proceedings.

Decree 231 applies to various cases and to any company (hereinafter called "organization"). Under this decree, organizations may be liable to criminal actions done for their benefits with persons taking liabilities for (collectively referred to as "representatives") such events are: (a) person holding the highest position that represents the organization, the Management, or executives in any line of the organization who can act alone in regard to finance and operations, or persons involved in the management of the organization; and (b) the person holding the next lower level or persons under the command or supervision of the highest executive.

Organizations shall have to take administrative liabilities for crimes, including:

(1) Criminal offenses related to contacts with state officials such as bribery or embezzlement of public fund;

(2) Computer crimes/criminal offenses related to data processing;

(3) Organized crimes;

(4) Public frauds (such as currency counterfeiting, credit-card or revenue-stamp forgery);

(5) Crimes done to trade and industries;

(6) Corporate crimes (bribery within private sector);

(7) Terrorism or overthrowing of democratic system;

(8) Crimes related to female genital mutilation;

(9) Crimes done to a person (including some illegitimate forms of employment);

(10) Crimes related to unfair practices in the market (such as insider trading);

(11) Crimes namely manslaughter and a violation of hygiene/workplace safety laws that cause serious injuries or serious accident to a person;

(12) Crimes related to acceptance of stolen items, money laundering, use of ill-gotten money or goods, and self-laundering;

(13) Intellectual-property crimes;

(14) Persuading a person to not respond to a request or providing false information to judicial officials;

(15) Environmental crimes (including actions that have just been classified as crimes namely polluting environment and causing environmental disasters);

(16) Hiring illegal migrants;

(17) Racist and xenophobic crimes; and

(18) Some types of international crimes

Decree 231 states that organizations may use management and control system ("Control System 231") that is appropriate for the prevention of legal offenses to disclaim liabilities related to the decree. Although the law does not make Control System 231 mandatory, organizations should use such system to avoid liabilities. For example, if its top executive commits a crime, the organization may not be held liable for the crime if it can prove that:

(1) The organization has prepared and implemented Control System 231 prior to the crime;

(2) The organization has assigned an independent internal unit to supervise Control System 231 (the "Supervisory Board");

(3) The person committing the crime has deceived Control System 231; and

(4) The internal unit in charge has correctly controlled and supervised Control System 231.

The organization needs to monitor the implementation of Control System 231 on a continued basis to uphold its efficiency and also to ensure that its members have constantly complied with the system.

In order for the model to be considered valid and effective, it must be kept constantly updated on the new legal provisions included as a scope of application, and that all the subjects involved are aware of it and have undergone the appropriate training.

9. Laws on Lease Agreement of Immovable Property in Italy

Italian law has specified conditions regarding lease agreement of immovable property as following details:

- The term of lease agreement cannot exceed 30 years.

- Lease agreement does not need to be in writing unless term exceeds nine years, in such a case the agreement must be in written form and cannot be claimed against third parties, unless recorded in books at the Conservatoria dei Registri Immobiliari (Keeper of Real Property Records).

- Subleasing agreement is permitted, unless contrary provisions in lease agreement.

  - Lessor must:
    1. deliver property to lessee in good state of repair;
    2. keep it in condition such as will be suitable for use agreed;
    3. ensure its peaceful enjoyment throughout the lease.
  - Lessee must:
    1. take delivery of property and observe diligence in using it for agreed purposes;
    2. pay rent on dates agreed;
    3. return property to lessor upon termination of lease in same condition as originally delivered, subject to normal wear and tear.

  Lessee is liable for loss or deterioration of property (even as a result of fire), unless he proves that loss or deterioration occurred for reason not due to him. Lessee is not entitled to compensation for his improvements to property, unless such improvements were agreed by lessor.

- Lease agreements for specified term terminate at expiration thereof without notice. On the other hand, lease agreement agreed for indefinite term will terminate upon giving by either party to other of notice agreed or required by custom; if after termination of the agreement, lessee is left in possession of property, lease is deemed to have been renewed for indefinite period.

Lease agreement of commercial premises (Law No. 392/1978)

- Commercial lease agreements in Italy have a minimum duration of 6 years for industrial, commercial, professional, or tourist leases which are automatically renewable for another 6 years; and 9 years for hotel leases which are automatically renewable for another 9 years.

- Increases of rent cannot exceed preset index-linked threshold.

- Termination of commercial lease agreements in Italy

Commercial lease agreements in Italy can be terminated in the same cases seen with residential leases.

Termination by lessee: the lessee can withdraw from the contract at any time by giving prior 6 months written notice with registered letter provided the withdrawal is based on serious reasons; breach of contract or by mutual consent; tenant's refusal to renew the lease agreement.

Termination by lessor: after the initial period (6 or 9 years) the landlord can refuse the renewal of the commercial lease provided a termination notice is sent to the tenant 12 months (for industrial, commercial, professional, or tourist leases) or 18 months (for hotel leases) prior to the expiry date of the contract.

The landlord is not required to provide a reason to end the lease at the expiry of the second 6-year term. However, the law requires the landlord to indemnify the tenant for the loss of goodwill in terminating or refusing to renew the lease agreement.

The indemnity for loss of goodwill

(i) equal to 18 times the amount of the last rent paid in case of commercial leases;

(ii) equal to 21 times the amount of the last rent paid for hotel leases.

If the landlord leases the property to anyone who exercises the same activity carried out by the previous tenant, and the new activity starts within one year from the termination of the previous one, the tenant is entitled to double the above-mentioned amounts.

The goodwill indemnity is not due by the landlord if the lease agreement is terminated in one of the following cases:

1. tenant breaches the contract;
2. tenant withdraws the contract;
3. tenant refuses to renew the lease agreement;
4. tenant carries out activities that do not require direct contact with the public;
5. tenant exercises a professional occupation (e.g., lawyer);
6. tenant carries out activities which have a temporary nature or is located in buildings complementary to, or inside railway stations, ports, airports, roads or motorway service areas, hotels, and tourist villages.

C. Vietnam

1. Laws on Enterprises and Investments

The first significant legal framework for establishment and operation of private enterprises in Vietnam was adopted in 1990. In 1999, Vietnam passed the first comprehensive law governing the establishment and operation of Vietnamese private enterprises, in parallel with laws on State-owned enterprises. This law has made a major change – enabling the registration of a company instead of requiring a company to seek a license that was granted on authorities' judgments. During this period, foreign investment was mentioned in various laws, including laws on private enterprises, law on foreign investment in Vietnam, and laws on domestic investment promotion.

On 29 November 2005, the National Assembly of the Socialist Republic of Vietnam ("National Assembly of Vietnam") passed the new Law on Enterprises (with amendments made through Law No. 38/2009/QH12 on 19 June 2009). It also passed Law on Investment in 2005 with aim to streamline bureaucratic procedures and promote equal treatments towards Vietnamese and foreign businesses. The aforementioned laws as well as regulations issued under them provided clearer legal framework for foreign investors to invest in Vietnam, including in sensitive sectors such as retail, educational and vocational training, hospitals and clinics services. In addition, since 11 January 2007, Vietnam became a member of the World Trade Organization (WTO) and had to honor its obligations under the WTO especially the Schedule of Specific Commitments in Services, including notably obligation to comply with its commitment to open the Vietnamese market to foreign investors in sectors such as telecommunication, distribution, banking and insurance, transportation. Nearly one decade after the issuance of the aforementioned laws on enterprises and investments, it became evident that a legal reform must happen to update Vietnamese regulations on enterprises and investments for the purpose of creating transparent and balanced environment. In response to such need, the National Assembly of Vietnam passed the Law on Enterprises No. 68/2014/QH13 ("Law on Enterprises 2014") consolidating all laws and regulations on enterprises (including private-owned and State-owned enterprises) and the Law on Investment No. 67/2014/QH13 on 26 November 2014 ("Law on Investment 2014") to replace the old laws from 1 July 2015 onward.

After six years of implementation, as from 1 January 2021, Law on Enterprises 2014 and Law on Investment 2014 were replaced by Law on Enterprises No. 59/2020/QH14 ("Law on Enterprise 2020") and the Law on Investment No. 61/2020/QH14 ("Law on Investment 2020") dated 17 June 2020. In addition to some tangible changes notably to tighten the State authorities'

selection of investors for important projects, these new laws reflect Vietnam's efforts to ease foreign investors' burdens through the following amendments:

1.1 Connected Transactions

While the Law on Enterprise 2020 gives a broad definition of connected persons, it does not govern all types of their transactions. Only contracts/transactions between the Joint Stock Company ("JSC") or Limited Liability Company ("LLC") and some of its connected persons are regulated under the Law on Enterprise 2020. In JSC cases, connected persons mean (1) any shareholder, authorized person of shareholder being a corporation holding more than 10 percent of the JSC's already-issued shares and persons related to such shareholder/authorized person; (2) Members of the Board of Management, managing director and persons related to them; (3) A business owned by Members of the JSC Board of Management, inspector, managing director, or manager or having such persons as its shareholders; and (4) A business jointly or separately owned by persons related to Members of the JSC Board of Management, managing director, or manager or having such persons as shareholders with the combined shareholding percentage of over 10 percent of JSC's registered capital. To conduct a connected transaction or transactions between connected persons, JSC must seek approval from its applicable unit and shareholders or members of the Board of Management having vested interest in that transaction (whichever is the case) shall have no voting right on the said transaction.

1.2 Restrictions on Foreign Investments

Restrictions on foreign investments are stipulated in (1) Vietnam's commitments to the World Trade Organization, international conventions, and bilateral agreements to which Vietnam is a party; and (2) Vietnamese laws. Vietnam's commitments in international conventions are generally commitments to open the Vietnamese market to foreign investors in various key service sectors, which may be subject to specific market opening time schedule or foreign investment ownership ratio. Vietnamese authorities are required to take into account these commitments when reviewing a foreign investor's investment project proposal in Vietnam.

Vietnamese laws also set certain restrictions on foreign investments in Vietnam provided that such restrictions must not be contrary to Vietnam's commitments in international conventions which Vietnam is a party. These restrictions may take the form of prescribed forms of investments, foreign shareholding restrictions, mandatory licenses for foreign investors and other requirements.

Especially, Decree No. 31/2021/ND-CP implementing the Law on Investment 2020 enacted the List of business lines with restricted market access for foreign investors, which is the so-called "Negative List". This List includes (1) The Prohibited List, where falling to this one, the foreign investors are not allowed to invest in these sectors; and (2) The Conditional List, provided that the relevant market access conditions are satisfied, foreign investment in these sectors is permitted. Foreign investment in sectors not falling under the Negative List will be allowed to apply market access conditions as prescribed for domestic investors.

In addition, there is a new foreign ownership threshold for the purpose of investment procedures in the Law on Investment 2020. The foreign ownership threshold in a Deemed Foreign Investor is reduced from "51 percent" of the charter capital under the Law on Investment 2014 to "more than 50 percent" of the charter capital in the Law on Investment 2020.

1.3 Investment Protection

The Law on Investment 2020 has general investment protection provisions. In principle, lawful assets of investors shall not be nationalized nor confiscated by administrative measures. In certain exceptional cases (such as requisitions for national defense and security), the investor may be compensated for their investments in Vietnam. In addition, the law protects investors' right

to investment incentives in case of change of law and foreign investors' right to transfer their lawful assets out of Vietnam. Foreign investors may also choose how to settle a dispute between them and the Government over their investments in Vietnam – taking the case to the Vietnamese arbitration committee or a Vietnamese court – for the purpose of ending the dispute and protecting their legitimate interests (except when stated otherwise by applicable agreements or international conventions to which Vietnam has been a party).

2. Acceptance and Enforcement of Foreign Final Rulings/Verdicts

2.1 Final Ruling of Foreign Arbitration Committees

Article 424.1 of the Civil Procedure Code No. 92/2015/QH13 (passed by the National Assembly of Vietnam on 25 November 2015) ("Civil Procedure Code") states that a Vietnamese court shall consider accepting and enforcing a foreign arbitration committee's final ruling if it is passed in a country that has ratified the same and relevant international conventions as Vietnam (such as New York Convention) or if the final ruling is passed by that country's arbitration committee. Also, a Vietnamese court may consider accepting and enforcing a foreign arbitration committee based on a reciprocal basis even when Vietnam and the other country involved are not parties to the same convention.

Under Article 459 of the Civil Procedure Code, a Vietnamese court shall not accept and enforce a foreign arbitration committee's final ruling when finding that (1) the acceptance and enforceability in Vietnam would contravene "the fundamental principle of Vietnamese laws", or (2) the dispute is not arbitrable in accordance with Vietnamese laws. Besides, subject to evidences provided by the judgment debtors, the court may refuse to accept and enforce a foreign arbitral award for certain breaches of arbitral procedures.

Article 6 of the Law on Commercial Arbitration No. 54/2010/QH12 (passed by the National Assembly of Vietnam on 17 June 2010) stipulates that, "If there is already an arbitration agreement between the parties in the dispute and one party brought the dispute to a court, that court must reject it except in events that the said arbitration agreement is considered invalid or unenforceable". A Vietnamese court may invoke this article in denying its jurisdiction over a dispute when parties in the dispute earlier agreed to settle any of their dispute through arbitration process.

2.2 Verdicts/Rulings of Foreign Courts

Article 423.1 of the Civil Procedure Code states that a Vietnamese court shall consider accepting and enforcing a foreign court's civil verdict (1) if it is passed by a foreign court of a foreign country that has signed a mutual legal assistance treaty with Vietnam; or (2) if it is based on a reciprocal basis even when Vietnam and the other country involved are not parties to the same convention; or (3) if Vietnamese laws allow the acceptance and enforceability of that verdict. Therefore, a verdict of a federal/state court passed in the country that has not entered the same convention on the acceptance and enforceability of a court verdict as Vietnam may not be accepted and enforced in Vietnam.

In addition, Article 439.8 of the Civil Procedure Code stipulates that a foreign court's verdict may not be accepted and enforced in Vietnam if a Vietnamese court rules that the acceptance and enforceability in Vietnam would contravene "the fundamental principle of Vietnamese laws", among other grounds stated in Article 439 of the Civil Procedure Code.

3. Law on Trade and Commerce

Trading and commercial activities in Vietnam are regulated under the Law on Commerce No. 36/2005/QH11, which was passed by the National Assembly of Vietnam on 14 June 2005 ("Law on Commerce"). This law applies to profit-generating commercial contracts (This law may also apply to contracts between a commercial party and a non-commercial party if the non-commercial party agrees to comply with this law). Under this law, commercial activities are defined as

activities done for the purpose of generating profits, including selling and buying goods, providing services, investing, commercial promotions, and any activities that focus on profits. In general, Law on Commerce lays down (1) the fundamental legal principles of commercial contracts namely the freedom of entering into contracts, making of contracts, and handling the consequences of breaches of contracts, (2) forms of conducting commercial activities of foreign traders in Vietnam, (3) regulations on sale and purchase of goods on contractual basis and via goods exchange and on providing services, (4) commercial promotions, commercial intermediary activities, and other specific commercial activities (e.g. commercial processing, goods auction, etc.).

4. Law on Foreign Trade Management

On 12 June 2017, the National Assembly of Vietnam passed the Law on Foreign Trade Management No. 05/2017/QH14 that lays down regulations on foreign trade management measures, development of foreign trade activities, and solutions to disputes related to foreign trade ("Law on Foreign Trade Management"). This law aims to set standards for legal stipulations on foreign-trade activities and to integrate trade-related remedial measures to centralized mechanisms for the purposes of simplifying complicated bureaucratic process, promoting transparency and enhancing equality. The law also provides measures to promote foreign trade activities between Vietnam and foreign countries with a view to better protecting the legal rights and benefits of the state as well as business operators, and promoting domestic manufacturing and exports.

Under the Law on Foreign Trade Management, foreign trade activities mean activities conducted to exchange products between countries in the forms of exports, imports, temporary imports and re-exports, temporary exports and re-imports, trade, transits, and any other activities related to international exchanges of products pursuant to Vietnamese laws and international conventions that Vietnam has ratified.

5. Distribution and Other Trading Activities

On 15 January 2018, the Vietnamese Government issued Decree No. 09/2018/ND-CP to promulgate the enforcement of the Law on Trade and Commerce and the Law on Foreign Trade related to foreign investors'/ foreign businesses' trading activities and directly related activities in Vietnam ("Decree 09"). From 15 January 2018, Decree 09 replaced Decree No. 23/2007/ND-CP of the Vietnamese Government dated 12 February 2007 that laid down guideline on trading activities and directly related activities of enterprises invested by foreigners in Vietnam ("Decree 23"). Under the Decree 23 and its implementing circulars, investment certificates issued to enterprises that were invested by foreign investors could be used as a trading license. Such enterprises, as a result, could conduct trading activities mentioned in investment certificates. However, the Decree 09 clearly stipulates that those enterprises invested by foreigners shall have to seek a separate license for their trading activities ("Trade License").

5.1 Trade License

Enterprises invested by foreigners shall obtain a trade license to conduct trading activities as follows: (1) Retailing goods, provided that retailing of rice, sugar, newspapers, magazines, and tapes is subject to specific requirements; (2) Imports and wholesaling of petroleum products and lubricants; (3) Logistic services excluding certain sub-sector logistic services that Vietnam committed to open in accordance with international conventions it has ratified; (4) Lease of goods except financial leases and leases of construction equipment which includes operators; (5) Trade promotion services except advertising; (6) Trade intermediary services; (7) E-commerce services; and (8) bidding services. Enterprises invested by foreign investors that engage in defined trading activities outside the scope of the aforementioned activities, for example, import (except petroleum products and lubricants) and export, do not need to obtain a trade license.

A trade license is valid for five years if investors do not come from countries that have ratified the same international conventions as Vietnam, or if their business activities are not covered by those conventions, or if their traded products are not on the list of items entitled to market access under those conventions. Decree 09 does not mention the validity of trade license for other trading activities.

The provincial Department of Industry and Trade in provinces where enterprises invested by foreigners are located have the power to issue their trade license. According to Decree 09, the review process for a trade license takes 28 working days (including the time used to consult the opinions of the Ministry of Industry and Trade and relevant authorities). All procedures can be longer in practice.

An enterprise invested by foreign investors that operates without a trade license shall be liable to (1) a fine of up to 40,000,000 Vietnamese dong (or about 1,662 US dollar); (2) up to three months of business suspension; and (3) confiscation of revenue from its illegal businesses.

5.2 Retail License

Under the Decree 23, enterprises invested by foreigners that have been issued with an Investment Certificate did not need to obtain a separate retail license for the establishment of their first retail outlet. However, the Decree 09 now stipulates that those enterprises invested by foreigners shall have to seek and obtain a retail license for each of their outlets including their first outlets. In addition, before opening new outlets except for their first outlets, economic needs for such outlets must be determined first except if the new retail outlets have less than 500 square meters of space each or are located inside department stores and are not a convenience store or a mini supermarket.

A retail license is valid for the remaining period of projects where the outlet is located, as shown in the investment registration certificate of a company involved. If the company involved does not have an investment registration certificate, its retail license shall be valid for as long as the validity term of the document evidencing the investor's right to use the location to operate the retail outlet.

The provincial Department of Industry and Trade in provinces where retail outlets are located have the power to issue retail licenses. Under Decree 09, the review process for the license to set up the first outlet takes 20 working days (there is no need to determine economic needs first). The review process for the license to set up other retail outlets takes 58 days (check of economic needs is mandatory). In all events, the provincial Department of Industry and Trade must consult the opinions of the Ministry of Industry and Trade prior to issuing or amending retail licenses. All procedures can be longer in practice.

An enterprise invested by foreigners that operates without a retail license is liable to (1) a fine of up to 40,000,000 Vietnamese dong (or about 1,662 US dollar); (2) up to three months of business suspension; and (3) confiscation of revenue from its illegal businesses.

5.3 Liquor Trade

The current regulation on the control of liquor production and trade is the Decree No. 105/2017/ND-CP of the Government dated 14 September 2017, as amended by Decree No. 17/2020/ND-CP of the Government dated 5 February 2020 ("Decree 105"). This Decree governs activities related to liquor trade, covering the production, import, distribution, wholesaling, retailing, and selling for immediate consumption at designated space. Alcohol-beverage trade is subject to legal stipulations. Decree 105 stipulates that a business selling alcohol (including distribution, wholesaling, and retailing) must

obtain a license to sell alcohol from the Ministry of Industry and Trade or the local Department of Industry and Trade (depending on each case). An enterprise shall have the right to sell alcohol from the day of license granting. Under Decree 105, there are three types of licenses to sell alcohol namely alcohol-selling licenses, alcohol-wholesaling licenses, and alcohol-retailing licenses (collectively referred to as "licenses to sell alcohol"). Sellers of alcohol products from 5.5% alcohol must comply with legal requirements to obtain the license to sell alcohol, for example, requirements on trade systems and contracts with business partners and annually report to the licensing authorities on alcohol trading status of the previous year. A license to sell alcohol is valid for five years and renewable. Decree No. 17/2020/ND-CP supplements a chapter on trading of alcohol products of less than 5.5% alcohol. Notably, sellers of alcohol products of less than 5.5% alcohol must comply with legal requirements on food safety and register to the Economic Department/Economic and Infrastructure Department under the district People's Committee before operation.

5.4 Promotion

Promotion is a part of trade/commerce development and under both the Law on Commerce and Decree No. 81/2018/ND-CP, which was issued by the Vietnamese Government on 22 May 2018. Depending on promotion forms, promotion plans and their amendment or supplementation (if any) must be registered or reported to the provincial departments of industry and trade or the Ministry of Industry and Trade prior to implementations. Relevant authorities must also be notified of other promotion plans.

5.5 Supermarkets

Supermarkets and shopping malls are categorized based on criteria provided in Decision 1371/2004/QD-BTM of the Commerce Ministry (currently known as the Ministry of Industry and Trade) dated 24 September 2004 and confirmed by the local Department of Industry and Trade. In addition, supermarkets and shopping malls must also prepare their own internal rules and register them with provincial Department of Industry and Trade. Generally, supermarkets and shopping malls must comply with local commerce/trade network development plans. A draft Circular regulating the classification and management of a number of trade infrastructure (including supermarkets, commercial centers, convenience shops, and outlets) has been released by the Ministry of Industry and Trade on May 2022 for public comments.

6. E-Commerce

An enterprise invested by foreigners must obtain a trade license to operate e-commerce. In addition, the Vietnamese Government passed Decree No. 52/2013/ND-CP on 16 May 2013 to provide regulations on the development, use, and management of e-commerce ("Decree 52"). Decree 52 applies to all traders, organizations, and persons engaged in e-commerce including foreign traders and organizations doing e-commerce activities in Vietnam. The said traders, organizations, and persons shall have to notify and/or register themselves with the Ministry of Industry and Trade so as to legally operate e-commerce.

On 25 September 2021, the Government issued Decree No. 85/2021/ND-CP amending and supplementing a number of Articles of Decree 52. Notably, this Decree adds a new Section imposing requirements and liabilities on foreign traders and organizations conducting the following e-commerce activities in Vietnam: (1) running websites providing e-commerce services in Vietnam, (2) selling goods on Vietnamese e-commerce spaces, or (3) accessing Vietnam's market in accordance with regulations on investment.

6.1 Notification of Commercial Websites to the Ministry of Industry and Trade

If traders, organizations, or persons create sales e-commerce websites to give information on their trade promotion and sale of products/services, they must notify the Ministry of Industry and Trade via its E-commerce Management Portal before officially selling products/services.

6.2 Registration of Commercial Websites to the Ministry of Industry and Trade

Any e-commerce service provision website created for any of the following activities shall have to be registered with the Ministry of Industry and Trade: (1) E-spaces where other traders, organizations, and persons can fully or partially sell their products/services; (2) Promotion for the sale of products/services of other traders, organizations, and persons; and (3) E-auction websites where other traders, organizations, and persons can also organize auctions.

7. Food Industry in Vietnam

7.1 Food Safety and Applicable Authorities

Before 1 July 2011, Vietnam did not have a comprehensive food law except Ordinance No. 12/2003/PL-UBTVQH11 dated 26 July 2003 on food safety and hygiene ("Ordinance on Food Safety and Hygiene") and several overlapping laws and regulations that prescribed legal requirements on food safety, hygiene, product quality and standards. However, from 1 July 2011 onward, the said ordinance was replaced by Law on Food Safety No. 55/2010/QH12 dated 17 June 2010 and amended in 2018 ("Law on Food Safety"). Under the new law, requirements become stricter for events affecting public interests. Also, in addition to food safety in food manufacture and trade as already mentioned and regulated in Ordinance on Food Safety and Hygiene, the Law on Food Safety provides further detailed guidelines on food label, food advertising, remedial guideline for cases related to food safety, food-safety risk analyzes, information and communication regarding food safety and state responsibility for food safety management (including other relevant topics).

Food products in Vietnam are under the supervision of several ministries such as the Ministry of Public Health, the Ministry of Agriculture and Rural Development, the Ministry of Science and Technology, the Ministry of Industry and Trade, and the Ministry of Natural Resources and Environment. The Ministry of Public Health is the key agency in promulgating general requirements on food safety and hygiene, including food packaging. The Ministry of Agriculture and Rural Development, meanwhile, is responsible for formulating stipulations on food safety and hygiene involving initial production of agricultural produce, forestry, fisheries, and salt. The Ministry of Industry and Trade directly governs food safety in manufacture, trade, import and export of alcohol, beer, beverage, and certain other food products. Meanwhile, the Ministry of Science and Technology is principally in charge of state governance regarding product-quality control, and the Ministry of Natural Resources and Environment focuses on environmental protection.

7.2 Food Safety and Hygiene

Law on Food Safety provides safety requirements for business venues engaged in food production, food storage, food business operations, and any business related to food (including production, processing, transportation, import/export, trade, and storage). Under this law, operators of such business venues must obtain "certificate of compliance with food safety and hygiene requirements" (Known in Vietnamese language as "Giấy Chứng Nhận Cơ Sở Đủ Điều Kiện An Toàn Thực Phẩm").

In addition, business venues related to food shall have to comply with additional regulations issued by relevant ministries. For example, Law on Food Safety and Decree No. 15/2018/ND-CP dated 2 February 2018 of the Vietnamese Government requires that food producers/traders comply in full with requirements related to (1) Establishment conditions; (2) Equipment and tools; and (3) staff who are directly related to food production and/or trade (In other words, they must comply with requirements on health, knowledge and practice, as well as acquire health certificate and the certificates of training in consumer goods safety and hygiene) (and other relevant conditions).

This new law is different from Ordinance on Food Safety and Hygiene in that it prescribes both general conditions and specific conditions, which are designed to promote the safety of certain food products such as (1) Food must comply with applicable technical requirements; (2) Food must meet contaminant limits in regard to pathogenic microorganisms, pest-prevention products, pesticides and preservatives; and (3) Food must adhere to conditions related to ingredients, contaminants, food packaging and labels, and preservatives that are prescribed by specific rules for specific food types. In addition, the new law provides specific safety requirements on some specific types of food, such as the origin conditions, as well as requirements on food equipment and packaging materials. This law also requires hygiene certificates of animals used for fresh food.

On the overall, Vietnamese laws handle food-safety risks based on four main principles: (1) Tests by an authorized agency upon request by a relevant authority or person; (2) Food-safety risk analyses conducted by the Ministry of Public Health, the Ministry of Agriculture and Rural Development, and the Ministry of Industry and Trade for food with risks of high toxicity; and (3) Prevention of problems or provision of solutions when a problem occurs; and (4) Tracing to origin, recalls, and management of unsafe food.

Certificate of Compliance with Food Safety and Hygiene Requirements

Law on Food Safety stipulates that all businesses related to food (including food production, processing, transportation, import/export, trade, and storage) must obtain a "Certificate of compliance with food safety and hygiene requirements" that is issued by an authorized authority under the Ministry of Public Health, the Ministry of Agriculture and Rural Development, or the Ministry of Industry and Trade, depending on capacity management of agencies involved. Under the old rule, this certificate had no expiry date. However, under the new law (since 1 July 2011), the certificate is valid for three years only.

Certificate of Food Safety Knowledge

Staff directly involved in food production/trade must undergo training and receive a certificate of food safety knowledge from the competent authorities.

Certificate of Compliance with Health Standards

Staff directly involved in food production/trade must obtain a "certificate of compliance with health standards", which is issued by a provincial or district public health authority.

7.3 Food Quality and Technical Standards

Food quality and technical standard requirements applying to both food and consumer goods are stipulated in Law on Product Quality No. 05/2007/QH12 dated 21 November 2007 as amended in 2018 ("Law on Product Quality") and Law on Standards and Technical Regulations No. 68/2006/QH11 dated 29 June 2006 as amended in 2018 ("Law on Technical Standards"). Law on Product Quality generally stipulates the rights and duties of organizations and persons involved in goods production/trade and product quality management, including food. Law on Technical

Standards, meanwhile, regulates the issuance of ordinances, announcements, enforcement of standards, compliance assessments, and relevant regulations on technical standards. In addition, ministries have issued regulations to enforce the aforementioned laws. For example, the Ministry of Agriculture and Rural Development has issued guidelines on product quality and technical standards for certain types of agricultural and fisheries products.

Announcements on Products

Before 2 February 2018, food products needed announcements that they complied with technical-standard requirements (Known in Vietnamese language as "công bố hợp quy") or that they complied with food-safety requirements (Known in Vietnamese language as "công bố phù hợp quy định an toàn thực phẩm") pursuant to Decree No. 38/2012/ND-CP dated 25 April 2012 which previously guided Law on Food Safety. Following the announcements of compliance with either technical-standard requirements or food-safety requirements, health authorities assigned by the Ministry of Public Health or provincial health department were competent to issue certificates of the announcements on compliance with technical-standard requirements (Known in Vietnamese language as "Giấy Tiếp Nhận Bản Công Bố Hợp Quy") or compliance with food-safety requirements (Known in Vietnamese language as "Giấy Xác Nhận Công Bố Phù Hợp Quy Dinh An Toàn Thực Phẩm") as a condition to sell the products to the market.

From 2 February 2018, as Decree No. 15/2018/ND-CP came into effect, for packaged food, food additives, food processing/production aids, packaging/food containers, and primary packaging (with direct contact with food), manufacturers and food sellers may announce product information by themselves via (1) media; (2) their e-portal (such as websites), (3) announcements posted at its head office, provided that they must also announce product information on the Food-safety portal or file a product leaflet with an applicable agency under the local committee of people. After announcing product information, manufacturers and sellers can immediately manufacture or sell products but must be responsible for ensuring product safety.

Advertising

Law on Food Safety stipulates that advertisement of food must be confirmed in advance by competent agencies. For consumer goods such as dietary supplements, medical food, special-purpose food, and foods for kids under 36 months of age, under Decree No. 15/2018/ND-CP, the advertisement must be registered with an applicable agency. After submission of documents to register advertising messages for food to the Ministry of Public Health or an applicable provincial authority, the authority shall certify the advertising message if it is deemed to have been in compliance with laws.

Label

Decree No. 43/2017/ND-CP, which was issued by the Government and dated 14 April 2017 and amended by Decree No. 111/2021/ND-CP dated 9 December 2021 ("Decree 43"), regulates product labels. Under Decree 43, food label must contain the following information: product name, name and address of an organization/person responsible for the product, origin of food, and other information depending on product specifications. Information on labels must be in Vietnamese language, except for exported goods which are not consumed in Vietnam and some specification information that must be in a foreign language. As from 15 February 2022, the Government provides a specific list of information which is compulsorily required to be included in the label for certain types of foods.

Under Decree 43, manufacturers must be responsible for information on the label of products they have produced for sale in Vietnam. Under the Law on

Consumer Protection No. 59/2010/QH12 dated 17 November 2010 (effective from 1 July 2011), distributors also have to affix a product label on products they have sold and comply with regulations on label.

7.4 Imported/Exported Food

Law on Food Safety prescribes strict regulations on imported/exported food. Under the law, imported food must be registered for examination of food quality and relevant authorities must be notified of compliance with import requirements for each imported batch. For exported food, it is required to obtain many types of certificates from relevant authorities as per request of the importing country, including sale certificates and certificates of origin. The Ministry of Public Health, the Ministry of Agriculture and Rural Development, and the Ministry of Industry and Trade have the power to instruct the procedures and relevant application dossiers for obtaining the above necessary certificates of imported/exported food.

8. Land

8.1 Overview of Vietnam's Land System

Under the Constitution of Vietnam and law on land from time to time, land belongs to common ownership of the people of Vietnam and the state is responsible for representing the entire people and providing for comprehensive land governance.

Although individuals/organizations are not permitted to own land, individuals/organizations may acquire the legal right to use land in Vietnam, the terms and conditions of which shall be subject to the land user's specific status of foreign control, land use purpose, means of land acquisition, land policies/planning adopted by the State from time to time and other conditions. An entity may be granted legal land use right and considered as "land user" by means of allowable access to land (details in Item 8.2). Such entities as land users shall have the virtual right of landholding and the land disposal right. Foreign entities cannot become land users in Vietnam except via their foreign invested enterprises established under Vietnamese law. Vietnamese entities have the right over their houses and apartments. Foreign invested entities and foreign individuals have limited access to house purchase in Vietnam.

The country's present system of land usage and management, as well as the rights and duties of land users, are stipulated in the Law on Land No. 45/2013/QH13, which was approved by the National Assembly of Vietnam on 29 November 2013, and came into force on 1 July 2014 ("Law on Land"), along with the regulations issued under such law.

The state lays down regulations regarding land, including the following matters: means of granting land use right, land revocation, usage purposes for certain land plots and corresponding allowable duration of land use, land evaluation, fees for land use, land rental, land taxes, and rights and duties of land users. The usage of land must be in accordance with the designated type of land usage, such as land for agricultural purposes, land for non-agricultural purposes including residential and industrial purposes, and unused land.

8.2 Access to Land

The right to land use may be obtained through: (1) Allocation by the State (directly or via an auction or a bidding organized by an authorized agency); (2) Lease by the State (directly or via an auction or a bidding organized by an authorized agency); (3) Recognition of de facto stable land use by the State; (4) Leasing land from an authorized lessor (such as a developer of an industrial estate/zone); or (5) Receiving the transfer of land use right from other land users (in the form of land exchange, land use right transfer, inheritance, donation or capital funding). Foreign-

invested enterprises are only allowed to acquire land use right by means of (1) land allocation by the State for developing projects on investment and construction of residential buildings for sale and lease, (2) land lease from the State, and (3) receiving transfer of investment capital being value of land use right.

8.3 Land User's Rights

The scope of rights to be granted to a land user will be subject to the land use forms and the payment of financial obligations arising out of land use. In case of land allocation [for (1) residential purpose or (2) developing residential housing for sale or for lease or (3) developing cemetery infrastructure for sale in attachment with land use right], enterprises are required to pay land use fees for the duration of land allocation. In case of land lease, enterprises (including foreign-invested enterprises) may make one-off payment for the entire rental period or make the payment annually (subject to authorities' requirements for each specific case). The method of payment and the payment resources for the use of a particular land lot affect the scope of land use right over such land. Enterprises that pay the land use fees without relying on state budget or make the one-off payment of land rental are entitled to various rights, including the disposal right to transferring, leasing, giving, mortgaging, or contributing as capital such land and the land-attached assets. By choosing other methods of payment, enterprises that pay their land-use fees with state funds or make the payment in annual installments only have the right to transferring, mortgaging, or contributing as capital the assets attached to land (buildings).

Lawful land users are entitled to the certificate of land use right under their name. Likewise, lawful owners of properties or buildings on the land have the right to obtain the certificate of ownership. Such certificates are basic proof of the land-usage right and property ownership. In particular, the certificates of land use right are the fundamental requirements for the land users to perform their rights in transferring, transforming, leasing, sub-leasing, inheriting, giving, mortgaging or contributing as capital regarding their land use rights. The same mechanism applies for land-attached properties, except off-plan real estates and real estate products offered by real estate developers which are subject to specific conditions provided in law on real estate business.

Generally, the duration of land lease equals the period of investment project, which must last no longer than 50 years (or 70 years in certain cases). The exceptions are when land users have the right over land for an indefinite period (such as land plots used as residence for Vietnamese families or persons). The duration rules also apply to enterprises invested by foreigners. When the period of land use/rental comes to an end, the state may consider an extension of the period if the land users intend to continue using the land plots and have complied with the following conditions: (a) Having strictly followed the law on land during their usage; and (b) Use of land has complied with relevant land zoning. However, during the land use duration, the Government has the lawful right to recall the land plots for the purposes of national defense and security, public interest, or economic development.

Currently, the Government is working on the new draft of Law on Land with the aim of further developing the legal framework on land governance in consideration of the development of real estate market as well as multi-functional land use. The draft Law also focuses on completing the State's regulatory mechanism on land use, including land price and land use right granting.

9. Employment

In the past, labor matters in Vietnam were governed by the Labor Code No. 35-L/CTN dated 23 June 1994 as amended in 2002, 2006, and 2007; the Labor Code No. 10/2012/QH13 dated 18 June 2012.

The Labor Code No. 45/2019/QH14 of the Socialist Republic of Vietnam issued by the National Assembly on 20 November 2019, effective as of 1 January 2021 (the "Labor Code") currently governs labor matters, and provides general principles as well as detailed regulations on various issues related to labor, notably labor contract; dialogue at workplace, collective bargaining, collective bargaining agreements; salaries; working hours, rest periods; internal labor rules, labor discipline and material responsibility; occupational safety and health; provisions applicable to female employees and assurance of gender equality; social insurance, health insurance and unemployment insurance; representative organizations of employees; settlement of labor disputes. Also, the Government and the Ministry of Labor, Invalids and Social Affairs are competent to issue implementing regulations in line with the Labor Code, including ones involving employment contracts.

Under the relevant rules issued in compliance with the Labor Code, an employment contract must be done in writing and signed by the employee and the company's legal representative - except temporary work lasting less than one month. An employment contract must include the followings: Names, address of the employer, together with name and title of its authorized person signing the labor contract and name and identity details of the employee, the scope of work and job description, work time and break, wage or salary, allowances, date and method of payment, place of work, term of the contract, conditions for promotion and wage increase, terms on sanitation and labor safety, health insurance and social security, as well as training and skill development. The employment contract may contain no exact length of time, or it may set a period of no more than 36 months. Employees have the right to cancel their employment contract unilaterally before the contract expires, without having to state the reason, for as long as they inform their employers in advance in accordance with the conditions prescribed by law. Foreign employees are also subject to specific regulations and must obtain a work permit (subject to limited exceptions).

Companies having more than 10 employees must issue written internal labor rules and register them at the competent Department of Labor, Invalids and Social Affairs.

In addition to the Labor Code, there are also specific Law on Social Insurance No. 58/2014/QH13, Law on Health Insurance No. 25/2008/QH12, and Law on Employment No. 38/2013/QH13.

10. Environment

In Vietnam, there have been Laws on Environmental Protection (Environmental Protection) in 1993, 2005, 2014, and 2020. The current Law on Environmental Protection No. 72/2020/QH14 was approved by the National Assembly of the Socialist Republic of Vietnam on 17 November 2020, and took effect on 1 January 2022 ("Law on Environmental Protection 2020").

Law on Environmental Protection 2020 sets the general legal framework for protection of the environment in Vietnam, as well as the right and duty of persons, organizations, state agencies, residential communities and households regarding protection of the environment. This Law's objective is to limit negative environmental impacts, restoration from environmental incidents, pollution and erosion, environmental rehabilitation, and also to support the proper usage of natural resources.

Under the Law on Environmental Protection 2020, investment projects are classified into four groups considering the risk of adverse environmental impact. Project owners are required to prepare reports or documents for purpose of mitigating the adverse impact on environment which may be caused by the project implementation.

Notably, as from 1 January 2022, project owners are required to prepare an environmental impact assessment report (EIAR) and a preliminary EIAR in certain cases. The preparation of EIAR will be carried out under the provisions of Decree No. 08/2022/ND-CP and Circular No. 02/2022/TT-BTNMT. The requirement for a project owner to prepare preliminary EIAR and EIAR will be subject to the level of risks of environmentally adverse impacts and environmentally sensitive factors created by such project. Subject to the scale and characteristics of the project, environmental impact assessments must be appraised and approved by the provincial people's committee, or the Ministry of Natural Resources and Environment, or other ministries empowered to regulate such projects.

In addition, as from 1 January 2022, certain project owners shall obtain the environment permit which replaces the previous wastewater discharge permit and similar permits under the old law. For other projects which generate waste, project owners must carry out environmental registration with commune-level people's committee.

Decree No. 08/2022/ND-CP also puts forward a road map for abandoning the circulation and consumption of single-use plastic products and non-biodegradable plastic packaging. In particular, since 1 January 2026, single-use plastic products and non-biodegradable plastic packaging (including non-biodegradable plastic bags) shall be banned at commercial centers and supermarkets except goods packed with non-biodegradable plastic packaging. From 2030, Vietnam will stop manufacturing and importing single-use plastic products, non-biodegradable plastic packaging, and goods containing microplastic.

The Government also issued the new Decree No. 45/2022/ND-CP dated 7 July 2022 on administrative sanctions for environmental protection offenses.

11. Fire Safety

Law No. 27/2001/QH10 dated 29 June 2001, as amended in 2013, currently governs matters related to fire prevention and firefighting. Under the current guidance of the Government in Decree No. 136/2020/ND-CP, before the construction of a supermarket or a shopping mall, project developers are required to submit a design blueprint for fire prevention and firefighting, with assessment from the Vietnam's national police department or provincial police in charge of fire prevention, firefighting, fire relief and rescue, depending on the size of the construction work. Relevant certificates from state agencies authorized to approve the construction design and issue a construction permit are required. Before business operation begins, the construction work that was evaluated on fire prevention and firefighting must undergo testing on fire prevention and firefighting. The acceptance regarding fire prevention and firefighting is the condition for the project's investors to start the operation of the construction works.

Owners of shopping mall, supermarket, or grocery store with an area of 500 square meters and over, or a capacity of 5,000 cubic meters and more, are required to take fire/explosion insurance in line with applicable regulations.

12. Competition and Antitrust

On 12 June 2018, the National Assembly of Vietnam passed a new Law on Competition No. 23/2018/QH14 ("Law on Competition 2018"), effective from 1 July 2019. This new legislation replaces Competition Law No. 27/2004/QH11, which was passed by the National Assembly of Vietnam on 3 December 2004. The Law on Competition 2018 has the following important principles that differ from the previous law: (1) The scope of enforcement – The 2018 legislation governs activities by both Vietnamese and foreign legal entities or persons that "result or may result in restricted competition in the

Vietnamese market". The law also applies to public service agencies that are not an enterprise, such as hospitals or schools; (2) Calculation of market share – A new method of calculation is set to determine the market share of enterprises in the relevant market. The calculation is based on the percentage of goods and service volume that the enterprise involved sells or buys, in comparison to the total units of goods and service sold or purchased each month, each quarter, or each year by all the enterprises involved in the market; (3) Anticompetitive practices agreements – The law prohibits any contract that restricts new competition, including deals on sharing customers, on avoiding transactions with enterprises that are not a party to the contract, on restriction of the product market, product sources, and the service provision to enterprises that are not a party to the contract, as well as other contracts that significantly result or may result in restricted competition; and (4) Business merger – Previously, any transaction that leads to economic concentration (such as a merger, combination, or acquisition) is prohibited only in case such an action can result in increasing the relevant enterprise's market share to over 50 percent. However, under the 2018 legislation, economic concentration may be prohibited subject to whether the transaction significantly results or may significantly result in restricted competition in Vietnamese market.

13. Consumers' Rights Protection

On 17 November 2010, the National Assembly of Vietnam approved the Law on Protection of Consumers' Rights No. 59/2010/QH12, which sets the regulations about the rights and duties of consumers, the liability of organizations or persons selling goods and/or services to consumers, the responsibility of social organizations in protecting consumers' interest, the resolution of disputes between consumers and organizations or persons selling goods and/or services, and the state's responsibility in protecting consumers' benefits. This legislation specifies the following responsibilities of goods and services suppliers to consumers: (1) Product labeling in compliance with relevant laws; (2) Public announcement of prices for products and/or services at the place of business; (3) Display of warning and protective measures to consumers in case that goods and/or products may endanger health, life and property of consumers and prevention measures; (4) Providing information about ability to supply alternative product parts and components; (5) Provision of manuals, guidelines, conditions, term, place and process of product guarantee for warranty on goods and/or services; and (6) Notifying consumers accurately and completely of the applicable contractual templates, general contractual conditions before entering the transaction.

14. Intellectual Property

Vietnam has a rather inclusive law on intellectual property that covers membership of multilateral agreement and other relevant bilateral trade deals. Moreover, the National Assembly of Vietnam approved Law on Intellectual Property Rights No. 50/2005/QH11, with additional amendments on 19 June 2009 and on 14 June 2019 ("Law on Intellectual Property Rights") with aim to keep pace with domestic and global economic development. From 1 January 2023, certain amendments to this Law shall be effective in accordance with Law No. 07/2022/QH15 dated 16 June 2022 amending the Law on Intellectual Property Rights.

Law on Intellectual Property Rights provides protection on the following intellectual property rights in Vietnam: (1) Copyrights (towards one's literature, arts, and scientific works) and related rights (towards one's performance, images and audios, broadcasts and encrypted satellite signals); (2) Industrial property rights (towards one's inventions, industrial designs, semiconductor circuit designs, trade secrets, trademarks, trade names and geographical indication and prevention rights towards unfair competition); and (3) Plant variety rights (towards one's plant varieties and substances/materials used for plant propagation).

In particular, industrial property rights over trademarks are established in Vietnam whenever they are registered with the National Office of Intellectual Property. The agency also recognizes trademarks registered through the Madrid System of international registration of trademarks (which are registered in a foreign country that is Vietnam's fellow signatory of the Madrid Protocol). As from 1 January 2023, registration of international trademark registration with Vietnam designation will be effective from the day on which the Vietnamese industrial property right authority issues a decision to grant protection to such internationally registered mark, or on the day succeeding the ending date of the 12-month period from day the international office issues the notification that such internationally registered mark designates Vietnam, whichever comes first.

Vietnam's protection also covers trademarks that are widely well-known on basis of practical uses regardless of registration. Registration of trademarks for products and services must comply with the international practices. The protection lasts 10 years and may be renewed for another 10 years – under the international "first to file" principle. Registration of trademarks in Vietnam is a lengthy process – which may take about a year. The process includes key steps as follows: Relevant agencies examine the application to ensure that it completely meets prescribed conditions (this is called an examination in line with regulations) – taking about a month or two; legal announcement of the application (taking about two months); verification of the essential details of the application by relevant agencies (taking about nine months); and granting of protection (taking about 10 days). During the period from the application's announcement to the decision made by the relevant agencies whether to endorse the trademark, a third party has the right to dispute the request for registration.

15. Bankruptcy

On 19 June 2014, the National Assembly of Vietnam passed a new Bankruptcy Law No. 51/2014/QH13 ("Law on Bankruptcy 2014") replacing the Law on Bankruptcy No. 21/2004/QH11 ("Law on Bankruptcy 2004"). The bankruptcy legislation of 2014 changed the definitions of "bankrupt" and "insolvent". An enterprise is considered to be "insolvent" when it is unable to meet its financial obligations and fails to repay debts within three months after the due date. An enterprise is considered to be "bankrupt" when it becomes insolvent and the People's Court announces its bankruptcy.

Under the previous Law on Bankruptcy 2004, courts executed bankruptcy process directly through a committee set up to manage liquidation. Under the 2014 legislation, the committee is replaced by liquidators or a court-appointed company with expertise in handling liquidation. On 26 August 2016, the Council of Justices of Supreme People's Court issued Resolution No. 03/2016/NQ-HDTP guiding the process of bankruptcy procedures in certain cases. In practice, the bankruptcy process may be complicated, uncertain, and time-consuming.

16. Foreign Exchange Control and Foreign Loans

Currency exchange control mechanisms in Vietnam are set under the Ordinance on Foreign Exchange No. 28/2005/PL-UBTVQH11, which was passed by the Standing Committee of the National Assembly on 13 December 2005 (which was later amended by Ordinance No. 06/2013/UBTVQH13 dated 18 March 2013 amending and supplementing a number of articles of the Ordinance on Foreign Exchange). The State Bank of Vietnam is the main agency responsible for implementing such mechanism. The Vietnamese currency, dong, is required for domestic transactions which makes payments in foreign currency for domestic transactions illegal in most cases.

Under Vietnam's current regulation on foreign exchange control, any person or organization may exchange the dong into a foreign currency at the exchange rate set by the lending institutions that are authorized to offer the foreign exchange service in Vietnam. Such person or organization, however, is required to specify the objective of foreign-currency spending and reasonably submit related documents as proof. The objective of spending the said foreign currency must be for transactions permitted for payment with foreign currencies under the rules regulating foreign currency exchange, such as for repayment of foreign debts or international debentures. Foreign currencies may be freely exchanged into the Vietnamese dong or any other foreign currency based on the exchange rates set by the authorized lending institutions mentioned above.

Overseas borrowing refers to a foreign legal entity lending money to a Vietnamese legal entity. An overseas loan refers to either of the following: (1) Short-term loan, with repayment due within 12 months or shorter; or (2) Middle or long-term loan. Middle or long-term loans must be registered with the State Bank of Vietnam – a process actually tantamount to seeking approval from the central bank. Money borrowed as a middle or long-term loan can be withdrawn only after its registration with the State Bank of Vietnam. Short-term loans are not required to be registered, except in a case where the repayment period is extended beyond 12 months or there is still outstanding principal amount after 13 months from the date of first withdrawal. Any subsequent change from the original information in the registration with the State Bank of Vietnam shall be updated with the State Bank of Vietnam via notification on the e-portal or registration for change with the State Bank of Vietnam, depending on the contents of the change.

Money borrowers are allowed to seek loans from overseas in these following cases: (1) To implement their "plan for business and production or an investment project" or that of the company in which they directly invest (this applies to middle or long-term loans only); and (2) To restructure their overseas debts without increasing the cost of borrowing.

The borrowers must open a current account for foreign currency deposits with authorized lending institutions in Vietnam to receive and send money internationally regarding their overseas loans. Any withdrawal or repayment of an overseas loan must be done through such an account in compliance with the existing rules regulating foreign currency exchange. For enterprises invested by foreigners having middle or long-term loans, such accounts are also intended for their investment money.

5.3 Legal Disputes

The Company or its subsidiaries may occasionally face legal proceedings or become a litigant in legal cases stemming from normal business operations of the Company or its subsidiaries. As of 31 December 2022, the Company or its subsidiaries has no legal case or dispute that is still ongoing, which may have a negative impact on the assets of the Company or its subsidiaries in the tune of over 5 percent of shareholders' equity (based on the Company's consolidated financial statements for the year ending 31 December 2022), or which may significantly impact the business operation of the Company or its subsidiaries, or which may stem from the normal business operation of the Company or its subsidiaries, except the followings:

5.3.1 Dispute About Improvement of a Shopping Mall in Italy

A shopping mall belonging to the Group that is located at Via del Tritone in Rome ("the Tritone branch") – a building with historical significance rented from Rina Estate Italia S.r.l. ("REI"), a company under the Central

Group – is being involved in a legal dispute in Italy. (At the Company's request), REI carried out construction and modification of the building ("construction and modification work") after obtaining construction permit No. n.508/2011 from the Municipality of Rome and the Heritage Office, which are local authorities ("First Construction Permit"). Later, in 2012, the owner of a nearby building ("the plaintiff") protested that the First Construction Permit was not lawful. In January 2018, Italy's Council of State issued Order No. 405/2018 annulling the original construction permit. Later, in February 2018, the plaintiff petitioned to Italy's Council of State seeking an order to dismantle the construction and modification work covering about 4,000 square meters of the building's area, or an equivalent of about 32.4 percent the net sale surface of the Tritone branch.

In April 2018, the Municipality of Rome issued a new permit No. n.87/2018 for construction and modification to rectify errors in the previous permit based on the opinions of the Heritage Office ("Second Construction Permit"). The plaintiff later petitioned to the Administrative Court of Rome against the Heritage Office's view and the issuance of a Second Construction Permit. The plaintiff asked the court to withdraw the Second Construction Permit and order the construction and modification work to be demolished. In case no demolition is carried out, the plaintiff requested that a minimum fine of 40 million euro (about 1,490 million baht) be imposed based on the plaintiff's valuation. The plaintiff also demanded about 5 million euro (about 186 million baht) in damages. Later, Italy's Council of State issued Order No. 6580 on 2 October 2019 to declare the Second Construction Permit invalid (This order resulted in termination of the plaintiff's petition regarding the First Construction Permit filed in February 2018). For this reason, the plaintiff petitioned Italy's Council of State again for an order of dismantling the construction and modification work covering the building's area of 4,000 square meters. Also, the plaintiff asked for an order that the shopping mall is off-limits, for a ban on commercial use of the old building – which is part of the shopping mall ("Palazzetto C") – and for the appointment of a specific official to enforce the order in case the Municipality of Rome refuses to implement it. Under the Italian law, in case a construction permit is revoked and no replacement is issued, the authority (that is the Municipality of Rome) may invoke its authority under Section 38 of the Presidential Decree No. 380 dated 6 June 2001, for partial or entire demolition of any structure built unlawfully. Such demolition order could reduce the effective net selling space of the store, resulting in the temporary closure of the store. In case demolition is unfeasible (possibly due to safety or technical reasons), the authority may impose a fine comparable to the market value of the building constructed unlawfully. at least 40 million euro and/or for payment of damages in an amount of approximately 5 million euro.

On 12 December 2019, the Municipality of Rome issued a revised permit No. n.264/2019 ("Third Construction Permit") to rectify errors in the First Construction Permit and the Second Construction Permit. Thereafter, the Claimants raised an objection to the Council of State, arguing that the Municipality of Rome had no authority to grant the Third Construction Permit, where proceedings and witness examination took place on 18 June 2020. On 9 September 2020, the Council of State ordered that we won the case since the Third Construction Permit had been lawfully issued and had full legal effect within the authority of the Municipality of Rome. Nevertheless, the Claimants also filed a petition with the Regional Administrative Court to contest on the legitimacy of the Third Construction Permit and claim for damages. The pending appeals of the First and Second Construction Permits in Italy's Council of State were transferred to the Regional Administrative Court in order to try to adjudicate with the Third Construction Permit case at one time. On 25 November 2022, the Regional Administrative Court scheduled the hearing and,

on 31 December 2022, the court granted the decision no. 1751/2022. The Regional Administrative Court declared the intervened termination of the disputed matter of the First and Second Construction Permits as these permits already declared null and void by the Italy's Council of State. For the dispute of the Third Construction Permit, The Regional Administrative Court rejected the claim. As a result, the ruling of Administrative Court is in favor of the Group. However, according to the Italian legal system, the rulings of the Regional Administrative Court can be appealed within 60 days after notification of the rulings to all parties relevant to the judgment. In this case, the relevant parties were notified on 26 January 2023. The appellant party can therefore file the appeals for such rulings before 27 March 2023.

5.3.2 Dispute over Parking Space for Central Chidlom Department Store

A land plot located adjacent to Central Chidlom department store that the Group had rented to be used as parking space for the mall has come under a legal dispute in Thailand. The owner of the land plot filed a lawsuit against the Group and an HCDS associated company in a civil case involving damages of THB 3,815 million. The Group was accused of breaching the land lease for failing to return the rented land plot when the lease expired on 31 December 2018. The plaintiff argued that due to the fact, its auction to find a new tenant failed to attract any interest. The dispute also involves claims over the boundary line of the rented land plot that must be returned after expiry of the land lease and a question whether the structures built before or during the lease extend beyond the boundary line. The land owner requested a court order for the Group to return the rented land plot in accordance with the boundary line claimed by the land owner (or the Group may purchase the disputed section from the land owner). Also, the plaintiff asked the court to rule that the Group dismantle part of the structures that the land owner claimed to have intruded beyond the rented land plot's boundary line and that the Group pay a fine of THB 22.6 million and an additional daily fine of THB 200,000 until a complete return of the rented land and demolition of the structures, in addition to damages of THB 3,581.2 million jointly responsible by the Group and the HCDS associated company.

As of 31 December 2022, the plaintiff had requested for an extension to a dika appeal to the Supreme Court. Earlier, the Bangkok South Civil Court, Bangkok (Court of First Instance) had dismissed the case filed by all six plaintiffs on 2 February 2021 and adjudged that the first and second plaintiffs return the rental security deposit to the Group in full with interest at 7.5 percent per annum (as per the Group's counterclaim). On 8 December 2021, all six plaintiffs filed an appeal against such judgment of the Court of First Instance. On 31 October 2022, the Court of Appeal dismissed the appeal of all six plaintiffs and adjudged that the first and second plaintiffs return the rental security deposit to the Group in full (THB 8,400,000 principal) with interest at 7.5 percent per annum, from the date of submission of the Group's counterclaim to 10 April 2021, and at 5 percent per annum, from 11 April 2021 until it is fully repaid to the Group. In short, the Group has won the case both in the Court of First Instance and the Court of Appeal. The Courts' reasoning was that the Group did not breach the land lease agreement and did not commit any wrongdoings against the plaintiffs. However, should the plaintiffs decide to dika appeal, they must file a motion and a petition to the Supreme Court. The case will be considered only if the Supreme Court grants its permission.

5.3.3 Disputes Relating to the Construction of the Robinson Saraburi Project

Robinson is a land tenant from an associated company of HCDS (lessor) to operate the Robinson Department Store Project, Saraburi Branch. It has been operating for the public since 22 November 2013 until the present (building permits issued on behalf of HCDS associates). During the construction of the building (as of 11 October 2013), an owner of a land plot next to the land of the Robinson Project Saraburi Branch claimed to have suffered damage from the construction, and filed a lawsuit against the president of the Sub-District Administrative Organization and associates of HCDS to the Central Administrative Court, requesting the revocation of the construction and prohibition to the Company and whoever from entering the building, and to demolish the entire building immediately, claiming that the Robinson Saraburi Branch was constructed in violation of the Ministerial Regulation to enforce the Saraburi Total City Plan 2011 (Town Planning Law). The plaintiff claimed that Robinson Saraburi Branch is a large building with a combined area of more than 2,000 square meters, but did not produce an environmental impact assessment report (EIA), with construction in violation of the land allocation law, namely the Announcement of the Revolutionary Council No. 286 (partial construction overlaps the original entrance and exit servitude), etc.

Later on 22 December 2016, the Central Administrative Court ruled that the construction of the building violated the law, and is a case that cannot be corrected. The Court assessed that the president of the Sub-District Administrative Organization has neglected his/her duties as required by law, therefore adjudicated the President of the Sub-District Administrative Organization an order to force the HCDS associates to demolish the building within 180 days from the date of the final judgment of the Court. Subsequently, the president of the Sub-District Administrative Organization and HCDS's associates filed an appeal against the case with the Supreme Administrative Court on 20 January 2017. The court has issued an order accepting the appeal.

At present, the said case is being considered by the Supreme Administrative Court. However, the Company has followed the procedures of submitting and applying for a construction permit correctly and received a permit for the construction of modifications (Aor. 1) and building operation (Aor. 6) for Robinson Saraburi Branch from government officials who have the authority under the law. Therefore, it is an internal matter between the government sectors as to what criteria are used in considering the approval of the issuance of construction permits to the Company at that time, including the problem of interpretation of the provisions of the Town Planning Law between government agencies that have direct powers and duties with the Central Administrative Court that may disagree. The Company believes in the principle of honesty in the existence of all construction permits which have been reviewed and issued by a government official state. Therefore, the Company as a private sector deserves the protection of its legitimate expectation.

5.4 Secondary Market

-None-

5.5 Regular Financial Institution

-None-

Corporate Governance

Part

2

6

Corporate Governance Policy

6.1 Overview of Policies and Corporate Governance Practices

During the course of business, the Board of Directors has complied with the laws, regulations, its objectives, and the shareholders' resolutions, and has been committed to the internationally accepted Principles of Good Corporate Governance, carrying out its operations with integrity, transparency, and responsibility towards society, aiming to become an organization of sustainable growth. The Company has adopted the Corporate Governance Policy that is in line with the approach of the Stock Exchange of Thailand (SET) and the Corporate Governance Code for Listed Companies 2017 of the Securities and Exchange Commission (SEC). The Company's Corporate Governance Policy covers 5 categories of principles as follows:

Section 1: The Rights of Shareholders

The Company recognizes and gives importance to the basic rights of shareholders as investors and company owners such as the rights to purchase, sell, and transfer their own shares, the right to receive the Company's profit, the right to receive, clear, and accurate information, the right to attend shareholders' meetings and vote on director appointment or dismissal, the right to consider and determine remuneration of directors, the right to appoint auditors, and the right to approve significant transactions affecting the Company's business operational directions such as the approval of dividend payment, the amendment of the Company's Memorandum of Association and Articles of Association, the approval of capital increase, capital decrease, and special transaction.

In 2022, the Company implemented its obligations in promoting and facilitating the exercise of rights of shareholders as follows:

(1) Supported and promoted all shareholders to be granted basic rights.

(2) For shareholders' meetings, the Company used the record date so that shareholders had sufficient time to consider the meeting documents and information prior to the meeting dates.

(3) Prior to shareholders' meetings, the Company sent out invitation with QR Code with details about date, time, format, guide for attending meetings online, meeting regulations, and the meeting agenda, together with descriptions and rationales for each respective agenda and supporting documents to all shareholders with names listed in the Company's registrar at least 21 days before the meeting dates. The Company advertised the meeting appointment in the newspapers is to run for three (3) consecutive days before the respective meeting so that shareholders had sufficient time to consider the meeting documents and information prior to the meeting dates. The Company complied with the rules and regulations, as well as related laws or notices, and spared no effort in facilitating shareholders to be aware of the information before the meeting as early as possible.

(4) Facilitated shareholders to exercise their rights in proper meeting attendance and voting, and refrain from any action that may limit the shareholders' rights of meeting attendance. In normal situation, the Company holds a meeting in an easy-to-access venue, attach a map showing the meeting venue in the meeting invitation, choose appropriate date and time, and allocate adequate time for the meeting. In 2022, to reduce the risk of the spread of COVID-19, the Company held an Annual General Meeting on Friday 29 April 2022 at 14.00 hrs. via electronic media (e-AGM) in accordance with the Emergency Decree on Electronic Meetings B.E. 2563 (2020), and other relevant laws and regulations.

(5) Prior to the meeting date, the Company provided the shareholders opportunities to submit opinions, suggestions or questions in advance with clearly defined rules publicized on the Company's website and informed shareholders of the rules in the meeting invitation.

(6) The Company encouraged shareholders to use proxies in the form that would allow shareholders to control their votes and to suggest at least one (1) independent director as a choice in appointing their proxies. The Company sent out invitation with QR Code with the Power of Attorney form, along with the details attached. There were not any difficult conditions governing the granting of Power of Attorney. Shareholders could also download the Power of Attorney forms (Forms A, B, and C) from the Company's website.

(7) Provided the opinions of the Board of Director in each agenda item and attach the annual report and a proxy form with detailed descriptions of the documents needed in granting proxy as supporting documents of the meeting invitation.

(8) Before considering the agenda items, shareholders were informed about the meeting regulations, voting and vote-counting procedures.

(9) During a shareholders' meeting, the Chairman would allocate proper time for shareholders to have chances to express their opinions, suggestions or ask questions in each related agenda item freely before voting on resolutions.

(10) At the AGM in 2022, 15 directors attended the meeting, amounting to 100 percent of the total directors. The CEO, the Company's Secretary, and the Company's auditor were also in attendance.

(11) The Company prepared the vote casting in the shareholders' meeting for each item in case that there were many items in the agenda, such as the agenda item on director appointment.

(12) The Company applied technology to the shareholders' meetings. From 11 April 2022, shareholders were able to register in advance to attend the meetings. The system was open 2 hours prior to the meetings. The system could accommodate verification and confirmation of document processes. Once the verification process is complete, the username and password would be sent to the registered email addresses to log into the virtual meeting system, as well as the system that the virtual meeting providers. The system is in line with the measures and standards stipulated in the Emergency Decree on Electronic Meetings and/or other relevant bodies of law on electronic meetings. The shareholders in questioned were able to use technology to attend meetings, cast their votes, and count the votes in order to ensure transparency, accuracy, timely conduct, and preciseness.

(13) The Company assigned an independent party to jointly examine the vote counting in each agenda for transparency of the shareholders' meeting.

(14) Following the shareholders' meeting, the Company published the resolutions of AGM 2022 on the website of the Stock Exchange of Thailand and the Company's website on 29 April 2022 which was the date when the meeting was held. The video recording of the shareholders' meeting was published on the Company's website. The report was done in a comprehensive and accurate manner, both in Thai and English. Details of the report included the name and position list of directors who attended the meeting, voting rights, voting method, and vote count through electronic systems, important queries, opinions, and suggestions, outcomes of the meeting, and voting results for each of the agenda items. The voting results included the number of votes for, against and abstained which were available for shareholders to confirm or check. The aforementioned reports were published on the Company's website and SET's media on 12 May 2022 for shareholders to consider. This was within the 14-day window after the meeting date.

Section 2: The Equitable Treatment of Shareholders

The Company observes the principle of affording equitable treatment to all shareholders without discrimination, whether major or minor ones, executive or non-executive, Thai national or foreign. Details are as follows:

(1) Shareholders will be treated fairly and receive necessary information in a timely manner from the Company. The Company refrains from any action that may limit the chances of shareholders to study the Company's information.

(2) Shareholders have rights to vote proportionally to the shares they own and have equal access to the information related to the Company.

(3) Announce the shareholders' meeting, together with the agendas and director's opinions through SET, and publish the schedule in the Company's website. The Company will also prepare and distribute the shareholder's meeting invitation in Thai and English and publish on its website.

(4) Establish principles and criteria that allow minor shareholders to propose qualified persons to be selected as directors prior to shareholders' meetings, with details regarding their qualifications and consent of those who are proposed. For the AGM in 2022, the Company granted the individual shareholders the right to also submit in advance the nomination of qualified individuals to become directors, from 1 December 2021 to 15 January 2022. The criteria for the nomination were published on the SET's and the Company's website. There was not any nomination from shareholders in this regard.

(5) Establish the principle that allows minor shareholders to propose additional agenda items prior to shareholders' meetings for the fair and transparent consideration whether the proposed agenda items will be added or not. For the AGM in 2022, the Company granted the right for individual shareholders to submit request to include additional agenda items in advance between 1 December 2021 and 15 January 2022. The criteria for the submission of additional agenda items for the shareholders' meeting was published on the SET's and the Company's website. There was no request from the shareholders to add any new agenda item.

(6) Executive shareholders should not unnecessarily add agendas without prior notice, especially the important ones that require shareholders to take time to consider before making any decisions. For the AGM in 2022, there was no request to add agenda items or swap agenda items from what had been stated in the invitation.

(7) In every shareholders' meeting, the Company provides all shareholders equal opportunity. Before the meeting commences, the Chairman will inform shareholders about the meeting rules, voting procedures for each securities type and vote-counting procedures of each agenda item. Before the AGM 2022 began, the Company had informed the shareholders of the meeting's rules and regulations, voting method, and vote counting for each agenda item. The voting right in the meeting would be in accordance with the number of shares held by the shareholder. One share would equal to one vote. The Company has only one type of shares, which is a common stock.

(8) Regarding the appointment of directors, the Company will encourage an individual election, in which one shareholder has one (1) vote per share.

(9) Directors have to report their interest in any agenda item at least before such agenda item is considered in the Board of Directors' meeting and must not

take part in the decision-making process of such agenda item. The directors' interest should be recorded in the minutes of the meeting.

(10) The Company emphasizes the prevention of the misuse of insider information. It therefore sets written guidelines for the use or misuse of insider information and announces the guidelines to everyone in the organization. Directors, executives, employees, and all staff are forbidden to disclose any information that may have an effect on the price of the Company's stocks or information that, should it be revealed, the Company will be damaged or at a disadvantage. The Company also forbids revealing confidential information and/or the Company's internal data to seek benefits for oneself or others, be it directly or indirectly and whether the person receives any rewards or returns. All directors and executives who are required by laws are required to regularly report their securities transactions to the Securities and Exchange Commission, copying the Company Secretary to report to the Board of Directors on a quarterly basis and the information will also be disclosed in the Company's annual report.

Section 3: The Role of Interested Persons

The Company values the rights of all stakeholders, whether internal – the Company's shareholders and employees or external suppliers and customers. It acknowledges that supports and opinions from all stakeholders will benefit its business operation and development. Therefore, it will comply with the laws and related regulations, treat each group of stakeholders with consideration of the stakeholders' rights according to laws or agreements with the Company, and not violate those stakeholders' rights.

Moreover, cooperating with various stakeholders is key to operate a retail business. As one of the retail ventures, the Company is seriously committed to developing relations and promoting good quality of life of all stakeholders, while listening to suggestions to further improve the organization in the future. The Company has categorized stakeholders in the most comprehensive manner, considering their respective contribution and impact on the businesses. The Company diversifies its communication and participatory processes towards every group of stakeholders to promote good relations in accordance with good corporate governance principles. These are done through a number of channels, both within and outside of the Company, as follows:

1. Shareholders

The Company will conduct the business based on corporate governance, transparency, and effectiveness, aiming to achieve good operating results and stable growth for the Company's sustainable and stable financial position, maximally benefiting its shareholders in the long term. It will also disclose transparent and trustworthy information to shareholders on its website and through investor relations officers.

2. Employees

The Company equally and fairly treats its employees, respects the rights of every employee, and gives appropriate compensation, welfare, and benefits not less than the legal requirement and comparable to other companies in the same industry. Furthermore, the Company is aware of the importance of human resource. This area constitutes one important strategy of the Company. Hence, a personnel development policy was adopted to focus on the development of skills, knowledge, capabilities, and potential of employees on a regular basis. For instance, the Company extensively arranges trainings and seminars, giving equal opportunity to every employee, and makes efforts to create incentives to retain employees with knowledge and high capabilities to stay with the Company to further develop the organization. The Company also sets the anti-corruption guideline and fosters every employee to comply with the law and related regulations.

3. Suppliers

The Company emphasizes fair and transparent treatment of business partners, with its own procedure for business partner selection by having the partners compete with equal information and selecting the partner according to its business partner evaluation and selection principles. Also, the Company uses the proper form of agreement to offer fairness to all suppliers and ensures that all conditions of the agreement are met. Corruption and misconduct are prevented in every step of the selection process. The Company strictly adheres to all terms of each agreement and keep the suppliers' information confidential without using such information for inappropriate benefit. Moreover, the Company also organizes capacity-building trainings for suppliers and communicates messages to suppliers so that they are aware and abide by the business ethics, supplier code of conduct, and the anti-corruption policy of the Company. The suppliers are invited to be part of the Anti-corruption Network Pact.

4. Competitors

Conducting business with fairness and transparency, competing fairly, refraining from taking commercial advantages over the competitors and refraining from seeking confidential information in illegal ways, and refraining from defaming its competitors with wrong accusations. In 2022, there was no dispute between the Company and its subsidiaries, and their competitors.

5. Customers

The Company is responsible toward its customer in maintaining the quality and standard of its products and services, as well as fulfilling the customers' needs completely or as much as possible, to satisfy customers in the long term. In addition, it cares for the health and hygiene of the consumers of its products, providing correct and complete information regarding the products and services. The Company also provides channels for customers to report the inappropriate products and services, so it can prevent and solve the problems quickly. The customer's confidential information will be protected and not illegally used for personal benefits or that of the related parties.

6. Creditors

The Company will strictly adhere to the conditions and requirements of the contracts and financial obligations, as well as pay the principal, interests and collaterals in the related contracts. It will not dishonestly conceal the information or facts that may damage the creditors. In case that it cannot follow any of the conditions, it will notify the creditors immediately to agree on solutions.

7. Government

The Company gives due importance to the government by strictly adhering to the relevant laws and regulations, as well as responding to the policies of the government as appropriate, in consistent with its business operation method. The Company has also informed agencies in the government on the Company's business ethics, supplier code of conduct, and anti-corruption policy.

8. Communities, Societies, and Environment

The Company pays attention to and takes importance on the safety and security of the communities, societies, environment, and quality of life of those related to its business operation, encourages our employees to be in good conscience and have responsibility towards environment and society and requires them to strictly follow the laws and related regulations. Additionally, the Company makes efforts to participate in activities that help creating and preserving environment, society and supporting the local cultures where its business is operating.

Moreover, stakeholders can inquire, make complaints, inform any illegal conduct and report on the inaccuracy of financial reports, deficient internal controls or any misconduct of the Company via the Company' s independent directors or audit committee members. The complaints and whistleblowing information will be kept confidential. The independent directors or audit committee members will investigate, find solutions (if any) and further report to the Board of Directors.

Section 4: Disclosure and Transparency

The Company is committed to correct, complete, timely and transparent disclosure of information, whether financial or non-financial, according to the principles of SEC and SET, as well as other information which may influence the Company's securities prices and then decisions of the investors and stakeholders. The Company will carry out as follows:

(1) Set mechanism to ensure that the disclosed information is correct, not misleading, and adequate for the investors' decision.

(2) Appoint Investor Relations officers to communicate with investors or shareholders. The Company will publish its information, financial and general information to shareholders, securities analysts, credit rating agencies and related departments through various channels, namely the SEC, SET and the Company's website. Moreover, it places importance on updating information disclosure in Thai and English for the shareholders to receive information via the Company's website. It will frequently update the information available in the website, including its vision, mission, financial statements, public relations, annual report, corporate structure, and executives, as well as shareholding structure and major shareholders and meeting invitation letter.

(3) The Company will not disclose any non-public information to any unauthorized employees, group of persons or person (including investors, mass media and analysts) until such information is made public. In the event that information has to be released to the auditor, underwriter, bank, legal counsel or other advisors, the Company ensures that such persons utilize it with due care in order to protect its privacy. If any undisclosed information is leaked, the Company will promptly unveil such information in accordance with the SET's regulation on information disclosure and other rules. If necessary, the Company will notify the SET to temporarily suspend the trading of the Company's securities.

(4) The Company will disclose its financial statements, audited by skilled and qualified independent auditors. It has the policy to change the auditors who review, examine and report on its financial statements for seven (7) fiscal years, whether it is consecutive or not, in order for the true independency of the auditor's report. The Company will be able to reassign the auditors once again at least after five (5) consecutive fiscal years, unless stated otherwise by law. It will publish the financial statements according to the specified principles and via the SET's channels for the benefits for shareholders and investors. Furthermore, the Board of Directors requires the Audit Committee to review the reliability and accuracy of the Company's financial report to ensure the trustworthiness.

(5) Prepare Management Discussion and Analysis (MD&A) to support financial statements disclosure in every quarter, in order for investors to be better informed and understand the changes to the Company's financial position and operating results in each quarter, apart from figures in the financial statements only.

(6) Disclose the information regarding duties and responsibilities of the Board of Directors and subcommittees, number of meetings and meeting attendance in the previous year, opinions and suggestions, continuous educations and occupational trainings, disclosure of remuneration policy for directors and senior executives, as well as types or methods of remuneration. However, the disclosed remuneration should include the one that each director received from being the director of subsidiaries.

(7) Disclose the audit expenses and other expenses relating to audit's services. Apart from disclosing information in Annual Registration Statement/ Annual Report (Form 56-1 One Report). According to the SET's principles and channels, the Board will consider disclosing and regularly updating information in both Thai and English language via other channels such as the Company's website.

Section 5: Responsibilities of the Board of Directors

1. Structure of the Board of Directors and Subcommittees

The Company's Board of Directors consists of members with various qualifications in terms of knowledge, capabilities, and experiences beneficial to the Company. The Board of Directors plays a significant role in defining policy and organization overview as well as overseeing, reviewing and evaluating the Company's business operation to ensure it is carried out as planned.

The Board of Directors consists of at least five (5) people, from which independent directors are at least one third (1/3) of all Company's director and at least three (3) persons to maintain the balance in proper consideration and voting. All independent directors should be qualified according to the announcements of Thai Capital Market Supervisory Board, SET's principles and regulations, rules, and other related laws.

Each term of directorship is limited to three (3) years as prescribed by the relevant law. Directors may be re-elected if the Board of Directors views appropriate and necessary. Furthermore, the Company's directors and executives can take up position as directors of other companies within and outside the Group on the condition that it is in accordance with the regulations of the SEC, the Capital Market Supervisory Board and the SET as well as other relevant regulations, rules and laws. Such positions held outside the Company have to be reported to the Board of Directors. Each director may concurrently hold a position of a director at no more than four (4) other listed companies. And an independent director can be in office for not more than nine (9) consecutive years.

Moreover, the Board of Directors has appointed sub-committees to assist in the Company's governance as follows:

(1) Executive Committee consists of at least three (3) directors to support the Board of Directors in managing the Company's operations in accordance with the policies, plans, requirements, as well as the targets within the scope set by the Board of Directors.

(2) Audit Committee consists of at least three (3) independent directors to support the Board of Directors in governing and auditing the management, internal control, and compliance, as well as preparation of the financial reports in order to ensure transparency and trustworthy of the Company's operation and disclosure.

(3) Nomination and Remuneration Committee consists of at least three (3) directors to support the Board of Directors in nominating qualified persons to take up the positions of directors, members of the sub-committees, Chief Executive Officer and senior executives; considers the methods and principles in paying remunerations to committees, sub-committees and Chief Executive Officer and submits the suggestions to the Board of Directors and/or the shareholders' meeting for approval (as the case may be); as well as considers the development plans for the Company's senior executives.

(4) Risk Policy Committee consists of at least three (3) directors to support the Board of Directors in supervising to ensure that the company has an adequate and appropriate risk management system. This will enable the Company to achieve its objectives with efficiency and effectiveness and

complies with relevant laws and standards in order to ensure that the overall risk is at an acceptable level.

(5) Corporate Governance and Sustainability Committee consists of at least three (3) directors to support the Board of Directors regarding the corporate governance and sustainability development of the Company as well as to ensure that the company's directions, policies, and strategies are well-operated with good corporate governance and sustainable development.

Furthermore, the Company has appointed the corporate secretary to carry out the Board of Directors' and the shareholders' meetings, support the work of the Board of Directors in respect to laws and regulations as well as coordinate to ensure compliance with resolutions of the Board of Directors' meetings.

2. The Board of Director's Duties and Responsibilities

The Board of Directors is accountable to the shareholders in conducting the Company's business operation. It has duty to define the Company's policy and direction as well as to ensure the business operation is carried out in accordance with the business goal, objective, vision, strategy and direction for the long-term benefit of shareholders within the legal framework and the Company's guidelines while considering the benefit of all stakeholders. Details of the role, duties, and responsibilities of the Board of Directors are prescribed in its Charter. Additionally, the Board of Directors is responsible for the following matters:

(1) Corporate Governance Policy

The Company sets the Corporate Governance Policy in writing and proposes to the Board of Directors' meeting to approve such policy, with the purposes to serve as a guideline for the directors, executives, and employees. The policy will be reviewed annually.

(2) Code of Conduct

The Company has the intention to carry out the business transparently, honestly, and with responsibility to the stakeholders, societies and environments. With approval of the Board of Directors, it has set up its Code of Conduct for its employees to adhere as follows:

Section 1	Guidelines for business conduct
Section 2	Guidelines for dealing with customers, suppliers, creditors, and competitors
Section 3	Guidelines on conducting towards the Company
Section 4	Guidelines on social responsibility
Section 5	Guidelines on violation or non-compliance to the Company's Code of conduct

The Company has announced its practices for acknowledgement and compliance by all employees.

(3) Conflict of Interests

The Company manages the conflict of interest carefully, honestly, reasonably, and independently under the good ethical framework mainly for the benefit of the Company. Person who has a conflict of interest and/or connected person and person who has interest in any matter have to disclose information to the Company and must not take part in approving such matter.

The Company also sets a policy related to the Related Party Transactions (RPT) and Conflict of Interest Transactions related to laws, regulations of the Office of SEC, SEC, the Thai Capital Market Supervisory Board and SET. The transactions will be disclosed in Annual Registration Statement/Annual Report (Form 56-1 One Report).

(4) Internal Audit

The Company has set up the efficient internal control system in both management and operation levels. The Company's Internal Audit Department is responsible for assessing the adequacy of the internal control system and report to the Audit Committee according to its plan.

(5) Risk Management

The Company has defined proper risk management system and procedures to appropriately reduce the impact towards the Company's business. Its Risk Policy Committee will set the comprehensive internal and external risk management policy, consistent to the business' strategies and directions and submit for approval to the Board of Directors.

(6) The Committee's Report

The Audit Committee has the duty in reviewing the financial statements with the Accounting Department and the auditor and then proposes to the Board of Directors on a quarterly basis. The Board of Directors is accountable for the financial statements of the Company and its subsidiaries and the financial information disclosed in the annual report.

3. The Board of Directors' Guideline

Guideline 1: Recognize the duties and responsibilities of the Board of Directors as the organizational leader who creates sustainable values to the business, understand the roles and recognize the responsibilities of the leader to ensure the good corporate management and govern the business to create values sustainably.

Guideline 2: Set and manage the main objectives and goals for sustainability, which are consistent with the value creation for the corporation, customers, stakeholders, and the whole society.

Guideline 3: Be responsible in setting and reviewing the structure of the Board of Directors regarding the size, proportion of proper independent directors necessary in leading the organization to achieve the objectives and goals, as well as ensuring the transparency and clear director selection and nomination for qualified and efficient Board members.

Guideline 4: The Board of Directors should ensure that the Company has effective human resources management and development programs to guarantee that the Company has ample staffs with proper knowledge, skills, experiences, and motivation. Also, the Board of Directors should make sure that the succession plan for the CEO and senior executives, the appropriate remuneration structure and the performance evaluation are in place.

Guideline 5: The Board of Directors should focus and promote innovation that creates value for the Company while benefiting clients, other stakeholders, society, and the environment. Furthermore, the Board of Directors should ensure that management allocates and manages resources efficiently and effectively throughout all aspects to enable the Company to sustainable achieve its objectives and main goals.

Guideline 6: Ensure that the Company has effective and appropriate risk management system and internal control to achieve the corporate objectives effectively and compliance with related laws and standards. Moreover, the Board of Directors will manage the conflict of interest between the Company, the management, the Board members, or shareholders that may arise, and prevent the misuse of the Company's properties, information and opportunities, and transactions with related parties in inappropriate manners.

Guideline 7: In order to ensure the disclosure and financial integrity, the Board of Directors should make sure that the financial reporting system and major information disclosure are conducted accurately, sufficiently, in a timely manner and consistent with applicable regulations, standards and guidelines. Furthermore, the Board of Directors should monitor the Company's financial liquidity and solvency and arrange mitigation plan for the event that the Company faces or tend to have financial difficulties.

Guideline 8: To support the engagement and communication with shareholders, the Board of Directors will ensure that the shareholders are given opportunity to participate in the Company's important decisions.

4. The Board Meeting and Self-Evaluation

The Company sets the annual schedule of meetings of the Board of Directors in advance. The Board of Directors shall meet at least quarterly or more frequently as it deems necessary. The meeting agendas are clearly set in advance and the agenda to follow-up the business operation is regularly fixed. The corporate secretary prepares and informs all directors of the meeting schedules in advance. The Company sends notice of the meeting along with agenda items and relevant documents to all directors no less than seven (7) days prior to the meeting date, except in urgent cases. Minutes of meetings are recorded, certified, kept for reference and made available for examination. In every meeting, executives and responsible staffs are invited to attend the meeting to present information to the Board of Directors for making accurate and prompt decisions.

In 2022, the Board of Directors determined the dates for the meetings in 2023. The Board will meet every month (except in July and October). The meeting among non-executive directors will be held once and the meeting of independent directors will also be held once. Both meetings will be held in March.

The meeting resolution must be passed by a majority vote of the Board members attending the meeting. Each director has one (1) vote. In the event that any director has a conflict of interest in any matter, he/she must not take part in the voting of such matter. In case there are equal votes, the Chairman of the meeting has a casting vote. There must be no less than two-thirds of the total number of directors presented at the meeting except in the agenda of connected transactions which shall be in accordance with the law or SEC regulations.

Moreover, the Board of Directors will hold a performance evaluation for the committee both the Board as a whole and for individual members at least once (1) a year to improve and review the work of the Board. Topics for the assessment shall be determined prior to the evaluation. Results are to be collected and presented to the meeting of the Board of Directors. Criteria, processes and results are to be disclosed in the Company's annual reports. More information can be found in Chapter 8, section 8.1.1 the Nomination, Development and Performance Assessment of Board of Directors.

5. Remunerations

Remunerations for the Board of Directors should be comparable to the rates in the industry and in line with the Company's strategies and long-term goals, experience, duties, scope of accountability and responsibility, as well as expected returns from each director. Directors who have been given more duties and responsibilities, such as being members of the sub-committees, should be given higher and appropriate remunerations.

The Company has established the Nomination and Remuneration Committee to consider and submit the remuneration methods and principles of director for approval in the Shareholders' Meeting.

6. Director and Executive Development

The Board of Directors' policy is to support and facilitate trainings and educating sessions for the parties related to the Company's governance, such as directors, Audit Committee, executives and company secretary, in order for continuous operation improvement. The trainings and educating sessions may be held internally or by the outside institutions.

In case of any director replacement or new directors, the management will prepare documents with information useful to the operation of the new directors and orient them to the Company's business nature and business operation guideline.

The Board of Directors will rotate the assignments according to the expertise of the executives and employees, mainly with consideration of the appropriateness of the work and time. The CEO will decide the time period and review the operating results to draw up the work development and succession plan in order to improve the knowledge and skills of the executives and employees, enabling them to work on behalf of each other.

The Company has set out policies related to stakeholders as follows:

Policy to Prevent Misuse of Insider Information

The Company puts emphasis on preventing the use of its internal information. Therefore, it has set the policy to prohibit its directors, executives, employees and workers from misusing and disclosing nonpublic information that may have effect on its share price, significant and undisclosed information that may cause damage or disadvantage to the Company as well as the Company's confidential information directly or indirectly, whether or not for the benefit of themselves or other persons. Such policy also forbids the trading of the Company's share by using insider information. The guidelines for preventing the misuse of insider information of the Company are summarized below.

(1) The Company's directors and executives are educated on the duty to report their own shareholding, including that of spouse, cohabiting couple and children under legal age, according to the Section 59 and the Section 275 of the Securities and Exchange Act B.E. 2535 (1992) (as amended), as well as the acquisition or disposal of shares held by themselves, spouse, cohabiting couple and children under legal age according to the Section 246 and the Section 298 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) to the Securities and Exchange Commission, Thailand ("SEC").

(2) The Company's directors and executives, including their spouse, cohabiting couple and children under legal age, must prepare and disclose their holding of the Company's share and any change in the status of such shareholding to the SEC as specified in the Section 59 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) and also hand in a copy of such shareholding report to the Company within the same date.

(3) The directors, executives, employees and workers of the Company and its subsidiaries, who are aware of important information that may have effect on the change of the share price, have been forbidden to trade the Company's share thirty (30) days prior to the disclosure of its financial statement or such information until at least 24 hours has elapsed after the disclosure. The persons, who involve with such information, must not release it to others till it is reported to the Stock Exchange of Thailand.

(4) Directors and senior executives are to inform the Board of Directors or any person assigned by the Board at least 1 day prior to the buying or selling of shares.

(5) The directors, executives, employees and workers of the Company and its subsidiaries are not allowed to use the internal information or nonpublic information that may have effect on the change of the Company's share price, which is obtained from the performance of duties, for buying, selling, offering to buy, offering for sale or persuading others

to buy, sell, offer to buy or offer for sale the Company's share or other securities (if any), either directly or indirectly, that may cause damage for the Company or for the benefit of themselves or other persons. Besides, such information must not be disclosed to other persons for the above-mentioned purposes whether or not for the exchange benefit.

(6) The current and former directors, executives, employees and workers of the Company and its subsidiaries must not release the internal information or confidential information of the Company or its counterparties, which is obtained from the performance of duties, to other persons even though the disclosure of such information may not damage the Company and its counterparties. Such information must be used only for the Company's benefit, not for direct or indirect benefit of the directors, executives, or employees and whether or not for the exchange benefit.

(7) Any violations of the abovementioned guidelines are considered as the disciplinary offenses according to the Company's work rule. The Company will consider the disciplinary actions ranging from verbal and written warning, probation to dismissal.

Policy to Prevent the Conflict of Interest

The Company defines its Preventing Conflict of Interest Policy based on the principle that the decision for entering into any transaction must be for the highest benefit of the Company and shareholders. The Company should avoid any activity, which may create a conflict of interest, by adhering to the following principles:

(1) Directors, executives, and employees should refrain from conducting the same and competing business with the Company or its subsidiaries, except they can demonstrate that there is a measurement to ensure such conduct has no impact to the Company or it is for the utmost benefit of the company and overall shareholders. Also, directors and executives have to report such conduct to the Internal Audit Department, while employees must report to their supervisors.

(2) Directors and executives should disclose their business transaction or activity, which may create a conflict of interest with the Company or its subsidiaries, to the Internal Audit Department, for instance,

- any joint investment or benefit with counterparty of the Company or its subsidiaries;
- any position taken up or being an advisor of counterparty of the Company or its subsidiaries; and
- any direct or indirect product or service trading with the Company or its subsidiaries.

(3) Directors, executives and employees must not misuse the confidential information of the Company or its subsidiaries, such as plan, revenue, meeting resolution, business forecast and auction price, for their own benefit, whether it creates any damage to the Company or not. They must stringently follow this Preventing Conflict of Interest Policy.

(4) Directors, executives and employees should abstain from holding significant securities of the same and competing business with the Company or its subsidiaries that may interfere or affect their appropriate performance of duties. In case such securities are obtained prior to taking up position at the Company or prior to the Company or its subsidiaries entering into such business, or such securities are obtained by inheritance, they must report to the Internal Audit Department or their supervisors (as the case may be).

Anti-Corruption Policy

The Company recognizes the importance of anti-corruption measures and is committed to operate business with morality and under good corporate governance framework, adhering to the Code of Business Ethics. At the same time, the Company is responsible for society, the environment, and all stakeholders. The Company therefore arranges for a written Anti-Corruption Policy to define Anti-Corruption Action Measures for every conduct related to the Company's business operations, and to ensure that all business decisions and activities that may be at risk of corruption are carefully considered. Such activities include charity donations, donations for public interest, political contribution, sponsorships, facilitation payment, revolving door, conflict of interest, provision of gifts or services, and entertainment and hospitality. For more information, please see Enclosure No.5.

Corporate Social Responsibilities Policy

The company is determined to operate its business with fairness along with creating a balance of economy, society, and environment for the best interests of shareholders, customers, employees, society, communities, and all stakeholders. The Company, therefore, has a social responsibility policy covering various matters related to society, such as, anti-corruption, respect for human rights, fair treatment of labor, customer responsibility, environmental protection, community development, as well as innovation. The policy is a tool for business operations and creating sustainable value for the business. For more information, please see Enclosure No. 5

Supervision and Governance of Subsidiaries and Associates

Please see the information in 8.1.3

6.2 Code of Business Ethics

Central Retail Corporation Public Company Limited (CRC) is committed to operate its business in accordance with principles of good corporate governance, transparency, and accountability, taking into account all stakeholders. The Company thereby sets the following Code of Business Ethics for directors, executives, and employees who represent the Company to adhere to in performing duties. Details are as follows:

1. Shareholders

CRC will conduct the business based on corporate governance, transparency, and effectiveness, aiming to achieve good operating results and stable growth for CRC's sustainable and stable financial position, maximally benefiting its shareholders in the long term. It will also disclose the information transparently and trustworthily to the shareholders on its website and through investor relations officers.

2. Employees

CRC equally and fairly treats its employees, respects the rights of every employee, and gives appropriate compensation, welfare and benefits not less than the legal requirement and comparable to other companies in the same industry. Furthermore, CRC focuses on the development of skills, knowledge, capabilities, and potential of employees on a regular basis. For instance, CRC widely arranges trainings and seminars for employees and retains high caliber with CRC. CRC also sets the anti-corruption guideline and fosters all staff to comply with the laws and related regulations.

3. Suppliers

CRC establishes its own procedure for business partner selection by having the partners compete with equal information and selecting the partner fairly according to its business partner evaluation and selection principles. Also, CRC uses the proper form of agreement to offer fairness to all suppliers and ensures that all

conditions of the agreement are met, and the corruption and misconduct are prevented in every selection process. CRC strictly adhere to all terms of any agreement and keep the suppliers' information confidential without using such information for inappropriate benefit.

4. Competitors

Conducting business with fairness and transparency, competing fairly, refraining from taking commercial advantages over the competitors and refraining from seeking confidential information in illegal ways, and refraining from defaming its competitors with wrong accusations.

5. Customers

CRC is responsible toward its customer in maintaining the quality and standard of its products and services, as well as fulfilling the customers' needs completely or as much as possible, to satisfy customers in the long term. In addition, it cares for the health and hygiene of the consumers of its products, providing correct and complete information regarding the products and services. CRC also provides channels for customers to report the inappropriate products and services, so it can prevent and solve the problems quickly. The customer's confidential information will be protected and not illegally used for personal benefits or that of the related parties.

6. Creditors

CRC will strictly adhere to the conditions and requirements of the contracts and financial obligations, as well as pay the principal, interests, and collaterals in the related contracts. It will not dishonestly conceal the information or facts that may damage the creditors. In case that it cannot follow any of the conditions, it will notify the creditors immediately to agree on solutions.

7. Government

Conducting business by giving importance to the government, strictly adhere to laws and related regulations, as well as responding to the government's policy as it deemed necessary and appropriate, in consistent with its business operation.

8. Communities, Societies, and Environment

CRC pays attention to and takes importance on the safety and security of the communities, societies, environment, and quality of life of those related to its business operation, encourages our employees to be in good conscience and have responsibility towards environment and society and requires them to strictly follow the laws and related regulations. Additionally, CRC makes efforts to participate in activities that help creating and preserving environment, society and supporting the local cultures where its business is operating.

On 21 January 2022, the Company approved the Corporate Governance and Code of Conduct Handbook (Handbook) of Central Retail Corporation Public Company Limited and its subsidiaries in accordance with the Good Corporate Governance Principles for Listed Companies of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). The Handbook complies various policies and practices into one book as a working standard guideline for the directors, executives and personnel of the Company and its subsidiaries to comply to. The handbook is published on the Company's website and it is reviewed annually. The Company has disseminated the Handbook to employees via email, Intranet, CNEXT system and will arrange trainings and online tests regarding this matter as well.

More details on the Corporate Governance and Code of Conduct Handbook can be found in Enclosure No.5.

6.3 Significant Changes and Developments on Policy, Practices and System of Corporate Governance in the Previous Year

6.3.1 Significant Changes and Developments in the area of Corporate Governance

1. The Board of Directors has developed a corporate governance system in accordance with the principles of Good Corporate Governance. In 2022, the Board has reviewed the Board of Directors Charter, policy, and practices as follows:

    - Determined the ethical marketing policy to demonstrate the Company's commitment to undertake marketing activities with integrity and transparency. The Company sought to foster correct understanding in accordance with the law, regulations, and societal norms, including on impact of the Company's undertakings on society and the environment. It also sought to promote fair competition and equal treatment in society.
    - Made amendments on parts of policies and charters, namely the Charter of the Board of Directors, the Charter of the Audit Committee, the Charter of the Corporate Governance and Sustainability Committee, Corporate Governance Policy, Policy to Prevent Misuse of Insider Information, and the Environmental Policy.

    The Company has also made amendments on the Corporate Governance and Code of Conduct Handbook on 14 November 2022 to be in line with the review and amendments of the aforementioned charters, and policies of the Company in 2022.

2. The Board of Directors considered, reviewed, and approved the annual vision and mission, and took part in planning the Company's five-year strategy (2023-2027). The management has been assigned with the task to report the progress of implementation to the Board of Directors periodically.

3. On 26 February 2022, the Company approved the appointment of Mr.Roongrote Rangsiyopash as an independent director, replacing Dr. Atchaka Sibunruang, who resigned, following the recommendation of the Nomination and Remuneration Committee which has carefully considered qualified individuals in accordance with the Company's regulations, charters and other relevant criteria including:

    - The suitability according to experience and expertise of the directors (Board Skill Matrix) in accordance with the Company's strategy.
    - Diversity in the Board of Directors structure, irrespective of gender, race, nationality, and age (Board Diversity)
    - Director Pool database from the Thai Institute of Directors Association (IOD)
    - Each individual to be nominated as a director of the Company may concurrently hold a position of a director at no more than 5 listed companies. In the case of a nomination of an independent director, one has to pass the qualifications for an independent director as specified by the law and the Company.

    On 14 November 2022, the Board of Directors approved the nomination of Mr. Roongrote Rangsiyopash as the lead independent director to consider the agenda for the meeting of the Board of Directors.

4. The Board of Directors and sub-committees namely, Executive Committee, Audit Committee, Risk Policy Committee, Nomination and Remuneration Committee, and Corporate Governance and Sustainability Committee

conducted self-assessments both individually and by the whole committee for the year 2022 and presented to the Board of Directors for consideration to use the assessment results to improve the Board's performance.

5. The Board of Directors reviewed the operation to ensure the alignment with Corporate Governance Code for Listed Companies (CG Code) of the Securities and Exchange Commission of Thailand, as well as followed up on the application of CG Code to suit the context of the business.

6. The Board of Directors had organized a meeting among non-executive directors for the year 2022 on Wednesday 23 March 2022 to discuss significant management issues and problems, such as the assessment and succession plan for CEO and senior executives and allow non-executive directors to express their opinions freely.

6.3.2 Unaccomplished Corporate Governance Code for Listed Companies 2017

In 2022, the Board of Directors considered and reviewed the implementation of the Corporate Governance Code for Listed Companies 2017 (CG Code) in the context of the Company's business and recorded unaccomplished principles and reasons as part of the Board of Directors' resolution. The Company's unaccomplished principles and reasons are as follows:

- **The number of directors which is not to be lower than 5 and not exceed 12**
  The Company complies with the Company's Articles of Association which stipulates that the number of directors must not be lower than 5 persons. The Company operates business by holding shares in other companies, and has a number of subsidiaries, therefore, it is in need of several directors with knowledge and expertise in different areas. The Board of Directors consists of 15 directors in total, with knowledge and expertise in accordance with the skill matrix stipulated by the Company to ensure alignment with its business.

- **The Chairman of the Board of Directors shall be an independent director**
  Although the Chairman of the Board of Directors, who is the person with suitable knowledge and capabilities and well performs his duties, is a non-independent director; however, the Company has appointed Mr. Roongrote Rangsiyopash, an independent director and the Chairman of the Nomination and Remuneration Committee as the Lead Independent Director, vested with the mandate to consider and determine the agenda for meetings of the Board of Directors. This has allowed for check and balance between the Board of Directors and the management.

- **The Nomination and Remuneration Committee shall mostly consist of independent directors**
  The Nomination and Remuneration Committee consists of two-fourths or half of the members who are independent directors. Moreover, the Chairman of this committee is also an independent director. Therefore, the agenda items and schedule for the meetings can be determined freely.

- **The Company should have at least 30 percent female directors**
  The Board of Directors comprises three female directors with sufficient knowledge, expertise, and experience, suitable for the Company's businesses. The Company has taken note of the suggestion of the Nomination and Remuneration Committee on the Company's approach that should take into account gender diversity of the Board of Directors through increasing the number of female candidates in the Director Candidate Pool, to be appointed as appropriate.

6.3.3 Other Practices to Comply with the Principles of Good Corporate Governance in Preparation for the Assessment

In 2022, the Company received "Excellent" recognition or "5-Star" on the Corporate Governance Report of Thai Listed Companies (CGR) Rating of 2022 for the second consecutive year by the Thai Institute of Directors (IOD). It was placed in the Top Quartile of the group of listed companies with market price of their stocks of at least THB 10,000 million. The Company has also received ASEAN Asset Class PLCs Award which is normally given to listed companies with the score of at least 97.50 in the ASEAN CG Scorecard in 2021 (the assessment is done biennially) with the support from ASEAN Capital Markets Forum (ACMF) and Asian Development Bank (ADB). The Company received 100 scores on the AGM Checklist. These reflect the Company's emphasis on operating its business in line with principles of good corporate governance.

5 Stars or "Excellent" award

for the 2nd consecutive year
on the Corporate Governance Report
of Thai Listed Companies (CGR) by IOD

"100 full marks"

for the Assessment of Quality of Annual General Meeting of Shareholders (AGM Checklist)

ASEAN CORPORATE GOVERNANCE

The ASEAN Asset Class PLCs Award

from the 2021 ASEAN CG Scorecard
(conduct biennially)
This was given to listed companies
with the score 97.50 and above

Investor Relations (IR)

The Board of Directors strongly emphasizes the importance of disclosure of both financial and nonfinancial information in an accurate, complete, transparent, thorough, and timely manner. For the benefit of shareholders and investors in their decision-making, the Company publicizes the information to both domestic and international investors and stakeholders through various channels, for example, disclosing the information and reports via the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), news release, and the Company's website under the heading of Investor Relations (https://www.centralretail.com/th/investor-relations/home). The information disclosed on the website is always updated. It includes the Company's business operation, past operating results, financial reports, Management Discussion & Analysis, stock prices, shareholders' information, shareholders' structure, dividend payment, shareholders' meeting, Annual Registration Statement/Annual Report (Form 56-1 One Report), notice of shareholders' meeting, minutes, news disclosed to the Stock Exchange of Thailand (SET), press releases as well as IR presentation prepared for investor meetings, both domestically and internationally.

To ensure that the functions that are performed by the Investor Relations unit are accurate, complete, and transparent as well as in compliance with the laws, public regulations, and the Company's regulations and the Stock Exchange of Thailand (SET)'s regulations, and to comply with good corporate governance principles of the SET, IR professional standards, including policies and practices regarding the information disclosure and transparency of the Company, the Board of Directors issued the IR Code of Conduct to be used as the practice guidelines for IR officers and the persons who are involved in the IR function. In addition, the Investor Relations unit directly reports to the Chief Financial Officer and collaborate closely with senior executives to formulate policies, quarterly plans, and annual plans, as well as operating guidelines and approaches to improve CRC's investor relations practices to be on par with leading regional listed companies. The operating results and opinions of shareholders, investors, and analysis are reported to the Board of Directors 4 times a year. Also, a meeting with Chief Financial Officer is regularly held on a monthly basis.

The Company sets a silent period, to abstain from communicating to analysts and investors, of at least 15 days prior to the announcement date of quarterly and annual operating results of the Company to the Stock Exchange of Thailand (SET) to avoid unfair disclosure practices that may influence stock prices during the prohibited disclosure period. The Company has in place the guidelines for keeping the information confidential and restrict the use and disclosure of confidential information to only necessary persons.

The Company's senior executives prioritize the enhancement of good relationships with the investors by the Investor Relations unit in order to announce the Company's policies and business directions, and hold investor meetings on a regular basis. Due to the COVID-19 outbreak situation that still obstructed the Company's meetings with investors both domestically and internationally including site visits, the Company has changed its communication channels with investors by adopting electronic means. The documents and VDOs related to investor meetings are published on the Company's website under the heading of Investor Relations to allow investors to access past information in a comprehensive manner.

The Company has continuously carried out a variety of activities to enable senior executives and Investor Relations unit to meet and provide information to those involved in a several opportunities. In 2022, the Company provided information to a total of 1,664 analysts and investors. The Company carried out IR activities as follows:

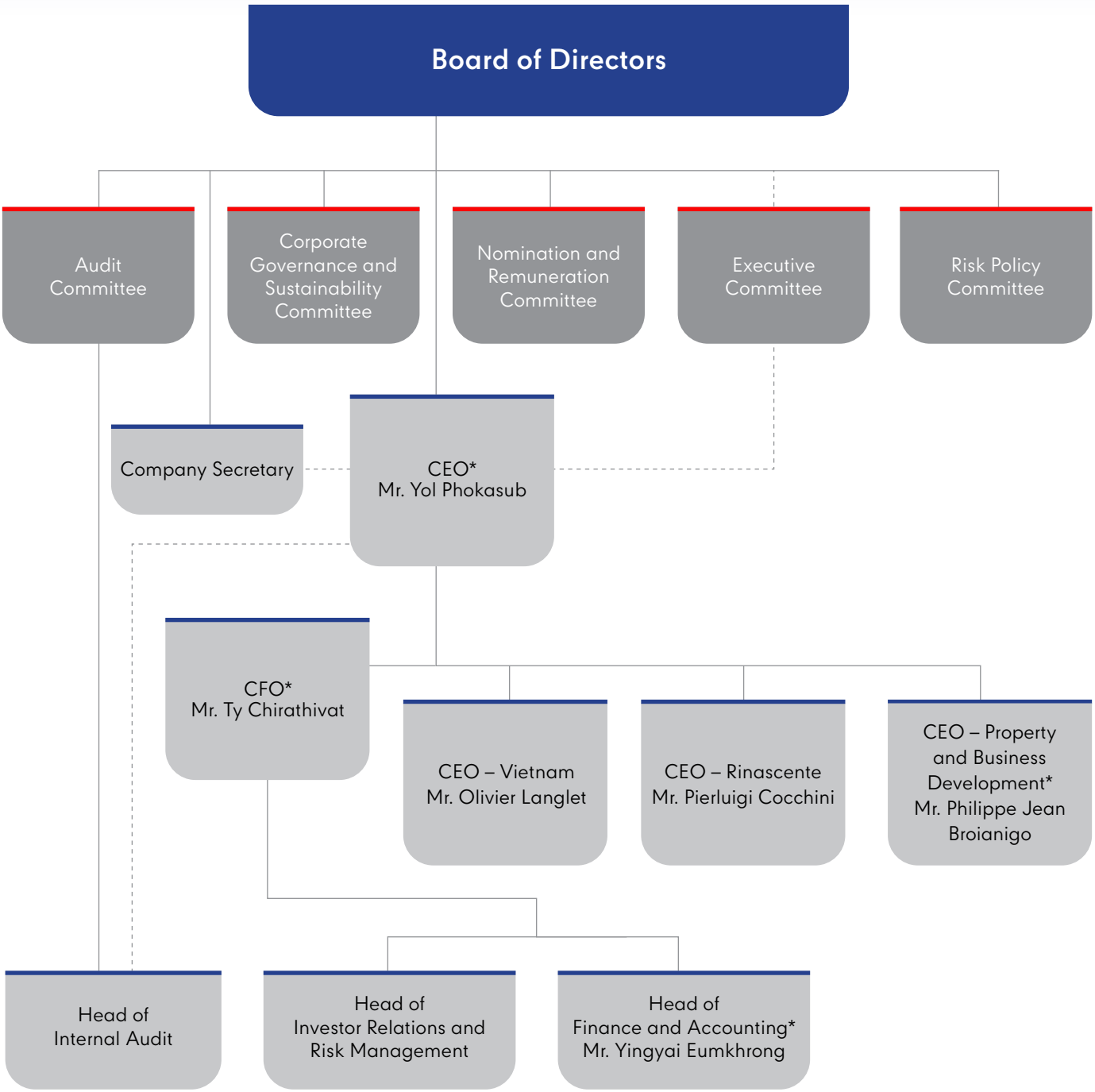
Investor Relations Activities	Number of Times in 2022
1. One-on-One Meetings / Company Visits / Conference Call	107
2. Analyst & Investor Meetings	6
3. Investor Conferences	14
4. Site Visits	8
5. Virtual and Physical Non-Deal Roadshows	12
6. Investor meetings organized by SET such as Opportunity Day, Thailand Focus, and Panel Discussions	5
Total	**152**

7

Corporate Governance Structure and Key Data on the Board of Directors, Sub-Committees, Management, Employees, and Others

7.1 Corporate Governance Structure

As at 31 December 2022, the Corporate Governance Structure of the Company is as follows:



Remarks: *Being the Management defined by SEC

- Information as of 31 December 2022
- On 24 September 2020, the Company appointed the Risk Management Committee and on 5 October 2020, the Company appointed Compliance Unit.

7.2 Directors' Information

7.2.1 Board of Directors' Composition

The Company has an appropriate composition and qualifications of the Board of Directors as specified, namely where the Board of Directors is equipped with a variety of skills, expertise, knowledge, experience, gender, and age, all of which will be beneficial to the Company's business operation. It also consists of an appropriate proportion of independent directors, and the Board of Directors comprises 15 directors, a number sufficient to govern and supervise the operation of the Company. The structure of the Board of Directors as of 31 December 2022 is as follows:

CENTRALRETAIL

1 Executive Director **6.67%**

14 Non-Executive Directors **93.33%**

5 Independent Directors **33.33%**

3 Female Directors
26.67%

Average term of directorship is
9.83 years
(since the Company's establishment)

The Company's Audit Committee consists of 3 independent directors who are knowledgeable and experienced in reviewing the reliability of the financial statements.

Lists of directors and sub-committees are as follows:

Name	Board of Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Corporate Governance and Sustainable Development Committee	Executive Committee
1. Dr. Prasarn Trairatvorakul	Chairman	-	-	-	-	-
2. Mr. Suthikiati Chirathivat	Vice Chairman	-	-	-	-	-
3. Mr. Sudhitham Chirathivat	Director	-	-	-	-	-
4. Mr. Roongrote Rangsiyopash[1]	Chairman of the Independent Director	-	-	C	-	-
5. Mrs. Pratana Mongkolkul	Independent Director	C	-	-	-	-
6. Mrs. Patareeya Benjapolchai	Independent Director	D	D	-	C	-
7. Mr. Sompong Tantapart	Independent Director	D	-	D	-	-
8. Mr. Kanchit Bunajinda	Independent Director	-	C	-	-	-
9. Prof. Dr. Suthiphand Chirathivat	Director	-	-	D	-	-
10. Mrs. Yuwadee Chirathivat	Director	-	-	-	-	D
11. Mr. Suthilaksh Chirathivat	Director	-	-	-	-	-
12. Mr. Prin Chirathivat	Director	-	D	-	-	-
13. Mr. Tos Chirathivat	Director	-	-	D	-	C
14. Mr. Pichai Chirathivat	Director	-	-	-	D	-
15. Mr. Yol Phokasub	Director and CEO	-	D	-	D	D

Remark: C = Chairman D = Director

[1] Mr. Roongrote Rangsiyopash was appointed as follows:
- As Independent Director and Member of the Nomination and Remuneration Committee, effective 26 February 2022.
- As Chairman of the Nomination and Remuneration Committee, effective 14 March 2022.
- As Chairman of the Independent Director, effective 14 November 2022.

The details of directors are described in Enclosure 1 of this document.

Authorized Directors to bind the Company

Mr. Suthikiati Chirathivat, Mrs. Yuwadee Chirathivat, Mr. Suthilaksh Chirathivat, Mr. Prin Chirathivat, Mr. Tos Chirathivat, Mr. Pichai Chirathivat, Mr. Yol Phokasub, Mr. Suthiphand Chirathivat, Mr. Sudhitham Chirathivat, two of nine directors co-signing with the Company's seal affixed.

Report of Changes in CRC's Shares of Directors and Executives

Name	CRC's Shares			
	As at 1 January 2022	Changes Increase (Decrease)	As at 31 January 2023	
			No. of CRC's shares	Shareholding proportion (%)
1. Dr. Prasarn Trairatvorakul	-	-	-	-
2. Mr. Suthikiati Chirathivat	38,835,033	-	38,835,033	0.6439%
3. Mr. Sudhitham Chirathivat	40,070,249	-	40,070,249	0.6644%
4. Mr. Roongrote Rangsiyopash	-	-	-	-
5. Mrs. Pratana Mongkolkul	-	-	-	-
6. Mrs. Patareeya Benjapolchai	-	-	-	-
7. Mr. Sompong Tantapart	-	-	-	-
8. Mr. Kanchit Bunajinda	-	-	-	-
9. Prof. Dr. Suthiphand Chirathivat	43,850,621	-	43,850,621	0.7271%
10. Mrs. Yuwadee Chirathivat	17,029,945	-	17,029,945	0.2824%
11. Mr. Suthilaksh Chirathivat	44,895,987	-	44,895,987	0.7444%
12. Mr. Prin Chirathivat	40,522,900	-	40,522,900	0.6719%
13. Mr. Tos Chirathivat	39,336,816	(0.0137%)	38,508,100	0.6385%
14. Mr. Pichai Chirathivat	53,227,462	-	53,227,462	0.8826%
15. Mr. Yol Phokasub	351,902	0.0010%	409,221	0.0068%
16. Mr. Ty Chirathivat	17,374,036	0.0174%	18,424,036	0.3055%
17. Mr. Philippe Jean Broianigo	69,700	-	69,700	0.0012%
18. Mr. Pierluigi Cocchini	-	-	-	-
19. Mr. Olivier Langlet	-	-	-	-
20. Mr. Yingyai Eumkhrong	3,977	0.0001%	8,653	0.0001%

Remarks:
1. Notification of the Office of the Securities and Exchange Commission No. SorJor. 38/2561 defined "executives" as the manager, the next four executives succeeding the manager, every person holding an equivalent position to the fourth executive, and shall include the persons holding an executive position in accounting or finance at a managerial or equivalent or higher level.
2. The shares prescribed in the above table have included shares held by a spouse, partners in a de facto relationship, and minor children (if any) of directors and executives.
3. The Company has an Employee Joint Investment Program (EJIP) for employees at the executive level.

7.2.2 The Information of Directors in the Company's Subsidiaries

List of Directors	Subsidiaries																		
	CDS	ROBINS	TWT	CMK	CTD	CNGI	CGO	CFR	CFM	SPS	C Trading	PWB	COL	NK Trading	Cap C	LC Investment	LC Ha Nam	LC Trading	LR
Mr. Suthikiati Chirathivat	✓										✓								
Mr. Sudhitham Chirathivat		✓						✓							✓				✓*
Mrs. Yuwadee Chirathivat	✓	✓					✓												✓*
Mr. Suthilaksh Chirathivat	✓		✓		✓			✓	✓	✓		✓			✓				
Mr. Prin Chirathivat	✓			✓	✓			✓	✓		✓				✓				✓*
Mr. Tos Chirathivat	✓				✓			✓							✓				
Mr. Pichai Chirathivat											✓								
Mr. Yol Phokasub				✓				✓	✓										
Mr. Ty Chirathivat		✓											✓						
Mr. Suthichai Chirathivat	✓							✓		✓	✓	✓							
Mr. Suthichart Chirathivat	✓								✓	✓	✓	✓							
Mr. Narongrit Chirathivat							✓	✓		✓		✓			✓*				
Mrs. Nidsinee Chirathivat	✓																		
Ms. Sukulaya Uahwatanasakul	✓	✓	✓		✓	✓		✓	✓	✓	✓	✓							
Mrs. Sukanya Promphan	✓							✓		✓		✓							
Mr. Watt Chirathivat	✓																		
Mr. Kriangsak Chirathivat	✓										✓								
Mrs. Sirikate Chirakiti	✓																		
Mrs. Jariya Chirathivat	✓		✓					✓		✓		✓	✓	✓*		✓*	✓*	✓*	
Mr. Sudhisak Chirathivat		✓									✓								
Mrs. Natira Boonsri		✓																	
Mr. Kajohnsak Jantarustiyakan								✓											
Mr. Piya Nguiakaramahawongse													✓						

List of Directors	Subsidiaries																		
	CDS	ROBINS	TWT	CMK	CTD	CNGI	CGO	CFR	CFM	SPS	C Trading	PWB	COL	NK Trading	Cap C	LC Investment	LC Ha Nam	LC Trading	LR
Mr. Suthisarn Chirathivat					✓					✓		✓							
Mr. Nath Vongphanich										✓									
Mrs. Chintana Boonyarat											✓								
Mr. Pong Skuntanaga					✓							✓							
Mr. Chodok Bhicharnchitr					✓														
Ms. Supatra Chirathivat						✓							✓						
Mr. Parivat Sopasit								✓	✓										
Mr. Kowin Kulruchakorn						✓													
Ms. Chitlada Hanvoravongchai													✓						
Mr. Stephane Coum				✓				✓	✓										
Mr. Fumio Hiraoka			✓																
Mr. Toshiyuki Inada			✓																
Mr. Masahiro Hirata			✓																
Mr. Takashi Matsumoto				✓															
Mr. Hidetoshi Sugimoto				✓															
Mr. Pierluigi Cocchini																			✓
Mr. Vittorio Radice																			✓
Mr. Stefano Della Valle																			✓
Mr. Sean Christopher Hill																			✓
Mr. Philippe Jean Broianigo															✓				

Remark: For overseas companies, * refers to directors who reside in Thailand.

The details of the directors of the Company's subsidiaries are described in Enclosure 1 and Enclosure 2 of this document.

7.2.3 Information of the Board's Authorities, Duties, and Responsibilities

The Board's Authorities, Duties, and Responsibilities

The Board of Directors, as the representatives of shareholders and the organization's leadership, is charged with the duties and responsibilities of performing its duties and overseeing the Company's business operations in compliance with the laws, the Company's objectives, the Articles of Association, resolutions of the Board of Directors and Shareholders' Meetings. The Board is to act with responsibility, diligence, and integrity to safeguard the rights and interests of the Company and all shareholders. In addition, it is tasked with defining the vision, mission, strategy, business direction, objective, target, business plan, budget, management structure, and delegation of authority of the Company and its subsidiaries. The vision, mission, strategy, business direction, business plan, and budget are reviewed at least once a year so as to adapt to any changes in the economic situation, market conditions, and state of competition. It continuously and regularly monitors and assesses the performance of the management and sub-committees as well as their respective reports, to ensure that the strategy is followed and the targets are met as planned. Moreover, it encourages the use of information technology to enhance business opportunities and operating results to achieve maximum efficiency and effectiveness in terms of value for the Company and its shareholders.

In addition, the Board of Directors has the authority to make key decisions, balancing the interests of all groups of shareholders and stakeholders of the Company in an equitable manner, e.g., the appointment of sub-committees, the appointment of the Company Secretary, the succession plans of the CEO and top management, the approval of acquisition and disposal of assets, the approval of connected transactions, and approval of interim dividend payments. For more information, please visit the Company's website under the section "Charter of the Board of Directors."

Click here to learn more about the Charter of the Board of Directors

Authority, Duties, and Responsibilities of the Chairman of the Board of Directors and the Chief Executive Officer

To ensure checks and balances between the Board of Directors and the management, the Company prescribes that the Chairman of the Board and the Chief Executive Officer are not the same person. The Chairman of the Board acts as the head of the Board of Directors in supporting the management's operation but is not involved in the daily operation, which is the duty of the Chief Executive Officer. The authority and duties of both positions are segregated as follows:

Chairman's Authorities, Duties, and Responsibilities

The Chairman of the Board of Directors plays an important role as the Board's leader in overseeing and ensuring that the Board effectively discharges its functions in accordance with the Company's direction and strategy. The Chairman has the duty and responsibility to call for an in-person or online meeting of the Board of Directors, consistent with the relevant regulations, rules, and laws. The meeting agendas are set in consultation with the Chairman of the Independent Directors and the CEO. An invitation for the Board of Directors' meeting together with the agenda and relevant documents for the meeting must be sent to all directors at least seven (7) days prior to the date of the meeting, to allow sufficient time to consider the agenda. In case of an urgency, the meeting date may be notified by a different means or set sooner.

At the Board of Directors' meeting, the Chairman chairs the meeting. If he/she is absent or unable to perform such duty, an acting Chairman will be chosen, in accordance with the order of precedence prescribed in the Company's articles of association, to conduct the meeting according to the agenda. The Chairman is to allocate sufficient and appropriate time for the meeting and encourage members of the Board to exercise their judgment diligently and express their opinions freely, as well as foster good relations between non-executive directors and executive directors and between the Board of Directors and the management.

As for the shareholders' meeting, the Chairman of the Board of Directors chairs the meeting. If he/she is absent or unable to perform such duty, the Vice Chairman will chair the meeting. If there is no Vice Chairman or he/she is absent or unable to perform such duty, the shareholder's meeting will choose one of the shareholders in attendance to chair the meeting.

Chief Executive Officer's Authorities, Duties, and Responsibilities

Chief Executive Officer's authorities, duties, and responsibilities were determined as follows:

(1) Determine visions, strategies, business directions, objectives, policies, business plans, budgets, management structure, and delegation of authority of Central Retail Corporation Public Company Limited (CRC) and its subsidiaries to submit to the Executive Committee and/or the Board of Directors for approval.

(2) Monitor, manage, operate, and conduct the regular business-related duties for CRC's interests, according to its visions, business directions, policies, strategies, objectives, business plans, and annual budget plans approved by the Executive Committee and/or the Board of Directors, and/or as assigned by the Executive Committee and/or the Board of Directors.

(3) Coordinate with the Executive Committee for the business actions and risk management to be consistent with CRC's objectives and requirements, together with the resolutions of the Executive Committee and/or the Board of Directors, and/or the shareholders' meetings.

(4) Approve any agreements and/or transactions related to its general business operation (such as trading, investing or co-investing with other parties for its general transactions for the advantages of the operational objectives) under the conditions and within the financial amount set by the Delegation of Authority and/or the Executive Committee and/or the Board of Directors and/or the related laws and regulations and/or CRC's principles.

(5) Approve any loans and business loan applications from the financial institutions, as well as lending, pledging, mortgaging, or CRC and its subsidiaries standing sureties for loans within the financial amount set by the Delegation of Authority and/or the Executive Committee and/or the Board of Directors.

(6) Follow up, review, and control the performances of CRC, its subsidiaries, and/or associated companies to ensure the good performances as the goals set; report to the Executive Committee and the Board quarterly; and seek opportunities to improve and develop for the better operating results.

(7) Develop the organization's good performance and operating results, with consistent improvement for sustainable growth.

(8) Conduct appropriate and thorough technical and financial studies on investment opportunities in good new projects to assist decision-making.

(9) Operate in accordance with the regulations of the Securities and Exchange Commission, Thailand, including the Stock Exchange of Thailand regarding the Connected Transactions and the Acquisition and Disposition of Assets as well as the Company's regulations, which resolved approval from the Executives Committee and/or the Board of Directors.

(10) Appoint consultants in the fields necessary to the Company's operation within the budget and financial amount set by the Delegation of Authority and/or the Executive Committee and/or the Board of Directors.

(11) Establish regulations, rules, practices, and requirements for the organizational structure of the positions lower than top management (as defined as "Executive" in the Announcement of the Securities and Exchange Commission No. KorChor. 17/2551 regarding the determination of definitions in notifications relating to issuance and offer for sale of securities), as well as hiring, appointment, transferring, removal, and dismissal of employees in positions lower than top management.

(12) Determine the remuneration structure, wage rates, compensation, premiums and rewards, bonuses, and salary increments for executives and employees in positions lower than top management within the scope and policy set by the Board of Directors and/or the Executive Committee.

(13) Issue internal orders, announcements, and memorandums for CRC's operation to be in line with the policy and for CRC's interests; maintain the internal disciplines, authorize and/or sub-authorize one or many persons to take actions on behalf of the Chief Executive Officer within the scope of authority specified in CRC's Power of Attorney and/or rules, regulations, or resolutions of the Board. Such authorizations of the Chief Executive Officer will not be of the authorizations or sub-authorizations enabling the Chief Executive Officer or its attorneys to approve their or the related parties' items with an actual or possible conflict of interests (as defined in the Announcement of SEC and/or the Thai Capital Market Supervisory Board), interests or benefits in any form or possible conflict of interests with CRC or its subsidiaries unless it is the item approval in line with the policies and principles approved by the Board of Directors.

(14) Conduct other duties assigned by the Executive Committee and/or the Board of Directors and have the authority to take actions necessary for the duties.

7.3 Information of Sub-Committees

1. The Audit Committee

The Audit Committee is a sub-committee established to support the Board of Directors in governance and screening of management, internal control, and related law compliance, as well as the preparation of financial reports for the transparency and accountability of the Company's information disclosure.

As of 31 December 2022, the Audit Committee comprises three (3) independent directors with the qualifications required by the Audit Committee Charter and in accordance with the criteria of the Capital Market Supervisory Board as follows:

Name	Position
1. Mrs. Pratana Mongkolkul[(1)]	Chairman of the Audit Committee
2. Mrs. Patareeya Benjapolchai[(1)]	Member of the Audit Committee
3. Mr. Sompong Tantapart[(1)]	Member of the Audit Committee

Remark: [(1)] is an independent director

The members of the Audit Committee have enough knowledge and experience to appraise the reliability of the Company's financial statements. Mr. Phisoot Suksangtip is the Audit Committee Secretary, he was appointed by the Board of Directors Meeting No. 3/2019 on 25 March 2019 and has been the Audit Committee Secretary since the Audit Committee Meeting No. 1/2019 on 28 March 2019.

The composition, qualifications, tenure, authority, and duties are detailed in the Audit Committee Charter which can be found in Enclosure 5, and the Report of the Audit Committee which can be found in Enclosure 6.

2. The Risk Policy Committee

The Risk Policy Committee is established to support the Board of Directors in governance to ensure an adequate, proper risk management system is in place for the Company's effective and efficient objective achievement and compliance with the related laws and standards, limiting overall risks to an acceptable level.

As of 31 December 2022, The Risk Policy Committee comprises four (4) risk policy committee members as follows:

Name	Position
1. Mr. Kanchit Bunajinda[1]	Chairman of the Risk Policy Committee
2. Mrs. Patareeya Benjapolchai[1]	Member of the Risk Policy Committee
3. Mr. Prin Chirathivat	Member of the Risk Policy Committee
4. Mr. Yol Phokasub	Member of the Risk Policy Committee

Remark: [1] is an independent director

Ms. Rangsirach Pornsutee was appointed as Secretary of the Risk Policy Committee by the Risk Policy Committee Meeting effective on 1 October 2022.

The composition, qualifications, tenure, authority, and duties are detailed in the Risk Policy Committee Charter which can be found in Enclosure 5 and the Report of the Risk Policy Committee in Part 8.3 of this report.

3. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") is established to nominate qualified persons to serve the positions of directors, members of the sub-committees, Chief Executive Officer, and top management (as per the definition of "executives" in the Notification of the Securities and Exchange Commission KorChor. 17/2551 RE: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities) of the Company, including to consider and submit the remuneration methods and principles of directors, members of the sub-committees, Chief Executive Officer, and top management together with suggestions to the Board of Directors and/or propose for approval in the Shareholders' Meeting. (If any)

As of 31 December 2022, The Nomination and Remuneration Committee comprises four (4) nomination and remuneration committee members as follows:

Name	Position
1. Mr. Roongrote Rangsiyopash[(1)(2)]	Chairman of the Nomination and Remuneration Committee
2. Mr. Sompong Tantapart[(1)]	Member of the Nomination and Remuneration Committee
3. Professor Dr. Suthiphand Chirathivat	Member of the Nomination and Remuneration Committee
4. Mr. Tos Chirathivat	Member of the Nomination and Remuneration Committee

Remarks: [(1)] is an independent director

[(2)] Mr. Roongrote Rangsiyopash was appointed as Independent Director and Member of the Nomination and Remuneration Committee, effective date 26 February 2022 and appointed as Chairman of the Nomination and Remuneration Committee, effective date 14 March 2022.

Ms. Rangsirach Pornsutee was appointed as Secretary of the Nomination and Remuneration Committee by the Board of Directors' Meeting No. 8/2019 held on 19 July 2019.

The composition, qualifications, tenure, authority, and duties are detailed in the Nomination and Remuneration Committee Charter which can be found in Enclosure 5 and the Report of the Nomination and Remuneration Committee in Part 8.3 of this report.

4. The Corporate Governance and Sustainability Committee

The Company is committed to complying with the international standards of good corporate governance principles to achieve sustainable development. The Board of Directors had appointed the Corporate Governance and Sustainability Committee ("The Committee") on 22 December 2020 to engage in corporate governance and sustainable development activities of the Company while ensuring that the Company's business operations are in line with the directions, policies, and strategies to achieve corporate governance and sustainable development.

As of 31 December 2022, The Corporate Governance and Sustainability Committee comprises three (3) corporate governance and sustainability committee members as follows:

Name	Position
1. Mrs. Patareeya Benjapolchai[(1)]	Chairman of the Corporate Governance and Sustainability Committee
2. Mr. Pichai Chirathivat	Member of the Corporate Governance and Sustainability Committee
3. Mr. Yol Phokasub	Member of the Corporate Governance and Sustainability Committee

Remark: [(1)] is an independent director

Mrs. Ngamchit Kiattanavith, the Company Secretary, was appointed as Secretary of the Corporate Governance and Sustainability Committee, responsible for corporate governance. Mr. Kerkrit Wongwan was appointed as Secretary of the Corporate Governance and Sustainability Committee, responsible for sustainability.

The composition, qualifications, tenure, authority, and duties are detailed in the Corporate Governance and Sustainability Committee Charter which can be found in Enclosure 5 and detailed in the Report of the Corporate Governance and Sustainability Committee in Part 8.3.

5. The Executive Committee

The Executive Committee of the Company is established to support the Board of Directors in governance in accordance with any policy, operational plan, requirements, instructions, and goals set within the scope assigned by the Board of Directors.

As of 31 December 2022, The Executive Committee comprises five (5) executive committee members as follows:

Name	Position
1. Mr. Tos Chirathivat	Chairman of the Executive Committee
2. Mrs. Yuwadee Chirathivat	Member of the Executive Committee
3. Mr. Yol Phokasub	Member of the Executive Committee
4. Mr. Suthisarn Chirathivat	Member of the Executive Committee
5. Mr. Ty Chirathivat	Member of the Executive Committee

Ms. Oranee Bunditdumrongkul is a secretary to the Executive Committee.

The composition, qualifications, tenure, authority, and duties are detailed in the Executive Committee Charter which can be found in Enclosure 5 of this report.

7.4 Information of the Management

As of 31 December 2022, the Company consists of 6 Executives as follows:

Name	Position
1. Mr. Yol Phokasub	Chief Executive Officer (CEO)
2. Mr. Ty Chirathivat	Chief Financial Officer (CFO)
3. Mr. Olivier Langlet	Chief Executive Officer - Central Retail Vietnam
4. Mr. Pierluigi Cocchini	Chief Executive Officer - Central Retail Italy
5. Mr. Philippe Jean Broianigo	Chief Executive Officer - Property & Business Development
6. Mr. Yingyai Eumkhrong	Head of Finance and Accounting

Remuneration of Executives

(1) Monetary Remuneration

As of 31 December 2022, the Company paid remuneration to 4 executives totally THB 100 million form of salaries and annual bonuses (Mr. Philippe Jean Broianigo received remuneration for the executive positions

under Central Retail from ROBINS and Mr. Olivier Langlet received remuneration for the executive positions under Central Retail Vietnam.)

(2) Other Remuneration

The Company paid other remuneration to 4 executives in the form of social security fund contributions, travel expenses, fuel, and telephone bills, etc.

Provident funds

The Company established a provident fund for executives by contributing 3 - 5 percent of salary. In 2022, the Company contributed a total of THB 2 million to the provident fund for 5 executives (except Mr. Pierluigi Cocchini).

Policy and method to determine remuneration of directors and executives

The Company determines remuneration of directors and executives by considering consistency with the key organizational objectives and goals and long-term organizational benefits as well as appropriateness of salary proportion and remuneration that corresponds to short-term and long-term operating results of the business, size of business, responsibility of such persons, and comparing with remuneration of other listed companies in the same business type and of similar size according to the recommendations of the Nomination and Remuneration Committee in the form of monthly or quarterly remuneration, meeting allowance, and bonus.

Currently, such remuneration structure is appropriate for responsibility and ability to induce directors and executives to lead the organization's operations to be in alignment with the short-term and long-term goals, and comparable to the remuneration level applied in the industry.

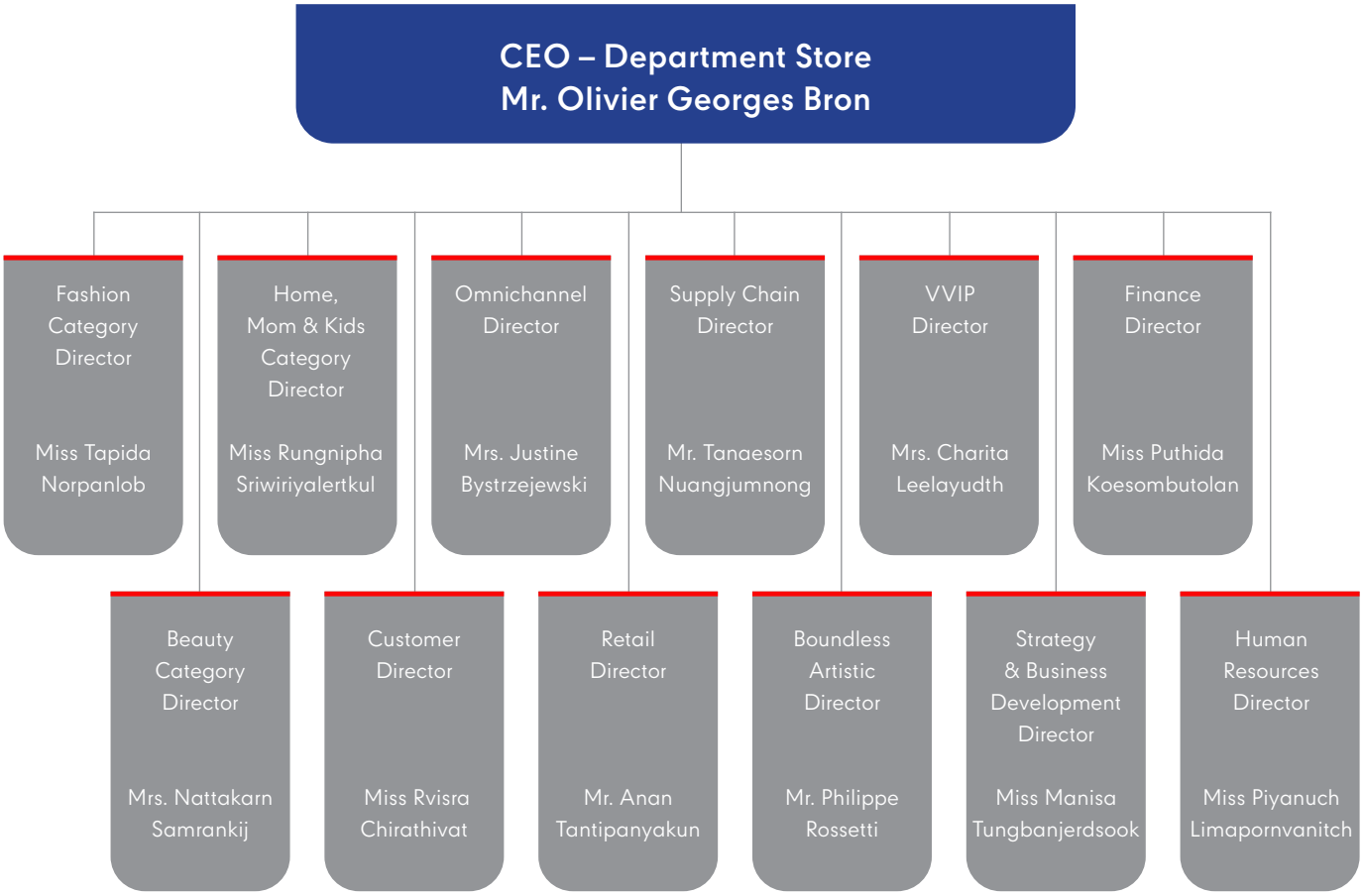
Employee Joint Investment Program: EJIP

The Company has established Employee Joint Investment Program: EJIP, to enhance employee's participation as the owner of the Company, create incentives, and retain personnel with the Company. The program takes 3 years, from 1 April 2021 - 31 March 2024. The employees who are eligible for the program must be executives who are regular employees of Central Retail at Management 2 (equivalent to Assistant Vice President Level) upwards with work period of more than 1 year and performance assessment results of the latest year as stipulated by the Company. The Company will deduct 3 percent and 5 percent of base salary depending on position levels of the eligible and voluntary employees until the completion of distribution period and use this amount to gradually invest in the Company's shares based on costs averaging. The Company will pay distributions in the amount that is equal to the amount deducted from monthly salary of the program participants until the completion of period. In 2022, Joint Investment Program between the Company and employees opened 4 times for applications and approximately 60 percent of the total number of executives eligible for this project have participated in the program.

Executives of the Subsidiaries Operating the Core Business

1. CDS

As of 31 December 2022, the management structure and a name list of CDS executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

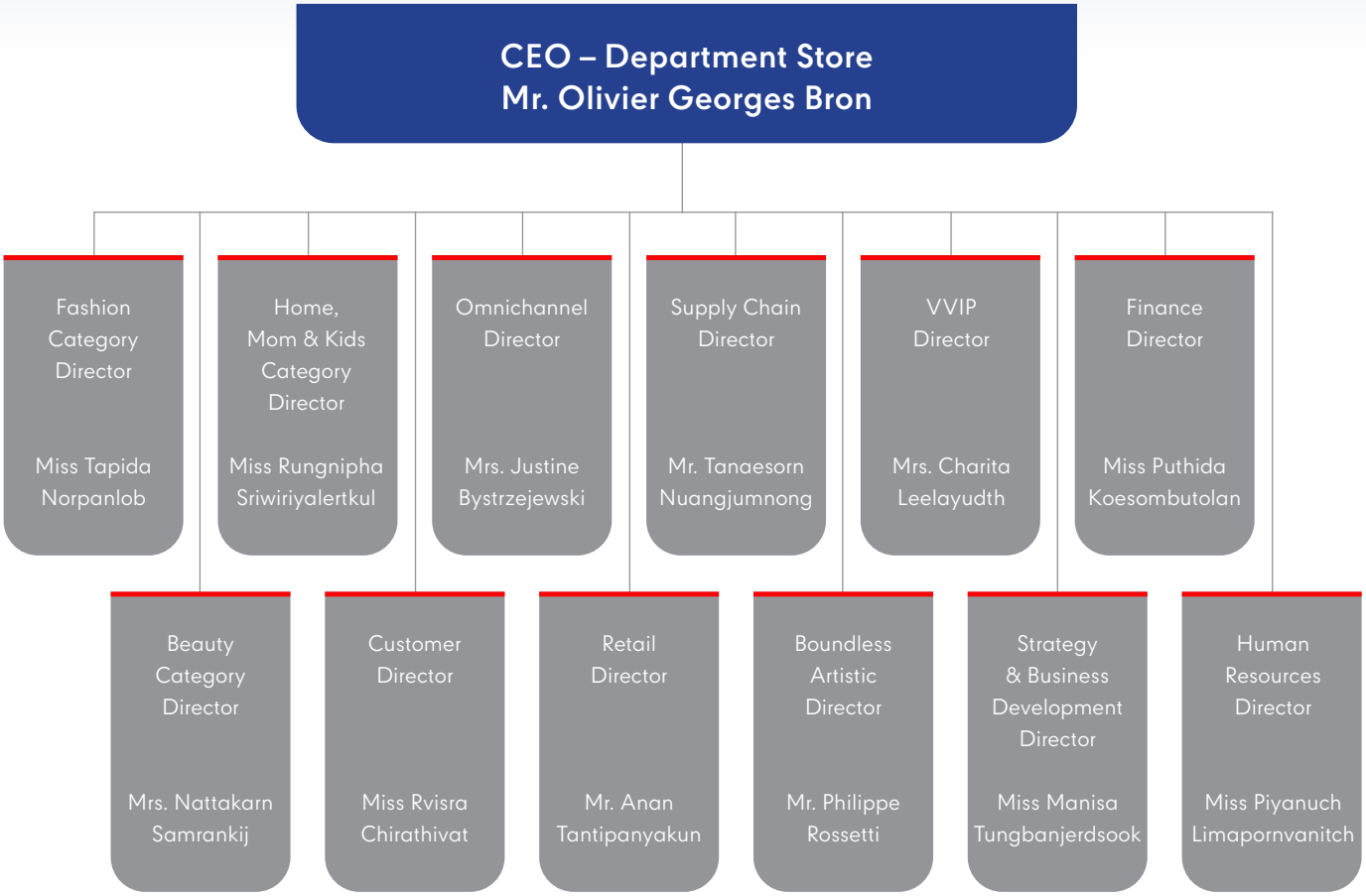
In the fiscal year ended 31 December 2022, CDS paid remuneration to 13 executives in the form of salaries and annual bonuses, amounted to approximately THB 120 million. (Mr. Anan Tantipanyakun, Miss Tapida Norpanlob, Mrs. Nattakarn Samrankij, Miss Rungnipha Sriwiriyalertkul, Mr. Tanaesorn Nuangjumnong, Mr. Philipe Rossetti, Miss Manisa Tungbanjerdsook, Miss Puthida Koesombutolan, and Miss Piyanuch Limapornvanitch received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, CDS paid other remuneration to 13 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

2. ROBINS

As of 31 December 2022, the management structure and a name list of ROBINS executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

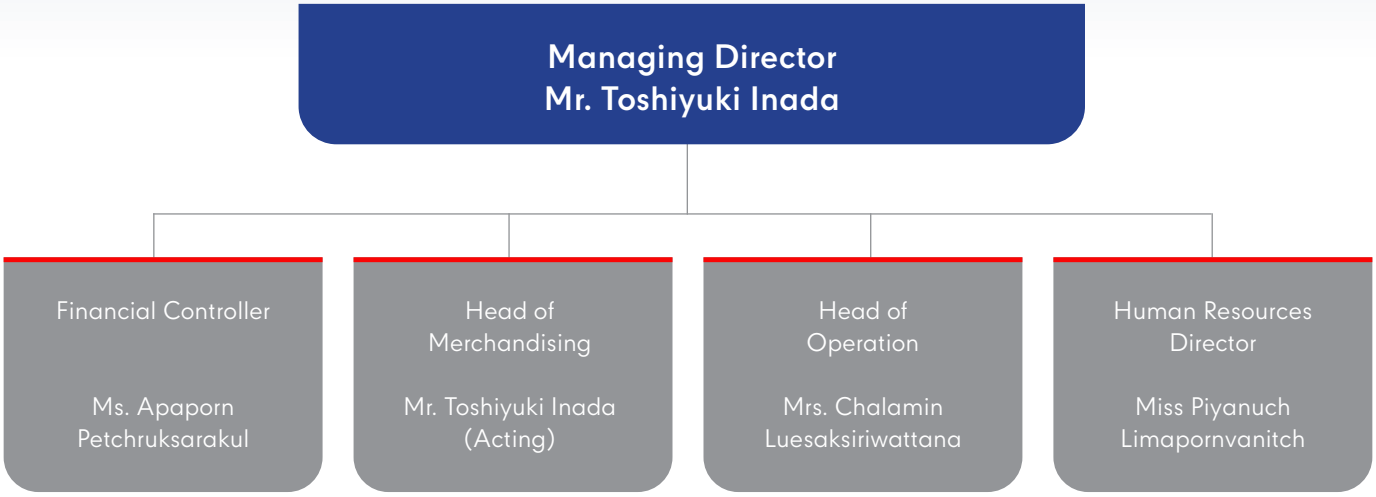
In the fiscal year ended 31 December 2022, ROBINS paid monetary remuneration to 13 executives in the form of salaries and annual bonuses for holding executive positions by CDS.

(2) Other Remuneration

In the fiscal year ended 31 December 2022, ROBINS paid other remuneration to 13 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

3. TWT

As of 31 December 2022, the management structure and a name list of TWT executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

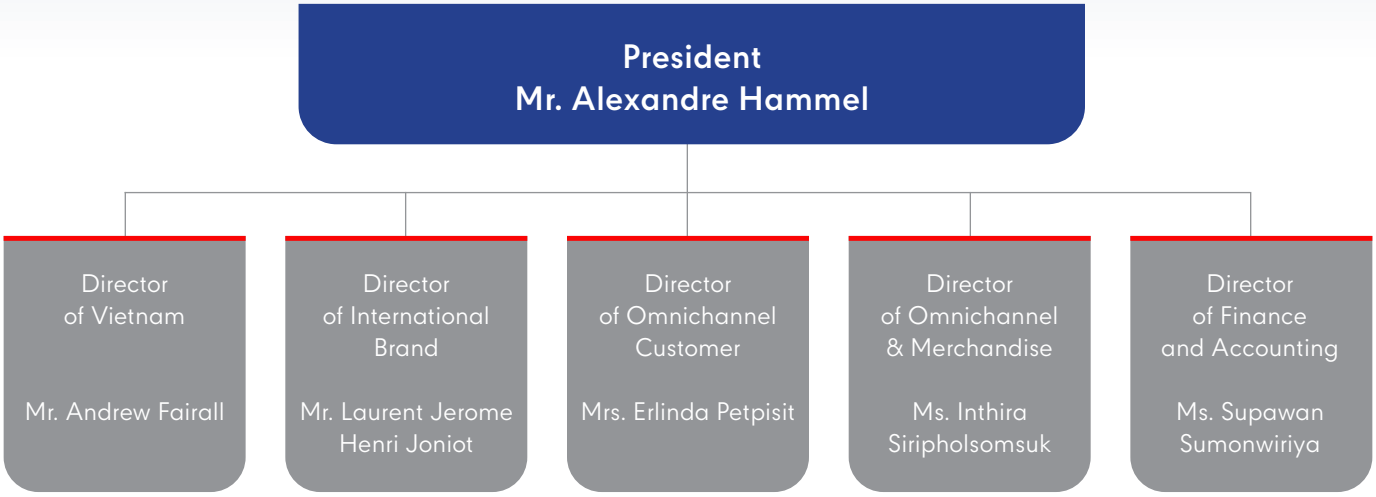
In the fiscal year ended 31 December 2022, TWT paid remuneration to 2 executives in the form of salaries and annual bonuses, amounted to approximately THB 1 million. (Miss Piyanuch Limapornvanitch received remuneration for the executive positions under Central Retail from CDS and Ms. Apaporn Petchruksarakul received remuneration for the executive positions under Central Retail from CRC.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, TWT paid other remuneration to 2 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

4. SPS

As of 31 December 2022, the management structure and a name list of SPS executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

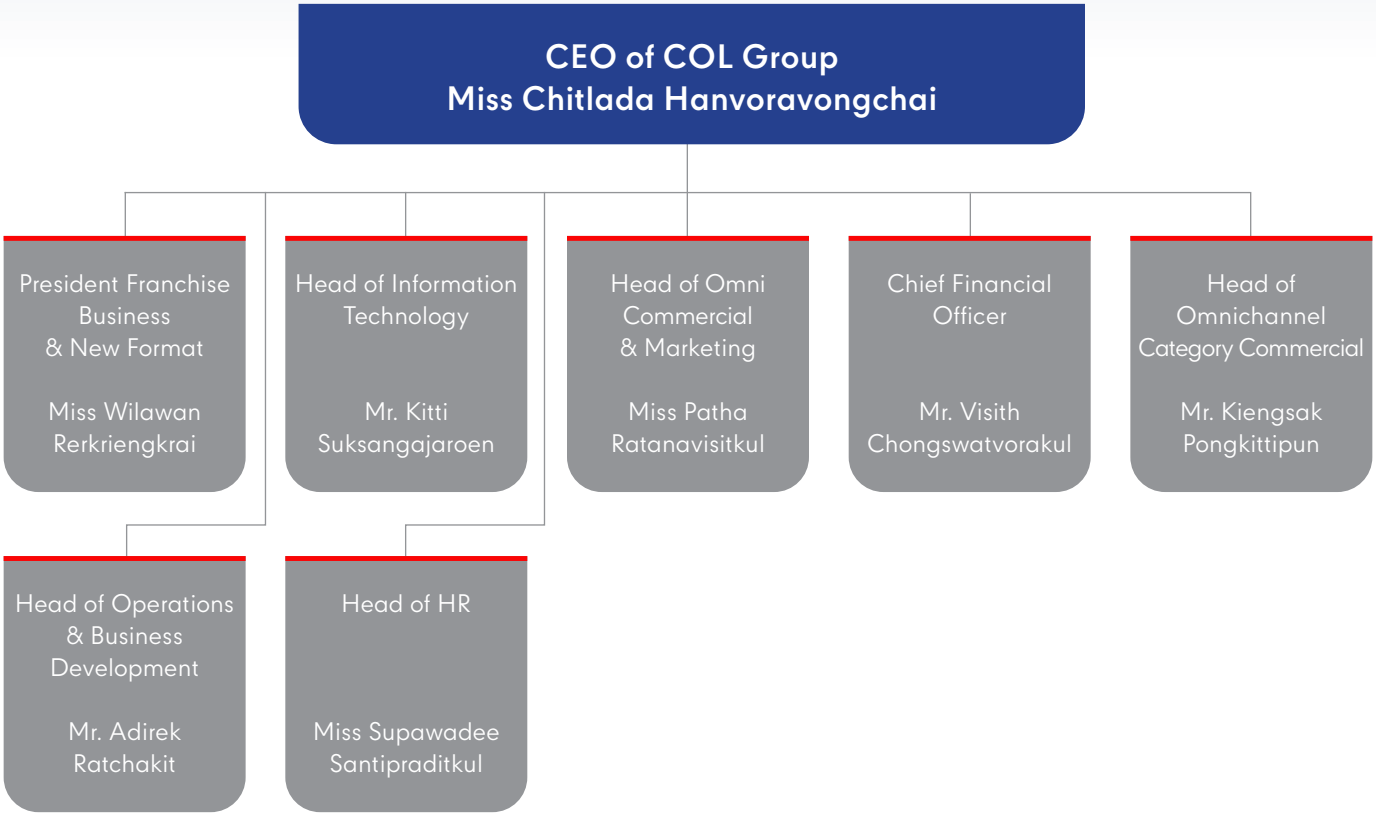
In the fiscal year ended 31 December 2022, SPS paid remuneration to 5 executives in the form of salaries and annual bonuses, amounted to approximately THB 54 million. (Mr. Andrew Fairall received remuneration for the executive positions under Central Retail from Central Retail Vietnam and Mr. Alexandre Hammel received remuneration that was not based on a full 12-month year since he held positions during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, SPS paid other remuneration to 5 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

5. COL

As of 31 December 2022, the management structure and a name list of COL executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

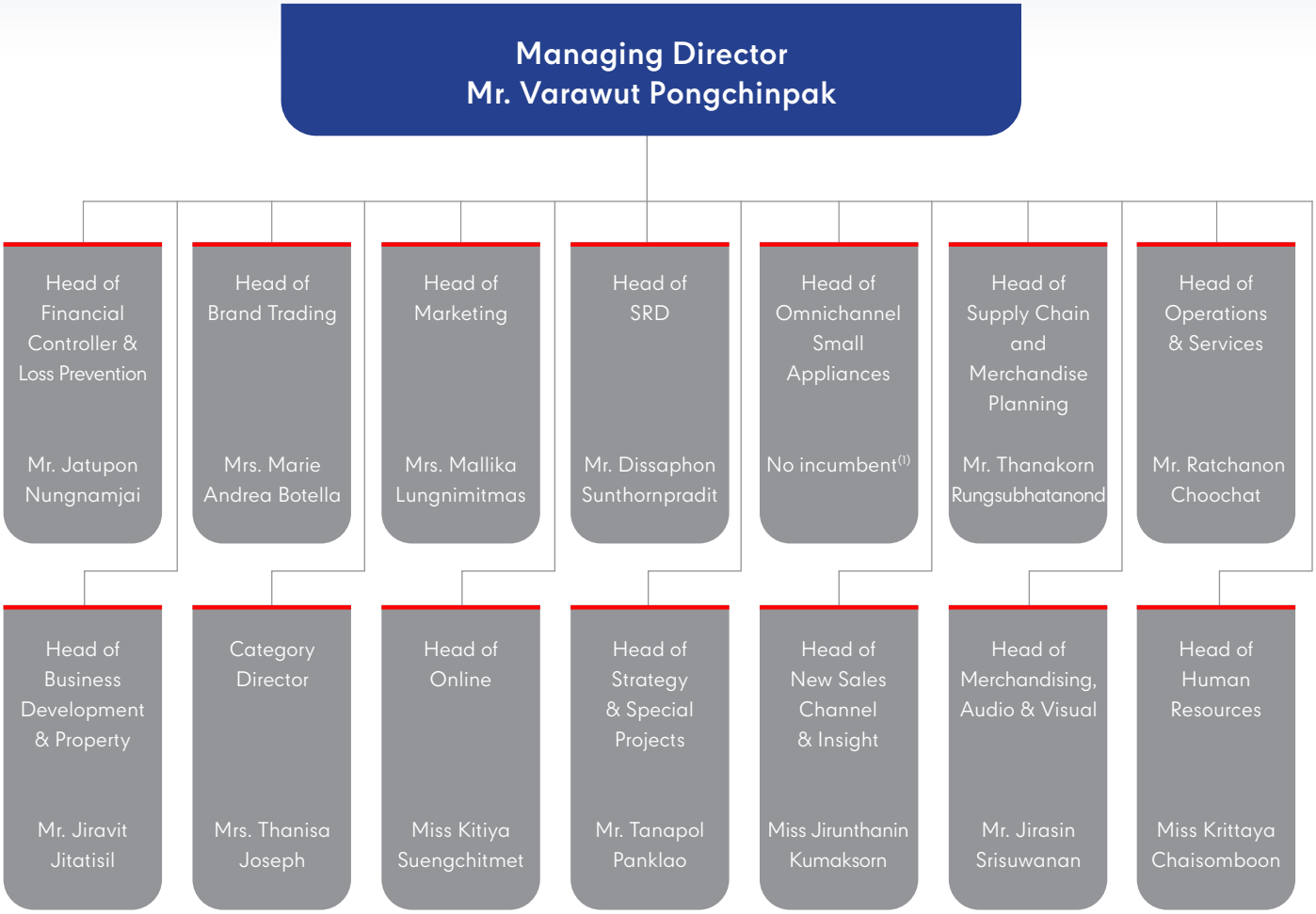
In the fiscal year ended 31 December 2022, COL paid remuneration to 8 executives in the form of salaries and annual bonuses, amounted to approximately THB 50 million. (Mr. Kitti Suksangajaroen, Miss Patha Ratanavisitkul, and Mr. Visith Chongswatvorakul received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, COL paid other remuneration to 8 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

6. PWB

As of 31 December 2022, the management structure and a name list of PWB executives were as follows:



Remark: (1) On the process of nominating a person to hold such position
See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

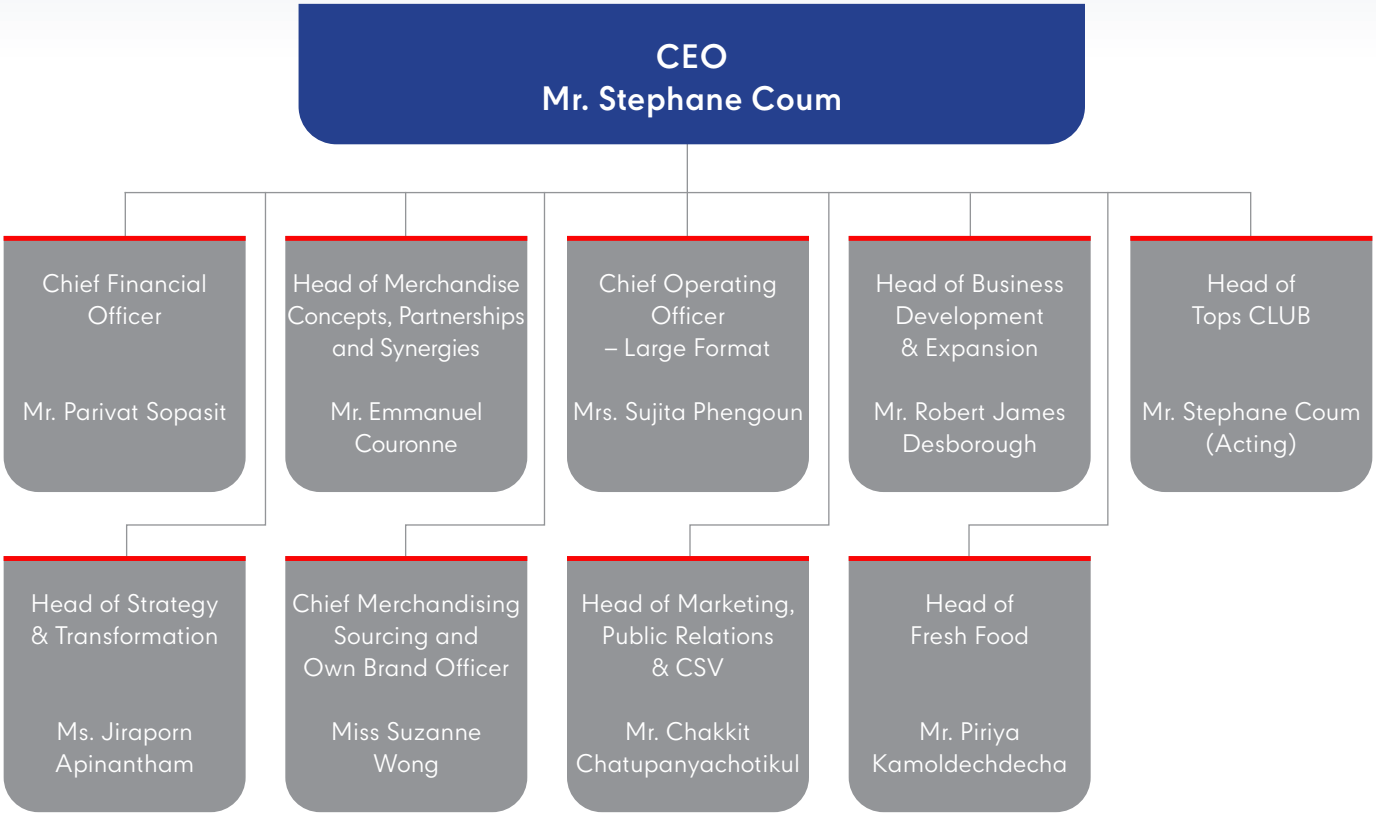
In the fiscal year ended 31 December 2022, PWB paid remuneration to 14 executives in the form of salaries and annual bonuses, amounted to approximately THB 73 million. (Mrs. Mallika Lungnimitmas, Miss Kitiya Suengchitmet, Mr. Thanakorn Rungsubhatanond, Mr. Jirasin Srisuwanan, Mr. Ratchanon Choochat, and Miss Krittaya Chaisomboon received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, PWB paid other remuneration to 14 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

7. CFR

As of 31 December 2022, the management structure and a name list of CFR executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

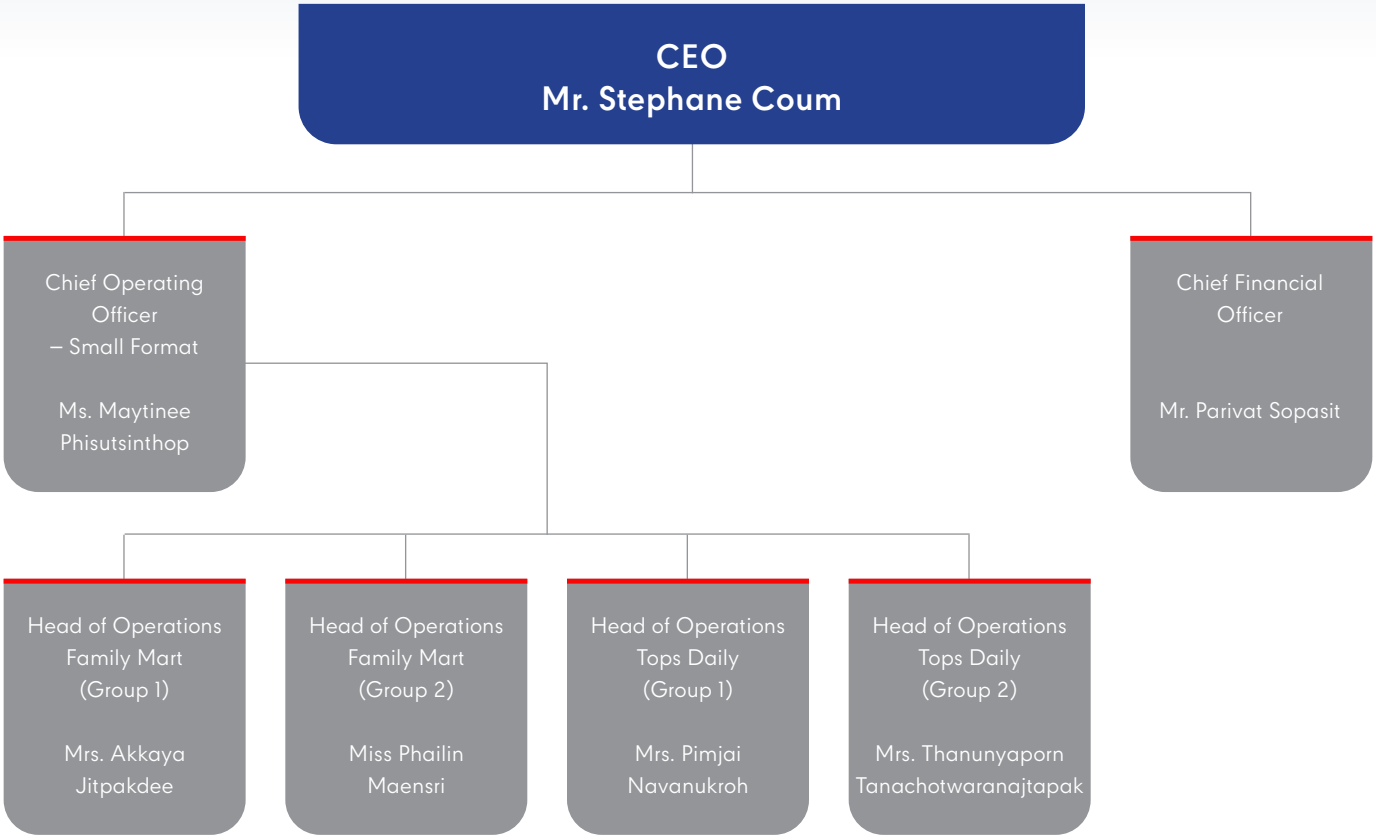
In the fiscal year ended 31 December 2022, CFR paid remuneration to 9 executives in the form of salaries and annual bonuses, amounted to approximately THB 89 million. (Mr. Emmanuel Couronne, Mr. Robert James Desborough, Mr. Chakkit Chatupanyachotikul, and Mr. Piriya Kamoldechdecha received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, CFR paid other remuneration to 9 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

8. CFM

As of 31 December 2022, the management structure and a name list of CFM executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

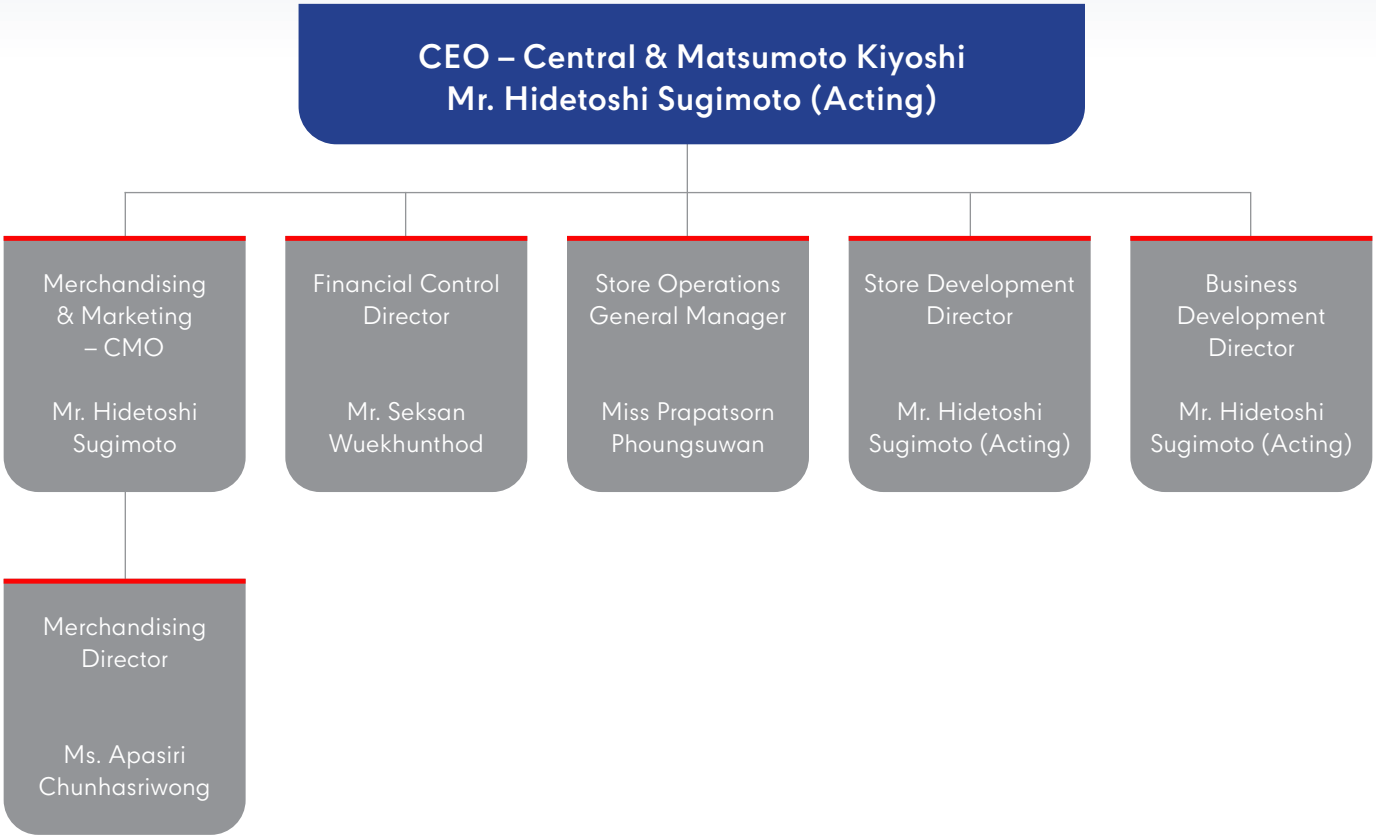
In the fiscal year ended 31 December 2022, CFM paid remuneration to 5 executives in the form of salaries and annual bonuses, amounted to approximately THB 25 million. (Mr. Stephane Coum and Mr. Parivat Sopasit received remuneration for the executive positions under Central Retail from CFR and Miss Phailin Maensri received remuneration that was not based on a full 12-month year since she held position during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, CFM paid other remuneration to 5 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

9. CMK

As of 31 December 2022, the management structure and a name list of CMK executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2022, CMK paid remuneration to 3 executives in the form of salaries, amounted to approximately THB 3 million. (Mr. Seksan Wuekhunthod received remuneration for the executive positions under Central Retail from CFR and Mr. Hidetoshi Sugimoto and Miss Prapatsorn Phoungsuwan received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period.)

(2) Other Remuneration

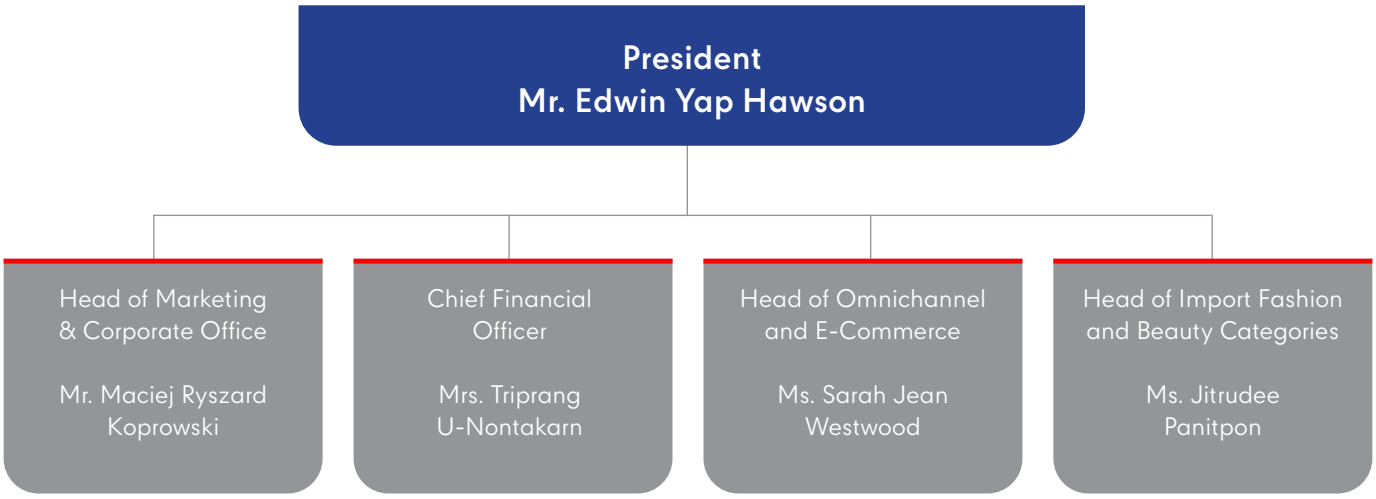
In the fiscal year ended 31 December 2022, CMK paid other remuneration to 3 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

Central Marketing Group (CMG)

CMG Group has one Central Subsidiary, namely C Trading, and two Independent Subsidiary Operating the Core Business, namely John Master and Kiko Garment. In October 2021, both companies ceased their business operations. Therefore, the management structure of CMG Group is as follows:

10. C Trading

As of 31 December 2022, the management structure and a name list of C Trading executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

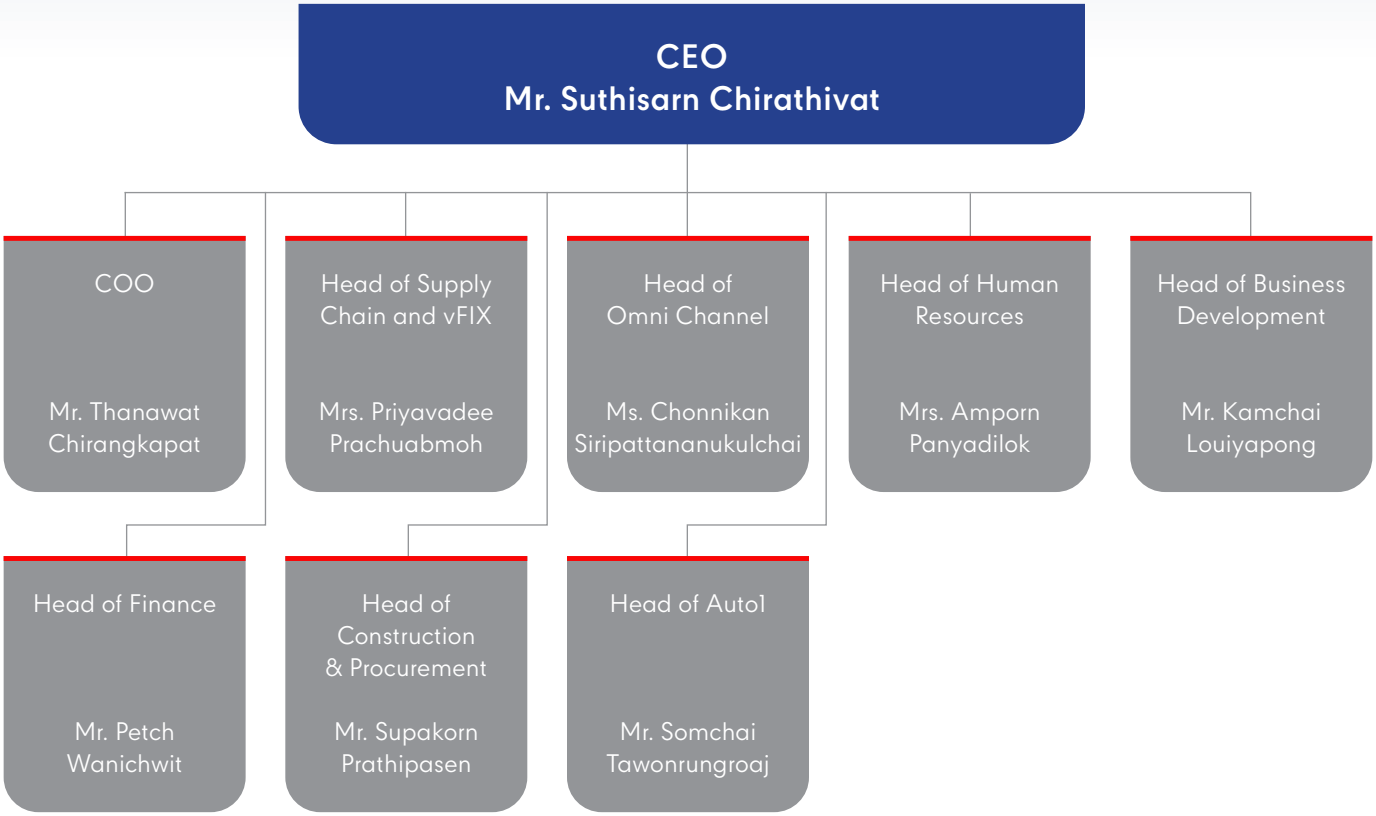
In the fiscal year ended 31 December 2022, 5 executives received remuneration from the management of the CMG's subsidiaries in Thailand in the form of salaries and bonuses, amounted to approximately THB 54 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2022, 5 executives of C Trading received other remuneration from the management of CMG's subsidiaries in Thailand in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

11. CTD

As of 31 December 2022, the management structure and a name list of CTD Garment executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

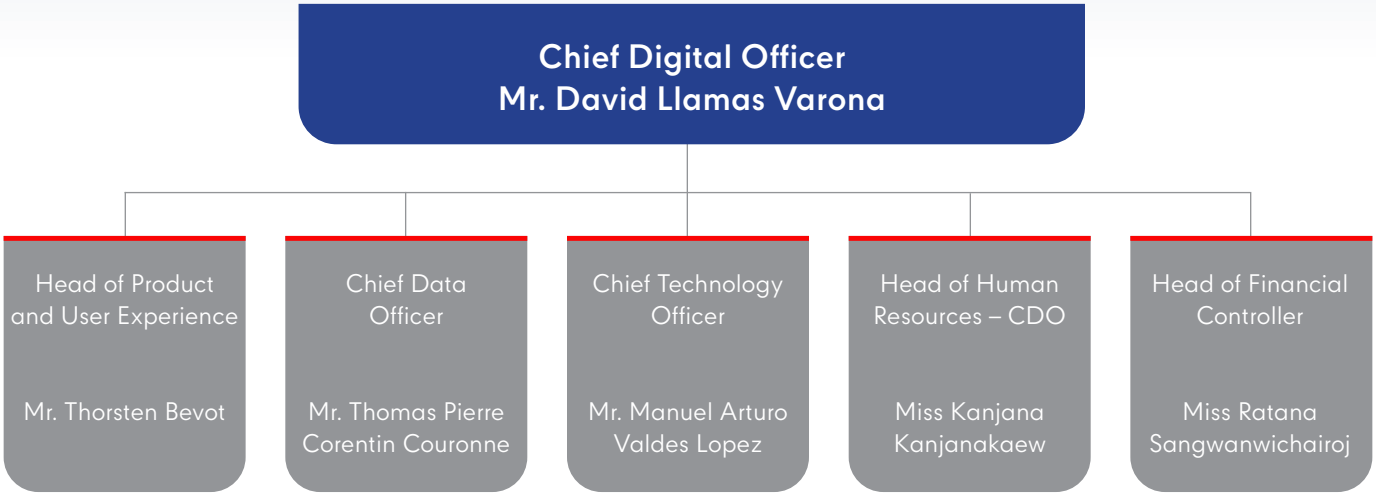
In the fiscal year ended 31 December 2022, CTD paid remuneration to 9 executives in the form of salaries and annual bonuses, amounted to approximately THB 67 million. (Mrs. Amporn Panyadilok received remuneration that was not based on a full 12-month year since she held position during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, CTD paid other remuneration to 9 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

12. CNGI

As of 31 December 2022, the management structure and a name list of CNGI executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

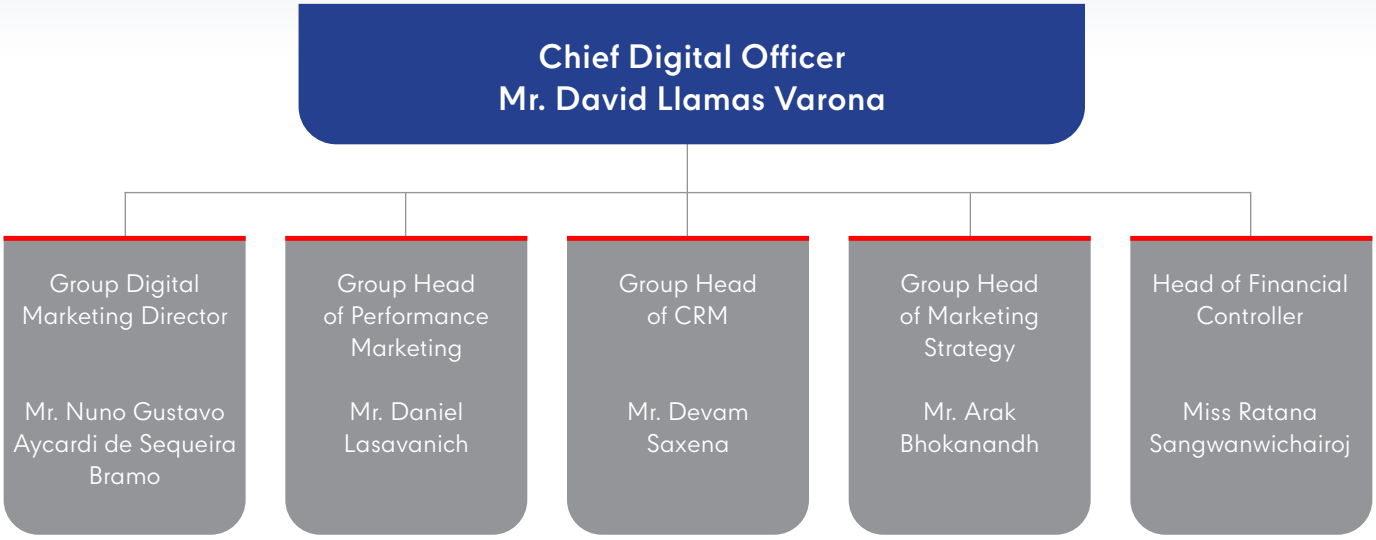
In the fiscal year ended 31 December 2022, CNGI paid remuneration to 5 executives in the form of salaries and annual bonuses, amounted to approximately THB 50 million. (Miss Ratana Sangwanwichairoj received remuneration for the executive positions under Central Retail from CGO and Miss Kanjana Kanjanakaew received remuneration that was not based on a full 12-month year since she held position during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, CNGI paid other remuneration to 5 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

13. CGO

As of 31 December 2022, the management structure and a name list of CGO executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

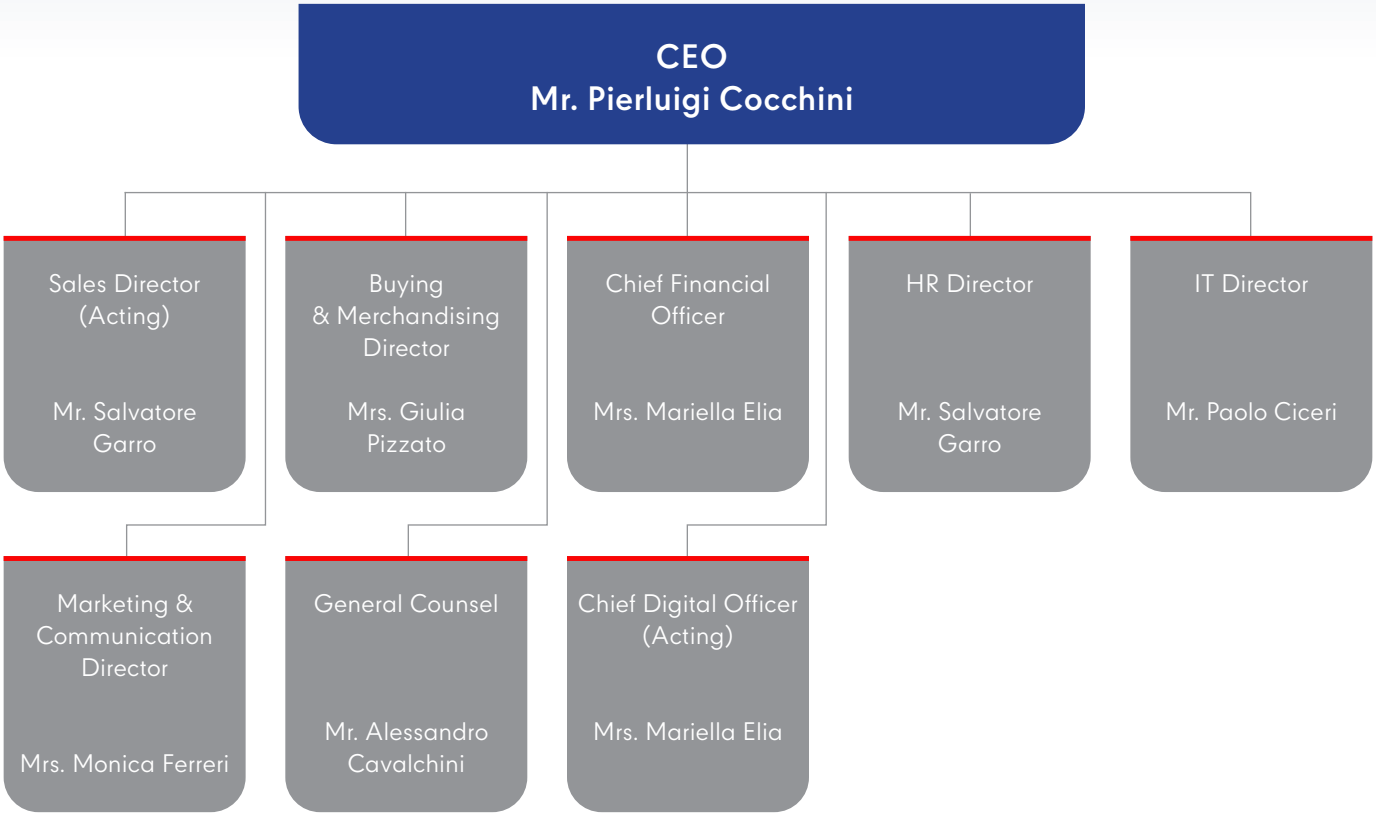
In the fiscal year ended 31 December 2022, CGO paid remuneration to 5 executives in the form of salaries and annual bonuses, amounted to approximately THB 31 million. (Mr. David Llamas Varona received remuneration for the executive positions under Central Retail from CNGI, Mr. Arak Bhokanandh received remuneration that was not based on a full 12-month year since he held position during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, CGO paid other remuneration to 5 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

14. LR

As of 31 December 2022, the management structure and a name list of LR executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

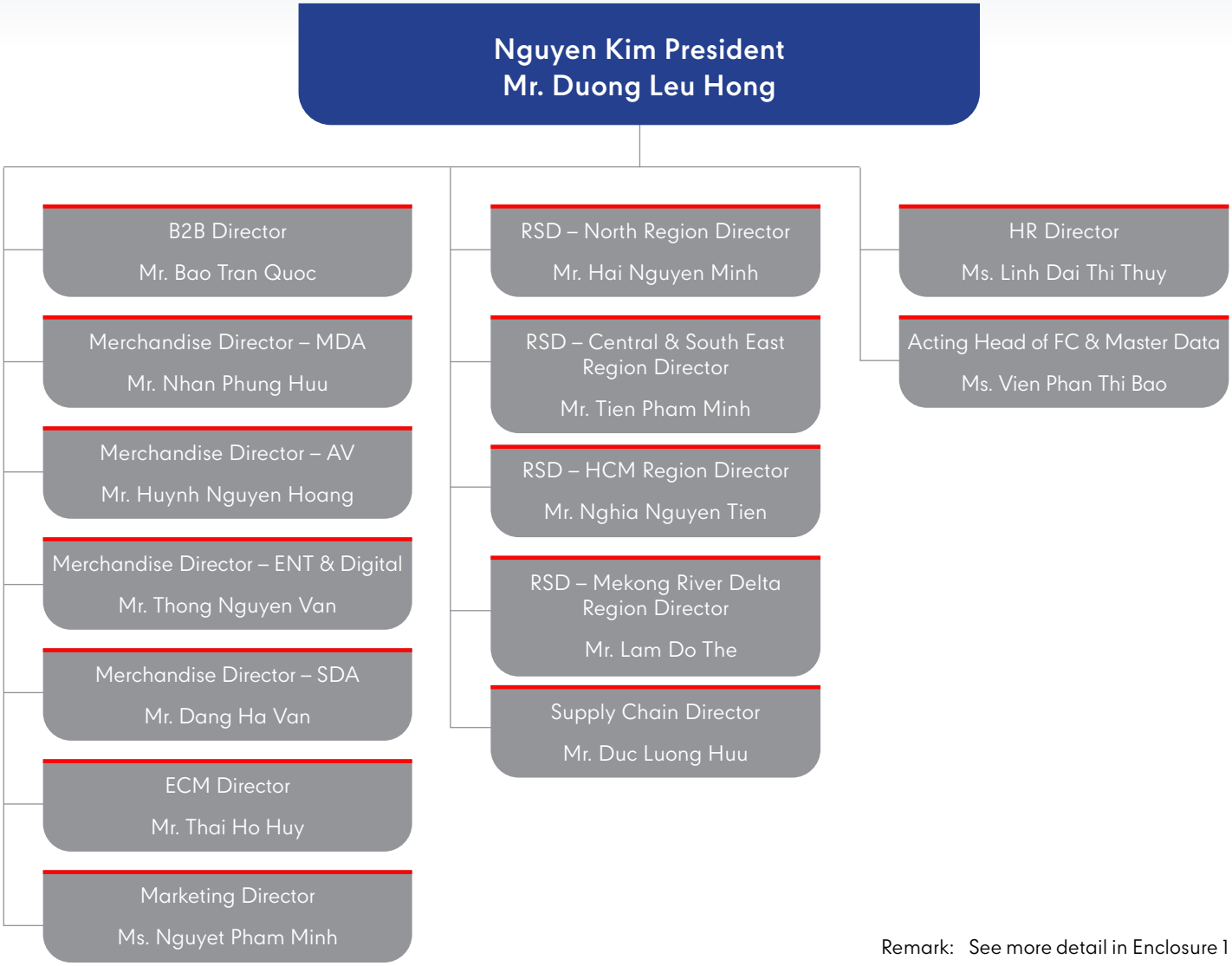
In the fiscal year ended 31 December 2022, LR paid remuneration to 7 executives in the form of salaries and annual bonuses, amounted to approximately THB 98 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2022, LR paid other remuneration to 7 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

15. NK Trading

As of 31 December 2022, the management structure and a name list of NK Trading executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2022, NK Trading paid remuneration to 14 executives in the form of salaries and annual bonuses, amounted to approximately THB 24 million (Mr. Duong Leu Hong received remuneration for the executive positions under Central Retail from Central Retail Vietnam and Mr. Duong Leu Hong, Mr. Nhan Phung Huu, Mr. Huynh Nguyen Hoang, Ms. Nguyet Pham Minh, Mr. Duc Luong Huu received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period.)

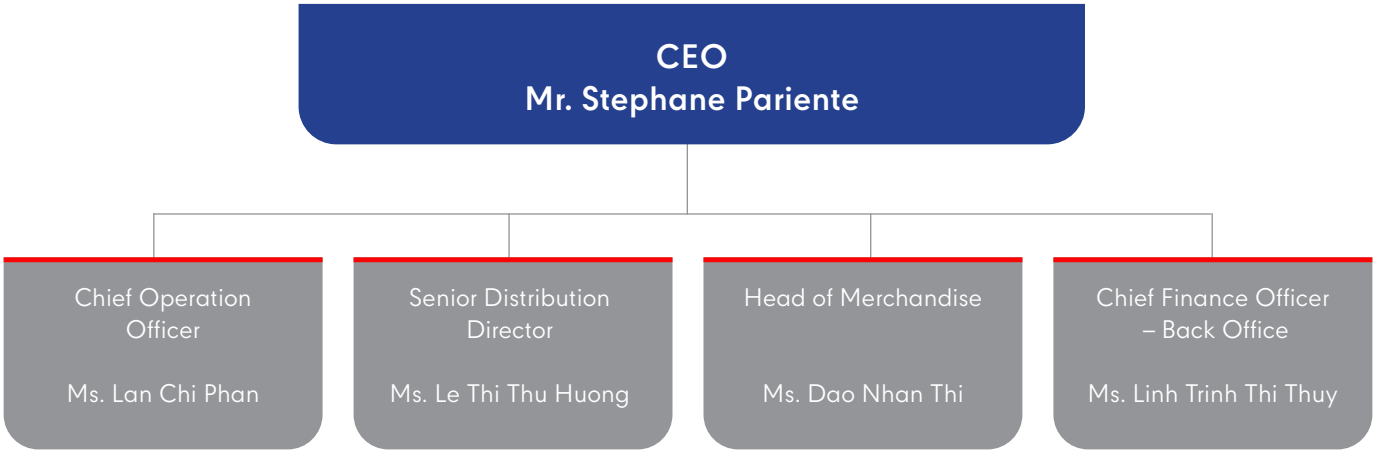
(2) Other Remuneration

In the fiscal year ended 31 December 2022, NK Trading paid other remuneration to 14 executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

16. Lanchi Group

Lanchi has three subsidiaries, LC Investment, LC Ha Nam, and LC Trading that operate main business but not under central subsidiaries, which are under the same management. Details are as follows:

As of 31 December 2022, the management structure of LC Investment, LC Ha Nam, and LC Trading were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2022, Lanchi Investment paid remuneration to 4 executives in the form of salaries and annual bonuses, amounted to approximately THB 8 million (Mr. Stephane Pariente received remuneration for the executive positions under Central Retail from Central Retail Vietnam and Ms. Linh Trinh Thi Thuy received remuneration that was not based on a full 12-month year since she held position during the intervals of the period.)

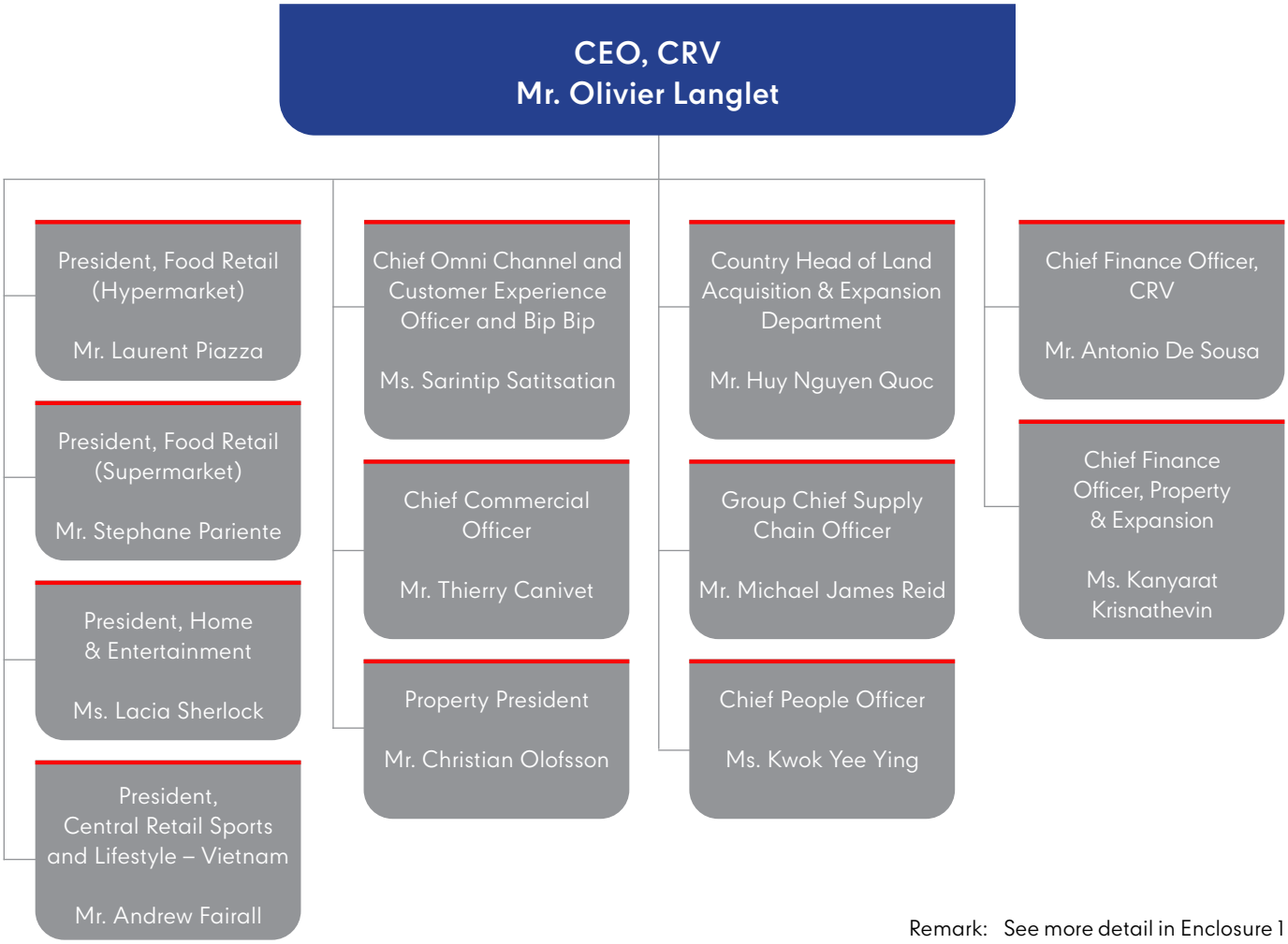
(2) Other Remuneration

In the fiscal year ended 31 December 2022, 4 executives received other remuneration from the management of subsidiaries under Lanchi, which include but not limited to LC Investment, LC Ha Nam, and LC Trading, in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

17. Big C Group/GO! Vietnam

Big C Group/GO! Vietnam has Cap C as a Central subsidiary which has details as follows:

As of 31 December 2022, the management structure and a name list of Cap C executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

In the fiscal year ended 31 December 2022, Big C Group/GO! Vietnam paid remuneration to 12 executives in the form of salaries and annual bonuses, amounted to approximately THB 137 million (Mr. Olivier Langlet received remuneration for the executive positions under Central Retail from CRC and Mr. Laurent Piazza, Mr. Huy Nguyen Quoc, Ms. Sarintip Satitsatian, Mr. Thierry Canivet, and Mr. Michael James Reid received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2022, 12 executives received other remuneration from the management of subsidiaries under Big C Group/GO! Vietnam in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

7.5 Information of Personnel

(A) Number of Employees

As of 31 December 2022, The Group has full-time employees, temporary employees, and part-time employees a total of 61,334 employees with up to 39,235 full-time employees in Thailand, thus making it one of the large private employers in Thailand and the Group hired additional temporary and part-time employees, mostly in December for Thailand and February for Vietnam. In addition, the Group had 18,314 employees from suppliers and external service providers working in its stores. Since May 2021 that the Group has announced the anti-corruption policy up to December 2022, the Group has not hired any government officials as defined in Article 126 of the Office of the National Anti-Corruption Commission (NACC) as executives, employees, and Consultants of the Group. Moreover, the executives and employees of the Group are not hired as government officials.

The table shows the number of full-time, temporary, and part-time employees in Thailand

	31 December 2022			
	Thailand	Vietnam	Italy	Total Number of Employees
Full-time employees	39,235	14,387	1,487	55,109
Temporary and part-time employees	2,981	3,244	0	6,225

Full-time employees in Thailand

The table shows the number of full-time employees in Thailand, divided into departments as of the specified date

	31 December		
	2020	2021	2022
Department			
Operation / Administration	29,861	27,295	28,208
Product Management	972	955	1,339
Marketing	1,050	1,114	837
E-commerce / Online / Omnichannel	328	559	1,394
Organization[1]	2,253	2,462	3,535
Logistics and Value Chain / Plant	3,723	4,467	3,922
Total Number of Employees	**38,187**	**36,852**	**39,235**

[1] Including the Brand Management Department, the Store Decoration and Development Department, the Business Development Department, the Finance and Accounting Department, the Human Resources Department, the MIS/Technology Department, the Legal Department, the Strategic Management and Business Development Department, the Corporate Communication and Social Responsibility Department, and the Management Office Department

Full-time employees in Vietnam

The table shows the number of full-time employees in Vietnam, divided into departments as of the specified date

	31 December		
	2020	**2021**	**2022**
Department			
Operation / Administration	11,091	10,218	11,253
Product Management	153	165	169
Marketing	89	59	177
E-commerce / Online / Omnichannel	230	735	776
Organization[1]	900	884	1,098
Logistics and Value Chain / Plant	938	910	914
Total Number of Employees	**13,401**	**12,971**	**14,387**

[1] Including the Brand Management Department, the Store Decoration and Development Department, the Business Development Department, the Finance and Accounting Department, the Human Resources Department, the MIS/Technology Department, the Legal Department, the Strategic Management and Business Development Department, the Corporate Communication and Social Responsibility Department, and the Management Office Department

Full-time employees in Italy

The table shows the number of full-time employees in Italy, divided into departments as of the specified date

	31 December		
	2020	**2021**	**2022**
Department			
Store Network	923	1,197	1,301
Procurement	81	84	87
Marketing and Communication	12	14	18
E-commerce Online / Omnichannel	41	29	25
Organization[1]	54	48	53
Logistics and Value Chain / Plant	3	3	3
Total Number of Employees	**1,114**	**1,375**	**1,487**

[1] Including the Store Decoration and Planning Department, the Administration Department, the Finance and Accounting Department, the Human Resources Department, the Logistics Department, the MIS/Technology Department, the Legal Department, and the Management Office Department

The Group believes that it has experienced and well-trained employees due to a large number of resource investments in trainings and development in different skills as well as orientations and competency and leadership management programs. Also, the remuneration and benefits offered to the employees can compete in the retail industry in Thailand, Vietnam, and Italy. The Group provides some employees with provident funds to support the employee recruitment and retention.

(B) Significant Change in the Number of Employees during the Past Three Years

In 2022, there were changes in the number of the Company's employees due to the COVID-19 pandemic situation recovery back to normal situation. There are new stores opening and business expansion to enhance the Company's business growth, that caused a significant increase in employees' number in 2022.

(C) Employee Remuneration

The Company has in place a remuneration policy which is fair and competitive in the market as well as enhances career stability and career advancement. The Company also arranges various benefits for its employees as required by the law, for example, social security, and other benefits such as travel expenses, fuel and phone bills, employee/family funeral allowance, hamper for employees when sick, COVID-19 coverage, COVID-19 Insurance, master's degree scholarship for employees, employees' children scholarship, and staff discounts on Central Group's products. Moreover, there are voluntary benefits, such as a company cooperative, cremation funds, and Employee Joint Investment Program (EJIP) which details are shown in Item 7.4.

The Company paid remuneration of approximately THB 19,555 million and THB 22,609 million to its employees in the fiscal year ended 31 December 2021 and 2022, respectively. Such remuneration was in the form of salaries, bonuses, overtime pay, contributions to provident funds, and other remuneration as well as gratuities and provident funds for employees in Thailand, contributions at the rate of 25 percent of the salaries of employees in Vietnam to social security funds pursuant to Vietnamese laws for employee retirement funds and the establishment of provident funds and gratuity funds for the employees in Italy pursuant to Italian laws.

(D) Provident Fund

For the selection of the Manager of the Provident Fund, the Company supports the Provident Fund Committee of the Company in selecting a fund manager who abides by the Investment Governance Code ("I Code") as practices for fund management according to international approaches and manages investments with responsibility by taking into account the environmental, social, and governance ("ESG") dimensions, which will lead to efficient investment management with consideration on returns and utmost benefits of the members of the Company's provident fund in the long run.

In 2001, The Company and its employees established a provident fund pursuant to the "Provident Fund Act, B.E. 2530 (1987), including amendments, with the Siam Commercial Mutual Fund Management Securities Company Limited as the fund manager, under the name of "CRC Group Provident Fund".

Objectives of Establishment

1. To be employee welfare
2. To encourage employee savings
3. To insure the employees and their families in case of death, or removal from work, or retirement pursuant to the Company's regulations

Membership Eligibility

The Company's employees at department manager (DM) level or equivalent who passed the probation.

Criteria

1. The membership term starts on the first day of membership to the fund.
2. For the contributions at the department manager (DM) level or equivalent to vice president (VP) level, 3 – 15 percent of salaries of the members (employees) are contributed to the fund, and 3 percent of salaries of the employer (Company) are contributed to the fund.
3. Conditions on the receipt of the employer's contributions and benefits

Membership Age	Contributions and Net Average Benefits
Less than 3 years	0%
3 - 4 years	30%
4 - 5 years	50%
5 - 7 years	70%
More than 7 years	100%

(E) Labor Disputes

The Company has had no significant labor disputes in the Company's operations during the past 3 years.

(F) Personnel Development Policy

The Company realizes the importance of human resources as a significant asset in the business operation, and an essential part in driving the Company towards its goals. Therefore, the Company has set up a policy aimed at developing personnel skills and ideas in order to continuously increase the work efficiency of employees at all levels in all aspects, leading to creative ideas and value-added innovations for the Company. As a part of the important strategies, the following policies and guidelines as follows:

(1) The Company encourages its personnel to develop their knowledge and expertise through the actual practice by providing supervisors in each line to be responsible for training in their specific line of work.

(2) The Company promotes and provides both internal and external seminars and trainings continuously. The Company aims for its personnel at all levels, from the managerial level to the operational level, to develop knowledge, abilities and potential at work, as well as to apply the knowledge gained from training to improve the operations.

(3) The Company provides the needs and necessities survey for the personnel development at all levels, from the managerial level to the operational level, and set up the human resource development plan to align with the Company's development plan in preparing and equipping its personnel for the increased responsibility, the career advancement, and the competence to fill in vacant positions.

(4) The Company organizes various activities to enhance proximity, familiarity, and good relationship between management and employees at all levels, to increase work quality and reflect the sense of professionalism, resulting in the highest customer satisfaction.

(G) Occupational Safety, Health, and Work Environment Policy

With concern for the life and health of the personnel, Central Retail Corporation Public Company Limited has determined the policy on Occupational Safety, Health, and Work Environment, taking into account the benefits of implementing measures that control, oversee and manage appropriately for protecting and maintaining our human resource which deemed as a major force of our organization. This Occupational Safety, Health, and Work Environment Policy shall take effect from 1 December 2021 onwards with the following details:

(1) Promote working safely among the Company's personnel.

(2) Support by providing adequate tools and safety equipment that are suitable for the working condition.

(3) Promote and support to raise awareness of potential dangers during work or operation among the Company's personnel.

(4) Advise and explain to the Company's personnel the causes and prevention to ensure safety at work.

(5) Appoint the Occupational Safety, Health, and Work Environment Policy Committee to prepare a plan and project related to safety, as well as work plan management and development.

(6) Every supervisor must supervise, oversee, response to occupational safety, health, and work environment matters of their subordinates and the Company personnel to ensure strict compliance with the rules, regulations, and articles of association.

(7) Establish proper measures, regulations, requirements, or any guidance or handbook that promote the occupational safety, health, and work environment for the Company personnel to prevent any potential loss.

(8) Initiate the measures, regulations, requirements, guidance practice, handbook, and policies related to occupational safety, health, and work environment for ease of access among the Company personnel.

(9) The Occupational Safety, Health, and Work Environment Committee's duties are to supervise and oversee the compliance with the measure determined above to ensure the compliance with this policy, regulation, requirement, or practice related to the occupational safety, health, and work environment will be in precise alignment with the standard or applicable laws.

(10) Any violation of the measures, regulation, requirement, or any practice or handbook relating to occupational safety, health, and work environment must be reported to the supervisor and Head of Human Resources Department, and the Head of Loss Prevention Department, for further proceed on work regulation immediately.

7.6 Other Significant Information

7.6.1 Name List of Designated Persons as the Person in Charge of Accounting Supervision, the Corporate Secretary, the Head of Internal Audit, and the Head of Compliance

Person in Charge of Accounting Supervision

Mr. Yingyai Eumkhrong, Vice President of Finance and Accounting, has been appointed to be directly in charge of accounting supervision from 1 August 2018. The qualifications can be found in the Enclosure 1 of this document.

Corporate Secretary

Mrs. Ngamchit Kiattanavith, Vice President of Corporate Secretary Office, has been appointed by the Board of Directors meeting no. 6/2019 held on 13 May 2019, to be the Corporate Secretary, effective from 21 May 2019 onwards. The qualifications can be found in the Enclosure 1 of this document.

Head of Internal Audit

Mr. Phisoot Suksangtip, Vice President of Internal Audit, has been appointed as the Head of Internal Audit from 28 March 2019. The qualifications can be found in the Enclosure 3 of this document.

Head of Compliance

Mrs. Lassanant Leelamanee, Vice President of Compliance, has been appointed to be the Head of Compliance from 5 October 2020 to supervise personnel and internal units and ensure that their performance of duties or tasks are strictly in compliance with relevant rules and regulations, both internally and externally, domestically and internationally, and the principles of good corporate governance. The qualifications can be found in the Enclosure 3 of this document.

7.6.2 Head of Investor Relations and Contact Information

Any shareholders, investors, and interested persons can contact the Investor Relations to request the information related to the Company by post or in person at the following address:

Investor Relations
Miss Rangsirat Pornsuthee
Head of Investor Relations and Risk Management
Central Retail Corporation Public Company Limited (Headquarters)
22, Soi Somkid, Phloen Chit Road, Lumphini, Pathum Wan, Bangkok 10330
Telephone Number: +66 (0) 2650 3600 # 1563 - 1564
E-mail: ir@central.co.th

7.6.3 Audit Fee and Accounting

Audit Fee

For the year ended 31 December 2022, the Company and subsidiaries paid audit fees of THB 27 million to KPMG Phoomchai Audit Company Limited, THB 15.9 million to KPMG International, and THB 4.2 million to other accounting offices.

Non-Audit Fee

For the year ended 31 December 2022, the Company and subsidiaries paid non-audit fees, as service fees for the preparation of report according to the tax regulations, of THB 2.4 million to KPMG Phoomchai Tax Company Limited, THB 3.3 million to KPMG International, and THB 4.6 million to other companies overseas.

8

Report on Corporate Governance

8.1 Performance Summary of the Board of Directors for the Previous Year

8.1.1 Nomination, Development and Performance Assessment of Board of Directors

1. Selection of Directors, Independent Directors, and Senior Executives

The Selection of Directors and Independent Directors

In the selection of directors, the Nomination and Remuneration Committee considers qualified individuals as per the determined criteria in the Charter of the Board of Directors which are in line with the law and specific skills and expertise in the skill matrix set out by the Company in accordance with the Company's business strategy, including consideration of the diversity of qualification, gender, age, race, religion, nationality or country of origin, etc. The board diversity intends to promote equality and eradicate unfair discrimination that allowing the Board to have a broader perspective, thereby increasing work efficiency. Currently, the Company has 3 female directors and several directors with specific skills and expertise in accordance with the skill matrix which is reviewed and determined every year.

The Board of Directors of the Company comprises of directors who have skills and expertise as prescribed in the Skill Matrix which is in accordance with the Company's business strategy, as follows:

Specific Skills and Expertise	Number of Directors Needed	Number of Directors at Present
1. Admin and Management in Large Organizations	4	11
2. Economics, Investment, Policy Formulation and Planning	4	11
3. Risk and Business Continuity Management	4	10
4. Central Retail's Core Business (Multiline Retail and Specialty Retail)	5	8
5. Finance and Taxation	3	8
6. Accounting	3	6
7. Good Corporate Governance and Sustainability	4	5
8. Marketing and Public Relations	4	6
9. Human Capital Development	3	4
10. Laws and Regulations of Thai Listed Companies	3	6
11. Digital / Online Retailing & Information Technology	2	2

The selection of directors, the Nomination and Remuneration committee considers the database (Director Pool) from The Thai Institute of Directors (IOD) when selecting new directors and considering that the individual who is to be nominated as one of the Company's directors must not concurrently hold a director's position in more than four (4) other listed companies. In the case of an independent director, candidates must meet the qualifications of independent directors as relevant laws and regulations. Should an incumbent independent director be renominated, the director must not have held the position as an independent director for more than nine (9) consecutive years.

The name of the nominated individuals will be submitted to the Board of Directors for consideration once the Nomination and Remuneration Committee has completed its review. The Board of Directors then goes through a screening process to ensure that the nominated individuals meet the qualifications as determined by the regulations

and are suitable for the Company's business. Following this, the Board of Directors will either approve the nominations or it may further submit them to the shareholders' meeting for consideration.

When voting to select directors in a shareholders' meeting, the Company asks each shareholder to vote for directors on an individual basis. A shareholder is to use all votes that they have to choose the nominated candidates on an individual basis.

In case a position of a director becomes vacant due to any reason other than their term of office has come to an end, the Board of Directors will consider nominating a qualified individual without any prohibited by law characteristics to replace that director with not less than three-fourths of the votes of the remaining directors. The replacing director will serve for the remainder of the outgoing director's term. In 2022, the Nomination and Remuneration Committee selected and submitted a recommendation to the Board of Directors to nominate Mr. Roongrote Rangsiyopash who has the knowledge, skills, and suitable experience, in line with the Company's business strategy, as an independent director, replacing a director who resigned.

Moreover, in selecting independent directors, the Company also looks for individuals who have the qualifications stipulated by the Company and are in line with the guidelines that appear in the Notification of the Capital Market Supervisory Board as well as regulations prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand. The Company has also stipulated the following qualifications which are stricter than those mentioned in the Notifications of the Capital Market Supervisory Board.

Independent Director's Qualification

(1) Not holding more than zero point five (0.5) percent of the total outstanding voting shares of the Company, its parent company, subsidiary or associated company, major shareholders or controlling person including shares held by related persons of the independent director.

(2) Neither being nor having been an executive director, officer, employee, advisor who receives a salary of the Company or controlling person of the company, its parent company, subsidiary, associated company, a same-level subsidiary, major shareholder or controlling person; unless the foregoing status ended not less than two (2) years prior to the date of appointment. Such disqualified characteristics exclude the case that the independent director has been a government officer or consultant of government agency which is a major shareholder or controlling person of the company.

(3) Not being a person related by blood or registration under law, such as a father, mother, spouse, sibling, or child, including spouses of children of directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the company or its subsidiaries.

(4) Not having nor having had a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, in a manner which may interfere with his or her independent judgment, and neither being nor having been a substantial shareholder or controlling person of any entity having a business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person; unless the foregoing status ended not less than two (2) years prior to the date of appointment.

The term 'business relationship' under the above paragraph includes any normal business transaction, rental, or lease of immovable properties, the transaction relating to assets or services, or grant or receipt of financial support through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action of which value more than 3% of the net tangible assets or exceeds THB 20 million, whichever is lower. The value of each transaction is based on the calculation method for the values of related party transactions under the Announcement of the Thai Capital Market Supervisory Board regarding the related party transactions. Under the regulation, all transactions occurring within one (1) year of preceding transactions must be included in such calculation.

(5) Neither being nor having been an auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person nor being a substantial shareholder, controlling person or supplier of an

audit firm which employs auditors of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person; unless the foregoing relationship ended not less than two (2) years from the date of appointment.

(6) Neither being nor having been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding THB Two (2) million from the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, and neither being nor having been a substantial shareholder, controlling person or supplier of the professional advisor; unless the foregoing relationship ended not less than two (2) years from the date of appointment.

(7) Not being a director who has been appointed as representative of the Company ' s directors, major shareholders, or shareholders who are related to the major shareholders.

(8) Not conducting any businesses which have the same nature as or are in competition with the Company's or its subsidiaries or neither being a significant partner in a partnership, executive director, employee, officer or consultant who receives a regular salary, shareholder holding more than one (1) percent of the voting shares of businesses which have the same nature as or in competition with the Company or its subsidiaries;

(9) Not having any characteristics that could prevent him/her from giving independent opinions concerning the Company's operation.

(10) Not holding a position as an independent director for more than nine (9) consecutive years from the date of being appointed as an independent director for the first time.

In the past fiscal year, none of the Independent Directors has had a business relationship with the Company or provided any professional advice to the Company and none of the Independent Directors have held the position of the Independent Director for more than nine (9) consecutive years.

Selection of Chief Executive Officer and Senior Executives

With regard to the process of selecting the Chief Executive Officer and senior executives, the Nomination and Remuneration Committee prescribes qualifications and selection criteria. The committee will then select a number of candidates with appropriate qualifications in terms of knowledge, experience, expertise, vision, and understanding of the Company's corporate culture to submit to the Board of Directors for approval and appointment of the successful individuals. Furthermore, the Nomination and Remuneration Committee is responsible for developing succession plans for the Chief Executive Officer and senior executives and submitting them to the Board of Directors for approval each year. This is to facilitate the continuity of the work of the Company.

When a position of the Chief Executive Officer or senior executives is vacant or the incumbent is unable to carry out their duties, the Board of Directors will assign someone with a similar position or someone who holds a position that is next in rank to be in charge temporarily until a qualified individual is selected. The Nomination and Remuneration Committee is to determine qualifications and criteria for the selection. The committee selects a qualified individual based on knowledge, experience, expertise, vision, and understanding of the Company's corporate culture to submit to the Board of Directors to approve and appoint the successful individual.

Succession Plans for the Chief Executive Officer and Senior Executives

The Board of Directors is aware of the importance of preparing individuals to take up the positions of those in key positions should the holders of such positions be unable to fulfill their duties full-term or should the positions become vacant due to any other reason. In order to reduce risks or consequences from the lack of continuity in management, the Company has issued the following criteria and rules, based on appropriateness and transparency:

Qualifications of an Individual to be a Successor

(1) Excellent in terms of performance, with outstanding potential and sufficient experience in related fields.

(2) Acceptable to other executives

(3) Knowledgeable in the conduct of business that suits the corporate context and culture

Procedure

(1) Every year, review the various strategies needed to drive the growth of the business and the retirement plans of the Chief Executive Officer and senior executives to be clear which positions will change and need to have successors.

(2) Evaluate the readiness of successors in the following timeframes 1) Short-term (within 1 year) 2) Medium-term (within 3-5 years) and 3) Long-term (at least 5 years) and plan the development of those successors in accordance with the changing business opportunities and respective positions.

(3) Evaluate various qualifications to be in line with the Company's business goals and select successors in accordance with the procedure determined. The list of successors is to be submitted to the Nomination and Remuneration Committee for consideration and endorsement before submitting it to the Board of Directors for approval.

(4) Report the progress of the implementation of the succession plans to the Board of Directors on an annual basis.

2. Director Development

In 2022, the Company organized trainings and encouraged directors to attend training programs that were beneficial to their performance of duties as follows:

Director Name	Training Course	Organized by	Date
Dr. Prasarn Trairatvorakul	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
	- Mastercard Economics Institute's Global Outlook for the year, Economy 2022	Mastercard	24 March 2022
Mr. Suthikiati Chirathivat	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
Mr. Sudhitham Chirathivat	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
	- Ethical Leadership Program	IOD	11 February 2565
Mrs. Pratana Mongkolkul	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
	- Mastercard Economics Institute's Global Outlook for the year, Economy 2022	Mastercard	24 March 2022
Mrs. Patareeya Benjapolchai	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
	- Mastercard Economics Institute's Global Outlook for the year, Economy 2022	Mastercard	24 March 2022

Director Name	Training Course	Organized by	Date
Mr. Sompong Tantapart	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
Mr. Kanchit Bunajinda	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
Mr. Roongrote Rangsiyopash	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
Prof.Dr. Suthiphand Chirathivat	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
Mrs. Yuwadee Chirathivat	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
	- Mastercard Economics Institute's Global Outlook for the year, Economy 2022	Mastercard	24 March 2022
Mr. Suthilaksh Chirathivat	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
Mr. Prin Chirathivat	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
Mr. Tos Chirathivat	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
Mr. Pichai Chirathivat	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
	- Mastercard Economics Institute's Global Outlook for the year, Economy 2022	Mastercard	24 March 2022
Mr. Yol Phokasub	- Direction of the Thai economy (2H2022 & 2023) Trends, risk factors and supporting factors for improving the strategy of the Thai business and retail sectors.	Kiatnakin Phatra Financial Group	15 August 2022
	- IOD National Director Conference 2022 - Wisdom for Future: Harmonizing the Diverse Boards	IOD	19 July 2022
	- Mastercard Economics Institute's Global Outlook for the year, Economy 2022	Mastercard	24 March 2022

3. Directors and Chief Executive Officer (CEO) Assessment

Directors Assessment

In 2022, the Board of Directors conducted a 2022 self-assessment of the performance. The self-assessment forms, approved by the Board of Directors, consists of the collective performance assessment, the individual performance assessment, and the sub-committees performance assessment as follows:

Collective Performance Assessment

consists of 6 topics:

(1) Structure and Qualifications
(2) Roles, Duties, and Responsibilities
(3) Meetings
(4) Performing Duties
(5) Relationship with the Executives
(6) Self-Development and Executive Development

The assessment process is as follows:

1. The Nomination and Remuneration Committee considers assessment forms and submits them to the Board of Directors for approval.
2. The Board of Directors conducts a collective self-assessment at least once a year.
3. The Company Secretary collects assessment forms from directors, prepares a summary of results to be proposed to the Board of Directors for consideration.
4. The Company Secretary coordinates the development of the assessment results in various fields.

In 2022, the collective performance assessment of the Board of Directors yielded an average score of 99.4 percent.

Individual Performance Assessment

consists of 3 topics:

(1) Ethics and Performance of Duties of Director
(2) Strategy Formulation, Governance and Monitoring of Operations
(3) Responsibility to Stakeholders.

The assessment process is as follows:

1. The Nomination and Remuneration Committee considers assessment forms and submits them to the Board of Directors for approval.
2. The Board of Directors conducts a self-assessment at least once a year.
3. The Company Secretary collects assessment forms from directors and prepares a summary of results to be proposed to the Board of Directors for consideration.

In 2022, the Individual performance assessment of the Board of Directors yielded an average score of 99.0 percent.

Sub-committees Performance Assessment

The process for sub-committee's performance assessment are as follows:

(1) Each sub-committee prepares an assessment form, of which the content covers structure, meetings, and performance of duties. The Nomination and Remuneration Committee then submits it to the Board of Directors for approval.
(2) Each sub-committee conducts a self-assessment at least once a year.
(3) The Secretary of each sub-committee collects assessment forms from directors and prepares a summary of results to be proposed to each sub-committee and then to the Board of Directors for consideration.

In 2022, the Audit Committee, Risk Policy Committee, Nomination and Remuneration Committee, Corporate Governance and Sustainability Committee, and Executive Committee received average scores of 100, 96.4, 99.0, 99.6, and 99.2 percent respectively.

CEO Assessment

The Company has an annual appraisal of CEO based on performance and operating results to determine the remuneration of CEO. The criteria and process are as

follows:

KPI assessment criteria

- Financial success indicators
- Management success indicators including achievements of business expansion, new initiatives for company growth, customer satisfaction, or work efficiency and the results of the good corporate governance and sustainable development assessment
- Personnel management success indicators such as employee engagement

Assessment process

At the beginning of the year, CEO of the Company agrees to the assessment criteria (KPI) together with the Nomination and Remuneration Committee and proposes to the Board of Directors for approval. At the end of the year, CEO will conduct a self-assessment to present to the Nomination and Remuneration Committee for consideration, which will be presented to the Board of Directors for approval of the appraisal result.

8.1.2 Meeting attendance and remuneration of each director

Meeting attendance of the Board of Directors and Sub-committees

The Company has guidelines for the Board of Directors to attend on average at least 80 percent of the meetings of the Board of Directors in a year, while every director must attend at least 75 percent of the meetings in a year.

In 2022, there were 9 meetings of the Board of Directors, 6 of which were done through e-Meeting and 3 of which were in a hybrid format (e-Meeting and in-person). The Board of Directors had a 99.26 percent attendance rate.

Directors	Position in the Board of Directors and Sub-Committees	Meetings						
		Shareholders	Board of Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Executive Committee	Corporate Governance and Sustainability Committee
1. Dr. Prasarn Trairatvorakul	Chairman	1/1	9/9	-	-	-	-	-
2. Mr. Suthikiati Chirathivat	Vice Chairman	1/1	9/9	-	-	-	-	-
3. Mr. Sudhitham Chirathivat	Director	1/1	9/9	-	-	-	-	-
4. Mrs. Pratana Mongkolkul	Independent Director	1/1	9/9	-	-	-	-	-
	Chairman of the Audit Committee	-	-	12/12	-	-	-	-

Directors	Position in the Board of Directors and Sub-Committees	Meetings						
		Shareholders	Board of Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Executive Committee	Corporate Governance and Sustainability Committee
5. Mrs. Patareeya Benjapolchai	Independent Director	1/1	9/9	-	-	-	-	-
	Member of the Audit Committee	-	-	12/12	-	-	-	-
	Chairman of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	5/5
	Member of the Risk Policy Committee	-	-	-	5/5	-	-	-
6. Mr. Sompong Tantapart	Independent Director	1/1	9/9	-	-	-	-	-
	Member of the Audit Committee	-	-	12/12	-	-	-	-
	Member of the Nomination and Remuneration Committee	-	-	-	-	4/4	-	-
7. Mr. Kanchit Bunajinda	Independent Director	1/1	9/9	-	-	-	-	-
	Chairman of the Risk Policy Committee	-	-	-	5/5	-	-	-
8. Mr. Roongrote Rangsiyopash[1]	Lead Independent Director	1/1	7/7	-	-	-	-	-
	Chairman of the Nomination and Remuneration Committee	-	-	-	-	3/3	-	-
9. Prof.Dr. Suthiphand Chirathivat	Director	1/1	9/9	-	-	-	-	-
	Member of the Nomination and Remuneration Committee	-	-	-	-	4/4	-	-
10. Mr. Suthilaksh Chirathivat	Director	1/1	9/9	-	-	-	-	-
11. Mrs. Yuwadee Chirathivat	Director	1/1	9/9	-	-	-	-	-
	Member of the Executive Committee	-	-	-	-	-	19/19	-
12. Mr. Prin Chirathivat	Director	1/1	9/9	-	-	-	-	-
	Member of the Risk Policy Committee	-	-	-	5/5	-	-	-
13. Mr. Tos Chirathivat	Director	1/1	8/9	-	-	-	-	-
	Chairman of the Executive Committee	-	-	-	-	-	19/19	-
	Member of the Nomination and Remuneration Committee	-	-	-	-	4/4	-	-

Directors	Position in the Board of Directors and Sub-Committees	Meetings						
		Shareholders	Board of Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Executive Committee	Corporate Governance and Sustainability Committee
14. Mr. Pichai Chirathivat	Director	1/1	9/9	-	-	-	-	-
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	5/5
15. Mr. Yol Phokasub	Director	1/1	9/9	-	-	-	-	-
	Member of the Risk Policy Committee	-	-	-	5/5	-	-	-
	Member of the Executive Committee	-	-	-	-	-	19/19	-
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	5/5

Remark: (1) Mr. Roongrote Rangsiyopash was appointed as a Chairman of the Nomination and Remuneration Committee at Nomination and Remuneration Committee's Meeting No. 2/2022.

Remuneration of Board of Directors and Sub-committees

Criteria of Directors remuneration payment

The Board of Directors has established a Nomination and Remuneration Committee to nominate persons with appropriate qualifications to be directors, sub-committee members, Chief Executive Officer, and senior executives of the Company as well as consider the types and criteria of directors remuneration payment, sub-committee members which are comprise of Member of the Audit Committee, Member of the Risk Policy Committee, Member of the Nomination and Remuneration Committee, Member of the Corporate Governance and Sustainability Committee, Member of Executive Committee, Chief Executive Officer and senior executives as deemed appropriate for their duties and responsibilities, work achievements linking with operating results and other related surrounding factors and benchmarking with other companies in the same or similar industry to propose its opinions to the Board of Directors and/or to the Shareholders' Meeting for consideration and approval.

In 2022, the Board of Directors' Meeting No. 2/2022 which was held on 25 February 2022 has endorsed the criteria of quarterly remuneration and meeting allowance payment for the year 2022. The 2022 Annual General Meeting of Shareholders held on 29 April 2022 resolved to approve the remuneration of directors and sub-committee members for the year 2022, not exceeding THB 20.5 million. This is the same rate as in 2021, with remuneration for 2022 consisting of quarterly remuneration, meeting allowance and bonus (if any) as follows:

Quarterly Remuneration and Meeting Allowance

Position	Quarterly Remuneration (THB)	Meeting Allowance (THB/Time/Person)
The Board of Directors		
Chairman of the Board of Directors	225,000	85,000
Director	85,000	42,000
The Audit Committee		
Chairman of the Audit Committee	133,000	65,000
Member of the Audit Committee	103,000	50,000
The Executive Committee		
Chairman of the Executive Committee	None	None
Member of the Executive Committee	None	None
The Nomination and Remuneration Committee		
Chairman of the Nomination and Remuneration Committee	None	35,000
Member of the Nomination and Remuneration Committee, and Advisor (if any)	None	30,000
The Risk Policy Committee		
Chairman of the Risk Policy Committee	None	35,000
Member of the Risk Policy Committee	None	30,000
The Corporate Governance and Sustainability Committee		
Chairman of the Corporate Governance and Sustainability Committee	None	35,000
Member of the Corporate Governance and Sustainability Committee	None	30,000

Directors who are executives or employees of the Company are not entitled to quarterly remuneration or meeting allowance of sub-committees and member of the Audit Committee are not entitled to the same quarterly remuneration as the director.

Director's Bonus

The Company may pay bonuses to the directors whereby the Board of Directors will determine the conditions, details, and rates of bonus payment as deemed appropriate based on the Company's operating results. For the year ended 31 December 2022 bonus was paid to the directors according to their performance and meeting participation. However, any director who is an executive or employee of the Company shall not receive a director's bonus.

Other remuneration

-None-

Remuneration for the year ended 31 December 2022

During 1 January 2022 to 31 December 2022, the Company paid quarterly remuneration, meeting allowance of approximately THB 15.47 million to the directors with details as below:

1) **Monetary Remuneration** In 2022, the Board receives the following monetary remuneration:

Directors	Position in the Board of Directors and Sub-Committees	Bonus[3]	Board of Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Corporate Governance and Sustainability Committee	Total
1. Dr. Prasarn Trairatvorakul	Chairman	402,500	1,665,000	-	-	-	-	2,067,500
2. Mr. Suthikiati Chirathivat	Vice Chairman	350,000	718,000	-	-	-	-	1,068,000
3. Mr. Sudhitham Chirathivat	Director	350,000	718,000	-	-	-	-	1,068,000
4. Mrs. Pratana Mongkolkul	Independent Director	385,000	378,000	-	-	-	-	2,075,000
	Chairman of the Audit Committee	-	-	1,312,000	-	-	-	
5. Mrs. Patareeya Benjapolchai	Independent Director	350,000	378,000	-	-	-	-	2,065,000
	Member of the Audit Committee	-	-	1,012,000	-	-	-	
	Chairman of the Corporate Governance and Sustainability Committee	-	-	-	-	-	175,000	
	Member of the Risk Policy Committee	-	-	-	150,000	-	-	
6. Mr. Sompong Tantapart	Independent Director	350,000	378,000	-	-	-	-	1,860,000
	Member of the Audit Committee	-	-	1,012,000	-	-	-	
	Member of the Nomination and Remuneration Committee	-	-	-	-	120,000	-	
7. Mr. Kanchit Bunajinda	Independent Director	350,000	718,000	-	-	-	-	1,243,000
	Chairman of the Risk Policy Committee	-	-	-	175,000	-	-	
8. Mr. Roongrote Rangsiyopash[1]	Lead Independent Director	300,904	580,167	-	-	-	-	986,071
	Chairman of the Nomination and Remuneration Committee	-	-	-	-	105,000	-	
9. Prof.Dr. Suthiphand Chirathivat	Director	350,000	718,000	-	-	-	-	1,188,000
	Member of the Nomination and Remuneration Committee	-	-	-	-	120,000	-	

Directors	Position in the Board of Directors and Sub-Committees	Bonus[3]	Board of Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Corporate Governance and Sustainability Committee	Total
10. Mr. Suthilaksh Chirathivat	Director	350,000	718,000	-	-	-	-	1,068,000
11. Mrs. Yuwadee Chirathivat	Director	350,000	718,000	-	-	-	-	1,068,000
	Member of the Executive Committee		-	-	-	-	-	
12. Mr. Prin Chirathivat	Director	350,000	718,000	-	-	-	-	1,218,000
	Member of the Risk Policy Committee	-	-	-	150,000	-	-	
13. Mr. Tos Chirathivat	Director	350,000	676,000	-	-	-	-	1,146,000
	Chairman of the Executive Committee	-	-	-	-	-	-	
	Member of Nomination and Remuneration Committee	-	-	-	-	120,000	-	
14. Mr. Pichai Chirathivat	Director	350,000	718,000	-	-	-	-	1,218,000
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	150,000	
15. Mr. Yol Phokasub[2]	Director	-	378,000	-	-	-	-	378,000
	Member of the Executive Committee	-	-	-	-	-	-	
	Member of the Risk Policy Committee	-	-	-	-	-	-	
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	
	Chief Executive Officer	-	-	-	-	-	-	
Total								**19,716,571**

Remark : 1. Mr. Roongrote Rangsiyopash was appointed as the Independent Director and Member of the Nomination and Remuneration Committee effective on 26 February 2022. Furthermore, he was appointed as the Lead Independent Director effective on 14 November 2022

2. The Chief Executive Officer receives only the Board of Directors' meeting allowance.

3. At the Board of Directors' Meeting No. 2/2023 on 28 February 2023, the bonuses for directors were resolved.

2) Other Remuneration

-None-

Remuneration of Directors of Subsidiaries Operating Core Business

In 2022, no remuneration was paid to the directors of subsidiaries, except LR with details as follows:

Remuneration for fiscal year ended 31 December 2022

LR

As of 31 December 2022, the Board of Directors of LR consisted of 7 directors as follows:

Name	Position
1. Mr. Sudhitham Chirathivat	Chairman of the Board of Directors
2. Mr. Prin Chirathivat	Director
3. Mrs. Yuwadee Chirathivat	Director
4. Mr. Pierluigi Cocchini	Director
5. Mr. Vittorio Radice	Director
6. Mr. Stefano Della Valle	Director
7. Mr. Sean Christopher Hill	Director

Director Remuneration

(1) Monetary Remuneration

For the year ended 31 December 2022, LR paid total remuneration of approximately € 1,100,000 to 2 directors, Mr. Vittorio Radice and Mr. Stefano Della Valle under the Consultancy Agreement and Directorship Agreement for the performance of duties as directors.

(2) Other Remuneration

For the year ended 31 December 2022, LR paid other remuneration to 2 directors under the Directorship Agreement in the forms of accommodation, travel, and insurance expenses.

8.1.3 Supervision and Governance of Subsidiaries and Associates

Definitions

"Company" and **"Parent Company"** refers to Central Retail Corporation Public Company Limited.

"Company Operating the Core Business" refers to a Central Subsidiary, an Independent Subsidiary Operating the Core Business, all Subsidiaries and Associates operating the core business, and subject to the Notification of the Capital Market Supervisory Board No. TorJor. 39/2559 Re: Application for Approval and Granting of Approval for Offering of Newly Issued Shares (as amended), unless stated otherwise in this document.

"Central Subsidiary" refers to a Subsidiary that functions as the governance center of each business group of the Parent Company by supervising and governing the business operations of the Subsidiaries and Associates under it.

"Subsidiary or Associate under Central Subsidiary" refers to a Subsidiary or an Associate which operates the core business under the governance of a Central Subsidiary.

"Independent Subsidiary Operating the Core Business" refers to a Subsidiary operating the core business which is under the direct supervision of the Parent Company.

"Subsidiary under the Direct Supervision of the Company" refers to the Central Subsidiaries and the Independent Subsidiaries Operating the Core Business.

"Subsidiary" and **"Associate"** refer to a subsidiary and an associate as defined in the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (as amended).

on the supervision and governance of Subsidiaries and Associates operating the core business as a mechanism for the Company to supervise and govern its Subsidiaries and Associates, be held accountable for their operations, and maintain certain measures for monitoring the management of its Subsidiaries and Associates operating the core business, its Central Subsidiaries, its Subsidiaries under Central Subsidiaries, and its Subsidiaries under the Direct Supervision of the Company, as if these entities were its departments, including overseeing that such Subsidiaries and Associates comply with the policies and long-term goals of the Company and the Civil and Commercial Code, the Public Limited Companies Act B.E. 2535 (as amended), the Securities and Exchange Act B.E. 2535 (as amended), as well as the relevant notifications, regulations, and rules of the Stock Exchange of Thailand and the Office of the Securities Exchange Commission, the details of which are mentioned below. In addition, the Audit Committee's Meeting No. 9/2019, held on 4 December 2019, considered and concluded that the governance of the management and operation of the Subsidiaries under Central Subsidiary were adequate and proper.

Any other terms not mentioned in this document are subject to the securities and stock exchange laws, including other laws applicable or related to the Company's operation. Nevertheless, this policy is applicable so long as it is not in contrast with or contradictory to the laws, rules or regulations of other jurisdictions that are enforceable against the Subsidiary and the Associate or so long as they do not result in such Subsidiary and Associate losing any benefit to which they are entitled under the laws of such jurisdictions.

1. Operation of the Company Operating the Core Business

The board of directors of the Company Operating the Core Business (excluding Associate) must ensure that a transaction or an undertaking in relation to the following matters are approved at the meeting of the board of directors and/or general meeting of shareholders of the Parent Company before the Company Operating the Core Business may enter into the transaction only in the event that the size of such proposed transaction of the Company Operating the Core Business in comparison to the size of the Parent Company pursuant to the relevant notifications on acquisitions or disposals of assets and/or connected transactions (as the case may be) of the Capital Market Supervisory Board and the Board of Governors of the Stock Exchange of Thailand requires approval at the meeting of the board of directors and/or general meeting of shareholders of the Parent Company:

(a) The entry into any transaction with a related person of the company or the Parent Company, or any transaction concerning an acquisition or a disposal of assets by the company.

(b) The transfer or waiver of any rights or interests, including waiver of any claim against any person who causes damage to the company.

(c) The sale or transfer of the whole or any substantial part of the company's business to any other person.

(d) The purchase or acceptance of the transfer of business of other companies by the company.

(e) The execution, amendment, or termination of a contract concerning the lease of the whole or any substantial part of the business of the company, the assignment to any other person to manage the company's business, or the amalgamation of the company's business with any other person.

(f) The lease or hire-purchase of the whole or any substantial parts of the company's business or assets.

(g) Borrowing, lending, granting of credit, provision of a guarantee, entry into any transaction that will cause the company to incur additional financial burden, or giving of any other kinds of financial aid to any other person which is not in the ordinary course of business of the company. In this regard, lending to directors of the company is prohibited, except for lending under employee loan program.

(h) The dissolution of the company.

(i) Any other transaction which is not in the ordinary course of business of the company and may materially affect the company.

(j) The capital increase by issuing new shares and share allocation of the company, including any reduction of the registered or paid-up capital of the company which is not proportionate to the shareholding of the existing shareholders, or any action that will result in the dilution of more than ten (10) percent of the Parent Company's direct and/or indirect shareholding and/or voting rights (as the case may be) in the general meetings of shareholders of the company at any level.

(k) The capital increase or reduction of the company which is not proportionate to the shareholding of the existing shareholders, or any action that will result in the dilution of the Parent Company's direct and/or indirect voting rights in the general meetings of shareholders of the company at any level to the extent that the Parent Company loses control over such company.

2. Operation of the Subsidiary under the Direct Supervision of the Company and the Associate Operating the Core Business

In addition to the duties stated in item 1, the board of directors of the Subsidiary under the Direct Supervision of the Company has the following duties:

2.1 The board of directors of the Subsidiary under the Direct Supervision of the Company and the Associate operating the core business must ensure that a transaction or an undertaking in relation to the following matters is approved at the meeting of the board of directors of the Parent Company before the Subsidiary under the Direct Supervision of the Company and the Associate operating the core Business may enter into the transaction:

(a) The nomination or appointment of a director or an executive of the Subsidiary under the Direct Supervision of the Company or an Associate operating the core business, which must be at least proportionate to the Parent Company's shareholding in the Subsidiary under the Direct Supervision of the Company or an Associate operating the core business. The directors and executives nominated or appointed by the Parent Company shall have discretion in casting votes at the meetings of the board of directors of the relevant Subsidiary under the Direct Super vision of the Company or the relevant Associate operating the core business in relation to the general management and normal business operation of such Subsidiary under the Direct Supervision of the Company or Associate operating the core business as the directors and executives deem appropriate in the best interests of the Parent Company, the Subsidiary under the Direct Supervision of the Company and the Associate operating the core business, unless as specified otherwise in this document.

However, the directors or executives of the Subsidiary under the Direct Supervision of the Company nominated or appointed by the Parent Company as stated in the preceding paragraph must be those who are listed in the database of directors and executives of securities issuing companies (White List), and they must have the qualifications, roles, duties and responsibilities

and lack all untrustworthy characteristics as prescribed in the notifications of the Office of the Securities and Exchange Commission on the determination of untrustworthy characteristics of directors and executives of a company.

(b) The consideration and approval of distribution of annual dividends and interim dividends (if any) of any Subsidiary under the Direct Supervision of the Company, except when the dividends paid by the Subsidiary under the Direct Supervision of the Company for the whole year are not less than the amount as specified in its annual budget or such payment of dividends is in accordance with the dividend payment policy of the respective Subsidiary under the Direct Supervision of the Company that has already been approved by the board of directors of the Parent Company.

(c) The amendment of the Articles of Association of any Subsidiary under the Direct Supervision of the Company, except the amendment of significant matters as specified in item 2.2 which requires approval from the general meeting of shareholders of the Parent Company.

(d) The consideration and approval of the annual budget of any Subsidiary under the Direct Supervision of the Company, except for the cases set out in the Delegation of Authority of such Subsidiary under the Direct Supervision of the Company which has already been approved by the board of directors of the Parent Company.

2.2 The board of directors of the Subsidiary under the Direct Supervision of the Company must seek prior approval from the general meeting of shareholders of the Parent Company with the votes of not less than three-fourths (3/4) of the total votes of the shareholders attending the meeting and entitled to vote for any amendment of the Articles of Association of the Subsidiary under the Direct Supervision of the Company that may have a material impact on the financial conditions or operating results of such Subsidiary under the Direct Supervision of the Company, including, but not limited to, any amendment of the Articles of Association of the Subsidiary under the Direct Supervision of the Company which may have a negative impact on the Parent Company's rights to nominate or appoint a director or an executive of the Subsidiary under the Direct Supervision of the Company proportionate to the Parent Company's shareholding in the Subsidiary under the Direct Supervision of the Company, the voting rights of the director(s) nominated by the Parent Company at the meetings of the board of directors of the Subsidiary under the Direct Supervision of the Company, the voting rights of the Parent Company at the general meetings of shareholders of the Subsidiary under the Direct Supervision of the Company, and/or the dividend distributions of the Subsidiary under the Direct Supervision of the Company.

3. Operation of the Subsidiary or the Associate under Central Subsidiary

In addition to the duties stated in item 1, the board of directors of the Subsidiary or the Associate under Central Subsidiary has the following duties:

3.1 The board of directors of the Subsidiary or the Associate under Central Subsidiary must ensure that a transaction or an undertaking in relation to the following matters are approved at the meeting of the board of directors of the Central Subsidiary before the Subsidiary or the Associate under Central Subsidiary may enter into the transaction:

(a) The nomination or appointment of a director or an executive of the Subsidiary or the Associate under Central Subsidiary, which must be at least proportionate to the Central Subsidiary's shareholding in the Subsidiary or the Associate under Central Subsidiary. The directors and executives nominated or appointed by the Central Subsidiary shall have discretion in casting votes at the meetings of the board of directors of the relevant the Subsidiary or the Associate in relation to the general management and normal business operation of such Subsidiary or Associate as the directors and executives deem appropriate in the best interests of the Parent Company, the Central Subsidiary and the Subsidiary or the Associate under Central Subsidiary, unless as specified otherwise in this document.

However, the nominated or appointed directors or executives of the Subsidiary under Central Subsidiary as stated in the preceding paragraph

must be knowledgeable, honest, and ethical; must not be bankrupt, incompetent or quasi-incompetent; have never been imprisoned on the final judgment of a court for an offence related to property committed with dishonest intent; have never been dismissed or discharged from the government service, organization or agency for malfeasance; and there are no other reasons to doubt such persons' performance as directors and executives.

(b) The consideration and approval of distribution of annual dividends and interim dividends (if any) of any Subsidiary under Central Subsidiary, except when the dividends paid by the Subsidiary under Central Subsidiary for the whole year are not less than the amount as specified in its annual budget or such payment of dividends is in accordance with the dividend payment policy of the respective Subsidiary under Central Subsidiary that has already been approved by the board of directors of the Central Subsidiary.

(c) The amendment of the Articles of Association of any Subsidiary under Central Subsidiary

(d) The consideration and approval of the annual budget of any Subsidiary under Central Subsidiary, except for the cases set out in the Delegation of Authority of such Subsidiary under Central Subsidiary which has already been approved by the board of directors of the Central Subsidiary.

The Parent Company or the Central Subsidiary will appoint directors and executives of the Subsidiary and the Associate operating the core business proportionate to their shareholdings in such Subsidiary and the Associate unless the Parent Company is subject to certain restrictions or other agreements under the relevant joint venture agreements by which the Parent Company is bound. In this regard, the board of directors of the Parent Company and the Central Subsidiary shall have the power to nominate persons to hold the position of director and executive in such Subsidiary and Associate. The board of directors of the Parent Company shall have the power to determine the scope, duties and responsibilities of the directors or executives of the Subsidiary and the Associate who were nominated by the Parent Company and appointed as directors or executives of the Subsidiary and the Associate operating the core business, including the following:

(1) Determine a clear scope of authority for using discretion where such directors and executives shall have the right to vote at the meeting of the board of directors of the Subsidiary and the Associate on significant matters which require prior approval from the meeting of the board of directors of the Parent Company or Central Subsidiary or the general meeting of shareholders of the Parent Company;

(2) Ensure that the Subsidiaries have an internal control system, risk management system, anti-corruption system and other necessary systems, including measures for monitoring the operations of the Subsidiaries and the Associates which are appropriate, efficient and sufficiently concise so that the operations of the Subsidiaries and the Associates will be in compliance with the plan, budget, policies of the Parent Company, as well as legislations and rules on good corporate governance of listed companies, including the relevant notifications, regulations and rules of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, and monitor the Subsidiaries and the Associates to ensure that they completely and correctly disclose information relating to the financial conditions and result of operations, entry into connected transactions and acquisitions or disposals of material assets transactions and any other matters material to the Parent Company in compliance with the regulations in relation to the governance and supervision of subsidiaries and associates of the Capital Market Supervisory Board and the Office of the Securities and Exchange Commission.

(3) Monitor the Subsidiaries to ensure that they disclose information relating to the financial conditions and result of operations, entry into connected transactions and acquisitions or disposals of material assets transactions completely and correctly.

(4) Monitor the directors or executives of the Subsidiaries and the Associates nominated by the Parent Company or the Central Subsidiary to ensure that they comply with the duties and responsibilities required by law, the Articles of Association and the policies of the Parent Company and the Central Subsidiaries.

Scope of Duties and Responsibility of the Representative Directors and Executives of the Subsidiaries and/or Affiliates Operating the Core Business

The Parent Company determines a scope of duties and responsibilities of its representatives who hold director or executive positions in subsidiaries and/or associates operating core business. This aims at establishing a mechanism for the Parent Company to oversee management and carry out operations as well as set measures for monitoring management of subsidiaries and/or associates operating core business, Central Subsidiaries, Subsidiary under Central Subsidiary, and Independent Subsidiary Operating the Core Business, like a unit of the Parent Company as well as overseeing compliance of representatives of the Parent Company holding director and executive positions in such companies with the scope of duties and responsibilities of their own under this policy.

Moreover, the representatives of Parent Company who are directors and executives in the subsidiaries and/or affiliates operating the core business of the Parent Company shall have the following duties:

(a) To fully and duly disclose information on financial position and operational results, connected transactions of the subsidiary, transactions on acquisition or disposal of assets and/or material transactions of the subsidiary to the Parent Company within a reasonable time as required by the Parent Company;

(b) To disclose and report on information on their interests and persons related to the directors of company in respect of the relationships and transactions with the company or the Parent Company in such manner which may give rise to conflict of interest, and avoid any transactions which may give rise to conflict of interest, provided that such matters must be reported to the Parent Company's board of directors within such time as required by the Parent Company in support of its consideration, decision or approval by primarily taking into account the overall interests of the company and the Parent Company.

Directors of subsidiaries and/or joint ventures shall not be involved in the approval of any matters in which they are interested or have any conflict of interest, whether directly and/or indirectly and to ensure that directors and the management of subsidiaries and/or joint ventures acting as main subsidiaries are not involved in the approval of any matters in which they have stakes in or there may be conflict of interest, whether directly and/or indirectly.

Furthermore, the following actions, which may allow the directors, executives or related persons of the company to derive any financial benefits other than those normally available to them or which may cause the company or the Parent Company to sustain damage, shall be presumed to be such actions with material conflict of interest of the company:

(1) Execution of any transaction between the company and its directors, executives or related persons in violation of the rules on connected transactions;

(2) Use of any infolmation of the Parent Company or the company known to them, except where such information has been disclosed to the public;

(3) Use of any assets or business opportunity of the company or the Parent Company in such manner in violation of the rules or general practice as prescribed in the notification of the Capital Market Supervisory Board;.

(c) To report on plan for business operations, business expansion for large-scale investment projects of the subsidiaries as approved by the Parent Company, and joint investment with other business operators, to the Parent Company via monthly report on the operational results, and provide explanation and/or documents in support of the consideration upon request by the Parent Company;

(d) To provide explanation and/or information or documents relating to the operations of the company to the Parent Company upon request as appropriate, and provide explanation and/or relevant information or documents to the Parent Company should any material issues be found;

(e) To be responsible for the subsidiaries to implement the internal control system, risk management system and anti-corruption policy as appropriate, efficient and sufficiently prudent to make sure that all activities of the subsidiaries strictly follow the Parent Company's policies, this document, the laws and rules on corporate governance of listed companies, including the applicable notifications, regulations and rules of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, and to ensure that the subsidiaries have clear work flows to demonstrate that the subsidiaries' systems are sufficient to regularly and reliably disclose information on material transactions under the applicable rules, with channels available for the directors and executives of the Parent Company to access such information of the subsidiaries so as to efficiently monitor their operational results, financial position, transactions between the subsidiaries and their directors and executives, and material transactions of the subsidiaries. In addition, there shall be mechanisms for work system audit in the subsidiaries, whereby the Parent Company's internal auditors and independent directors shall be entitled to directly access such information, and the results of such work system audit shall be reported to the Parent Company's directors and executives to make sure that the subsidiaries regularly follows the specified work systems;

(f) The directors, executives, staff, employees or those authorized by the company, who are representatives of the Parent Company and hold positions in the company, including their spouse and underage offspring, shall be prohibited from using inside information of the Parent Company and/or the company, which has been obtained from the performance of duties or by other means, which has or may have material impact on the Parent Company and/or the company, for personal gain or gain of others, whether directly and/or indirectly, and whether with or without any compensation.

The directors, executive s or related persons of the subsidiary, who are representatives of the Parent Company and hold positions in the subsidiary may execute any transaction with the subsidiary only after such transaction has been approved by the board of directors of the subsidiary, the Parent Company's board of directors, the subsidiary's shareholders' meeting and/or the Parent Company's shareholders' meeting (as the case may be) depending on the calculated size of the transaction (the calculation of transaction size under the rules on acquisition or disposal of assets and/or connected transactions of the Capital Market Supervisoly Board and the Board of Governors of the SET shall apply,mutatis mutandis) , except for such transactions with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under similar circumstances, on the basis of commercial negotiation and without any influence from their status as directors, executives or related persons (as the case may be), provided further that such commercial terms have been approved by the Parent Company's board of directors or in compliance with the principle previously approved by the Parent Company's board of directors.

8.1.4 Monitoring compliance with the corporate governance policy and practices

(1) Prevention of Conflict of Interest

The Company has in place a policy to prevent conflict of interest based on prudence, honesty, rationale, and independence within the ethical framework for the Company's interests. The policy stipulates that a person who may have conflict of interest and/or a connected person as well as related parties involving in a transaction who discloses the information on the interests of his/her own and related parties'to the Company for acknowledgement and have no authority to approve the transaction in which he/she has interests.

The Company prescribes in the Board of Directors Charter that the Board of Directors shall be responsible for ensuring non-conflict of interest between stakeholders of the Company and subsidiaries. In case that any director having conflict of interest in any transaction conducted with the Company or changes in his/her shareholding percentage, such director shall notify the Company immediately. Moreover, the assignment of authority, duties, and

responsibilities to any person shall not be characterized by the delegation of authority that allows the attorney to be able to approve the transaction that he/she or a person who may have conflict of interest may have interests or receive interests in any forms or have any other conflict of interest with the Company or subsidiaries, except for the approval of transactions which are conducted in accordance with the policy and the criteria approved by the shareholders' meeting or Board of Directors.

The Company has a policy on connected transactions and transactions having conflict of interests as in accordance with the laws and regulations of SEC, Capital Market Supervisory Board, and SET, which will also be disclosed in Form 56-1/One Report.

In year 2022, there were no complaints about committing offenses by directors, management and employees of the Company and its subsidiaries regarding conflicts of interest or operations that are against the policy, Regulations and Relevant Laws.

(2) Prevention of Misuse of Insider Information

The Company has a policy forbidding directors, the management, and employees disclose or seek advantage directly or indirectly from any information that may affect the share price of the Company, any information that, once disclosed, will cause damage or disadvantage to the Company, information that is considered confidential and important, and/or internal information that has not been made public. This is to ensure equality and fairness to every shareholder. The Company is to raise awareness of this policy among directors, the management, and employees through the orientation, email announcement, and intranet, as well as e-learning and e-testing. The Company has issued the policy on Usage of Insider Information as follows:

- Insider Information Control: Directors, executives and all employees of the Company and its subsidiaries must not use insider information which contains materials information and has not been disclosed to the public for the benefit of oneself and others. Everyone shall comply with the policy on retention and the use of insider information that the Company strictly defined. The Company also prohibits directors, executives and employees of the Company and subsidiaries or former directors, executives and employees from disclosing confidential information of the Company, as well as confidential information of its suppliers that they have been informed during their duties to outsiders, even if the disclosure of such information will not cause damage to the Company and its suppliers. The insider information must be used for the benefit of the Company's business operations only.

- Holding of the Company's Shares: Directors, the management, and employees of the Company and its subsidiaries who are aware of insider information of significance that affects or may affect the change in share prices must refrain from buying or selling the Company's shares for at least thirty (30) days before the financial statements or the insider information is made public. And within 24 hours after such information has been disclosed to the public, those related to such information must not reveal that information to others until the Stock Exchange of Thailand is informed. Moreover, directors and senior executives have the duty to inform the Board of Directors, or the individual assigned by the Board of Directors at least one (1) day before buying or selling the Company's shares.

- Report on the Holding of Company's Shares: Directors and the management of the Company are aware of the duty to produce and report their holdings of the Company's shares. This also applies to spouses or partners and underage children. Any change in the holdings of Company's shares is to be reported to the Securities and Exchange Commission in accordance with Section 59 of the Securities and Exchange Act. A copy of the report is to be submitted to the Company on the same day that the document is submitted to the Securities and Exchange Commission.

Any act that violates the abovementioned regulation is considered a disciplinary offense and is punishable as deemed appropriate from verbal warning, written warning, probation, to dismissal.

In 2022, the Company Secretary Office sent an email to the directors, the management, and relevant employees to inform them in advance of the period when buying and selling of shares are suspended. Of the 12 times that directors and management conducted transactions on the Company's shares, there were no transactions made during the period of suspension.

Moreover, the Board of Directors and senior executives had informed the Company Secretary at least one (1) day in advance before buying and selling shares, in accordance with the Company's policy. The Company Secretary reported the changes in the holdings of shares of directors and the management to the Board of Directors every quarter.

The Company received no complaints regarding any violation of policy by the Board of Directors, management, or any undertaking.

(3) Anti-Corruption

The Company realizes the importance of fighting against corruption. It is committed to conducting its business with integrity under the framework of good corporate governance, adhering to business ethics and morality while being responsible for society, the environment and stakeholders. Business must be conducted in transparent, fair, and accountable manner. The Company has been endorsed to be a member of the Thai Private Sector Collective Action Against Corruption (CAC) on 30 June 2022.

The Company has issued a written the Anti-corruption Policy for the Company and its subsidiaries as a framework for business operations, including of reviewing the policy regularly. Moreover, the Company has conducted risk assessments for businesses that may be related to corruption, determined approaches and measures to prevent such risks, reviewed the implementation of the policy regularly, as well as ensured the sufficiency of the internal control system. Trainings are held within the Company. The policy is also communicated to individuals from outside the organization. In 2022, the Company undertook the following:

- 23 March 2022, the Board of Directors unanimously approved the submission of the report regarding self-assessment to the Thai Private Sector Collective Action Against Corruption (CAC). The report was signed by the Chairman and Chief Executive Officer (CEO) with corresponding details as per the submitted information.

- 30 June 2022, the Company was endorsed as a member of the Thai Private Sector Collective Action Against Corruption (CAC). The status is valid for 3 years from the date of the endorsement.

- The Company summarized and monitored its work on preventing business operations of the Company and its subsidiaries from being involved in corruption through measures such as risk assessment, measures to prevent and control risks, internal communication and trainings, review of the implementation of the anti-corruption policy, as well as the comprehensiveness of the process. Moreover, the operations have been expanded from 3 subsidiaries, each representing a business line, namely Thai Watsadu, Top Supermarket, Central Department Store and Robinson in order to cover as many operations as possible. Details are as follows:

  - The Company set out an anti-corruption policy and process whereby the Board of Directors tasked the Audit Committee to supervise the Company's internal control system and the management to raise awareness and communicate honestly with every employee on the Company's undertakings to tackle corruption.

  - The Company conducted the following anti-corruption trainings:
    - On 21 February 2022, the CRC-Risk Department and CRC-Compliance Department attended the Corruption Risk and Control (CRC) course of the Institute of Directors (IOD).
    - On 13 and 19 May 2022, the Company conducted a review of the corruption risks of 4 subsidiaries that represent business lines under CRC, namely Thai Watsadu, Top Supermarket, Central Department Store, and Robinson, and monitored activities to prevent business risks while

expanding their scope to cover subsidiaries of Thai Watsadu, Top Supermarket, Central Department Store and Robinson.
- On 27 July 2022, the Company conducted the Risk Assessment Workshop for subsidiaries under subsidiaries that represent business types, namely COL Company Limited, Power Buy Company Limited (PWB), CRC Sports Company Limited (SPS), and Central Trading Company Limited (C-Trading).
- In the first and second quarters of 2022, the senior executives encouraged employees to attend trainings done through the C-Next E-learning System, by asking every employee to attend an annual training or take a test on their understanding of anti-corruption measures, which is part of the employees' Code of Ethics. New employees need to participate in such training before they start working or whenever the training is available. In 2022, 95% of employees attended the training.

- The Company communicates to directors, management, employees, vendors, and stakeholders so that they understand the Company's business undertakings in a transparent manner through the following means:
  - Through external website and intranet, namely the Workplace and Compliance Portal
  - Through emails to vendors to remind them to comply with the Company's Anti-Corruption Policy
  - Through clauses that form part of the Company's contracts on Compliance with the Anti-Corruption Policy
  - Through posters that communicate messages from the CEO, Say NO to Corruption, Virtual Background
  - On 20 July 2022, an online seminar on "Uniting the Force for Transparency, Supporting the Anti-corruption Policy" was held. The aim of the seminar was to communicate to personnel of all levels in order to raise awareness and encourage cooperation to address all forms of corruption. It was concluded that the message would be communicated through internal and external channels, including the Workplace, YouTube, Portal, Website, Desktop and email.

- The Company examined for the sufficiency, efficiency, and efficacy of the anti-corruption process. The Audit Committee assigned this task to the Compliance Unit to work on this. The previous' year results can be summarized as follows:
  - Developed a system to process the cases on Conflict of Interest (COI) and monitored the process of COI through the system in which 85% could be measured.
  - Improved information acquisition in accounting system to be automatic in order to generate reports on related expenses, in accordance with anti-corruption policy.
  - Submitted reports summarizing the implementation of anti-corruption policy to the Audit Committee, covering CRC and three (3) subsidiaries that represent business lines of CRC, namely Thai Watsadu, Top Supermarket, Central Department Store and Robinson, as well as their subsidiaries.

In 2022, the Company found no conduct that violated the anti-corruption policy and manual. However, relevant management has communicated to employees in order for the good practice.

The Anti-Corruption policy was published in written to provide clear guidelines for business practice and development into a sustainable organization. The details can be summarized as follows.

1. Personnel of the Company and its subsidiaries must not request, conduct, or accept corruption in any form, either directly or indirectly, for the benefit of organization, oneself, family, friend, and acquaintance or for the benefit of all businesses in all countries and agencies relating with the Company and its subsidiaries.

2. The Company must regularly review the compliance with the Anti-Corruption Policy as well as business guidelines and rules to ensure they are in line with changes in business, rules, regulations, and laws. Any acts which support or involve in corruption will be punished as stipulated by the Company. Therefore, the Company imposes additional practice guidelines on corruption involvement prevention as follows:

   (1) The Company determines that the Board of Directors has duties and responsibilities of determining and approving the anti-corruption policy while putting the efficient anticorruption support system in place to ensure that the management recognizes the importance and practices as a corporate culture In addition, the Audit Committee shall have a duty and responsibility to review the Company. Have adequate internal control and review the operation in accordance with the Anti-Corruption Policy. To ensure that all employees and stakeholders comply with Anti-Corruption Policy regulations and review the appropriateness of the system and measures to comply with the changes in the business regulations and requirements of the law as well as reviewing the adequacy of the Company's internal control and the compliance with the anti-corruption policy, regulations, and relevant laws. The management shall also set up systems and measures, promote, support, and oversee the compliance with the anti-corruption policy of all employees and concerned parties as well as review the appropriateness of systems and measures that are consistent with the changes in business, regulations, and legal requirements.

   (2) The Company determines that the Internal Audit Department examines and reviews the performance to comply with policies, practices, rules and regulations, and relevant laws. This is also to ensure that the internal control system is properly and adequately put in place to prevent potential corruption risks and is reported to the Audit Committee.

   (3) The personnel of the Company and subsidiaries has duties to comply with the Anti-Corruption Policy and Code of Conduct without being involved, whether directly or indirectly, in any corruption or breach of the Code of Conduct.

   (4) The Company will enable the directors and executives of subsidiaries and associates who was nominated by the Company to hold such positions in subsidiaries or associates (as the case may be) to agree to abide by the Company's Anti-Corruption Policy.

Practice Guidelines for Preventing Involvement in Corruption

(1) The Company requires that personnel of the Company and subsidiaries perform tasks cautiously and be aware of all forms of corruption. In case of any doubt that may cause legal impacts, they shall seek advice from the Legal Department in writing. For other important matters, discretion shall be exercised by the management.

(2) The Company strives to create and maintain its organizational culture on zero-tolerance on corruption, either it conducts with public or private sectors.

(3) Directors, executives and employees in every level should not neglect if they find any act involving corruption with the Company. They must report to their supervisors or responsible person and co-operate in the verification process as stipulated in the Whistleblower Policy or regulations of the Company. Moreover, compliant channels for outsiders are arranged.

(4) The Company fairly treats and protects employees who refuse to be involved in corruption or inform the Company about corruption. The Company will not demote, penalize or give negative impact to employees who refuse to be involved in corruption although they make the Company lose business opportunity.

(5) Directors and executives in every level of the Company must show their honesty and be good role models in following the Anti-Corruption Policy. Head of the Internal Audit Department is responsible for continuously disseminating knowledge, encouraging employees in every level to strictly adhere to the Anti-Corruption Policy and instilling it as part of the organizational culture.

(6) The Anti-Corruption Policy covers in the human resource management process ranging from recruiting, promotion, training to assessment. Supervisors in every level have to communicate with employees so they apply the policy in business activities under their responsibilities. Also, supervisors must monitor effective compliance with the policy.

(7) All actions in the Anti-Corruption Policy are in line with those stipulated in the Company's Good Corporate Governance Policy, guidelines for business conduct, relevant regulations, work manual as well as other guidelines which the Company may define later.

(8) The Company discloses the Anti-Corruption Policy, which is under Thailand's anti-corruption law, via both internal and external media, for instance, notifications, website, and annual report.

To protect the rights of complainants and whistleblowers of good faith, the Company will keep confidentiality of their name, address, or any information, of which access is only limited to persons responsible for examining such complaints.

In case of complaints, the Chief Executive Officer, the Audit Committee will be responsible for protecting whistleblowers or complainants, witnesses, and information providers from troubles, dangers, or unfairness arising from whistleblowing, complaining, witnessing, or provide information. The complainants are requested to file complaints directly to the Audit Committee.

In case that the accused is not the Chief Executive Officer, the Chief Executive Officer has duties to exercise discretion to order as deemed appropriate to protect whistleblowers or complainants, witnesses, trouble, danger, or unfairness arising from whistleblowing, complaining, witnessing, or providing information to the Company.

The Company clearly announced the Anti-Corruption Policy for all personnel's acknowledgement as we as publicized the Anti-Corruption Policy through the Company's communication channels such as the Company's website, e-mail, annual report, and annual registration statement (Form 56-1 One Report).

Investigation, Procedures and Disciplinary Action

(1) Upon receipt of report, the Chief Executive Officer or the Audit Committee is responsible for screening and investigation.

(2) During investigation, the Chief Executive Officer or the Audit Committee may assign representative to periodically inform the progress of investigation to reporters or whistleblowers.

(3) After investigation, if the information or evidence has reason to believe that the accused person commits corruption, the Company will give right to the accused person to acknowledge the complaint and defend himself.

(4) In case the accused person truly involves with corruption and violates the Company's Anti-Corruption Policy or guidelines, such person will be disciplinary punished as stated in the Company's regulation. If such act is illegal, the wrongdoer may be legally penalized.

(4) Whistle blowing

In case of suspected any act of corruption or breached any rules, regulations, or code of conduct, Complainants must provide details of complaints along with their names, addresses and contact telephone numbers to CRCWhistleblower@central.co.th or by post:

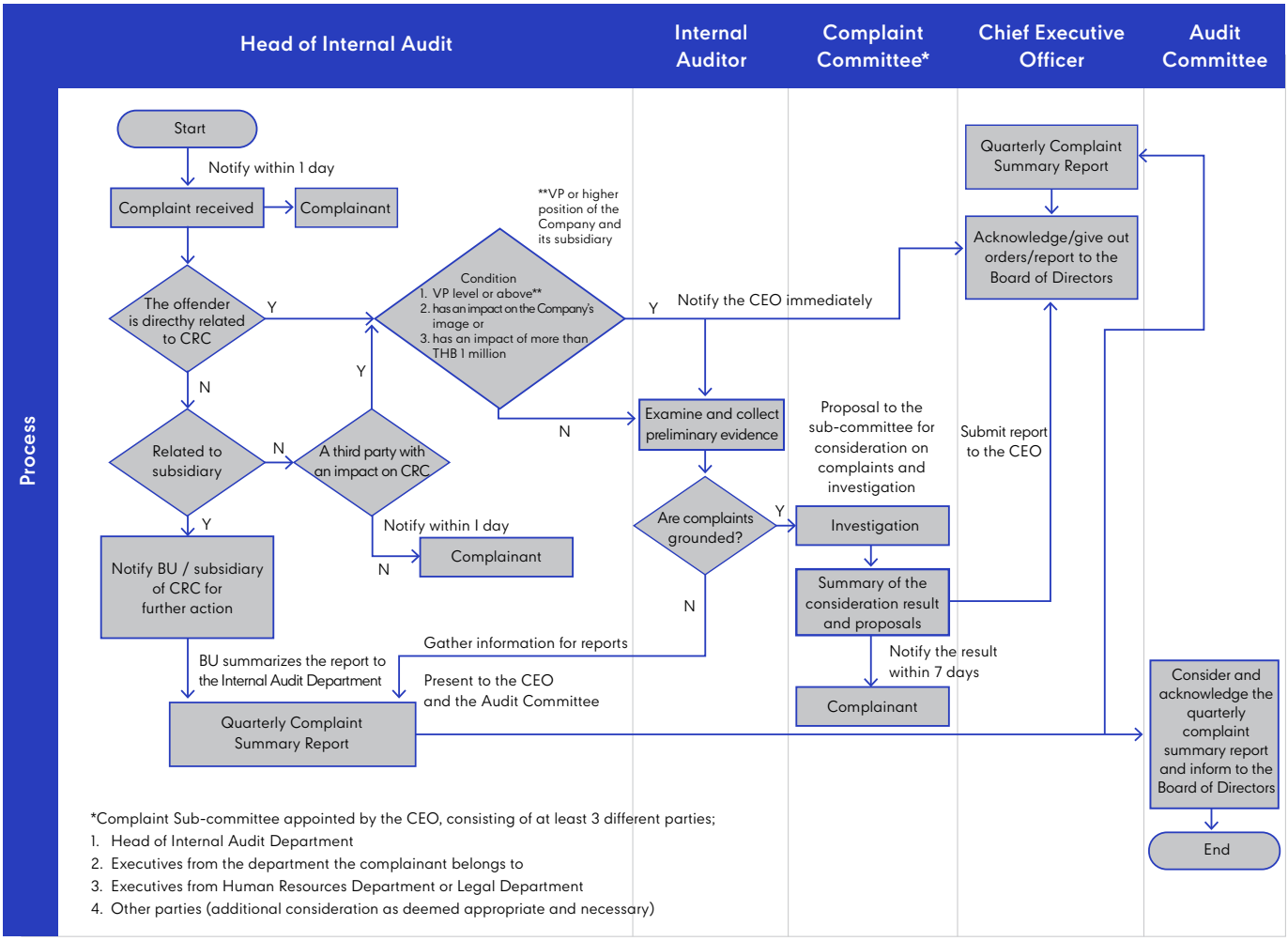
Head of Internal Audit Department
Central Retail Corporation PCL
22 Soi Somkid, Ploenchit Road,
Lumphini Sub-district,
Pathum Wan District, Bangkok 10330

In case of complaining towards the Chief Executive Officer, complaints have to be filed directly with the Chairman of the Audit Committee AuditChairman@central.co.th or by post:

Chairman of the Audit Committee
Central Retail Corporation PCL
22 Soi Somkid, Ploenchit Road,
Lumphini Sub-district,
Pathum Wan District, Bangkok 10330

A Person who can make a complaint on corruption are all stakeholders of the Company, namely shareholders, customers, competitors, creditors, public sector, community, society, executives and employees. No matter channels they utilize for making complaints, the Company will strictly keep the reported information confidential.

The Company has a clear written operating procedure demonstrating the procedure and process of investigation in accordance with the Whistleblowing Policy and the Company's Code of Business Conduct, to acknowledge the employees of the investigation procedure and process for complaints regarding corruption and misconduct, and to show or disseminate to those involved, including complainers, complainants, witnesses, investigators, and other related people. The Company regularly reviews and improves the guidelines for handling complaints related to wrongdoing. The latest revision has been updated in December 2021, to be more concise for more efficient operations. The process can be summarized as follows:



In the past year, the Company and its subsidiaries received a total of 50 complaints related to wrongdoing, 15 of which were actual offenses related to fraud and 8 cases of corruption, none of which had a significant effect or damage to the Company. The Company completed the punishment for the offenders, as well as establishing measures and solutions for the stakeholders to maintain their satisfaction.

(5) Compliance

5.1 Compliance Department

The Company's Compliance Department is responsible for ensuring that personnel and departments within the Group (the Company and its subsidiaries) work in line with the relevant regulations, both inside and outside of the Company and corporate governance policy, as well as any other tasks or duties assigned.

5.2 Compliance Progress Report

In 2022, the Compliance Department supervised to ensure compliance with relevant regulations and reported the following directly to the Audit Committee.

5.2.1 Inspecting and Reviewing the work in accordance with the risk of the Group related to Retail Laws and the Personal Data Protection Act (PDPA), which enforces in June 2022

5.2.2 Developing a system on corporate governance in accordance with the Governance, Risk and Compliance – GRC approach in order to gain trust from shareholders and vendors.

The Group has studied the work system and integration of GRC from leading companies, and translated into a plan to integrate GRC system in 2023.

5.2.3 Developing a system for document registration and Compliance Universe and Non-Compliance Report/Compliance Monitoring System.

To ensure that the submission of cases relating to non-compliance and review of documents, policies, regulations, notifications, and orders of departments is accurate, comprehensive, and up to date, the Company developed the Compliance Monitoring System (CMS) in 2022.

In 2022, reporting through the coordinated compliance unit by a representative from the Group (Compliance agent), found that no significant non-compliance case such as rules, regulations or announcements both inside and outside the Company by directors, executives and employees of the Group can be assessed.

8.2 Performance Report of the Audit Committee for the Previous Year

8.2.1 Number of Meeting Attendance

The number of meeting attendance of the Audit Committee is shown in item 8.1.2

8.2.2 Explanation of Performance Results of the Audit Committee

The Audit Committee of Central Retail Corporation Public Company Limited ("Company") has the main duties and responsibilities to support the Board of Directors in overseeing the matters relating to the preparation and disclosure of information in financial reports, the effectiveness of risk management and internal control systems, the compliance with relevant laws, rules, and regulations, the monitoring of qualifications, expertise and adequacy of working team and independence of both internal auditor and external auditor of the Company as well as the assessment on the effectiveness of performance of internal auditor. The Audit Committee reports its performance as well as recommendations to the Board of Directors whenever the Audit Committee has any queries or opinions that there should be improvements regards to internal control, financial reports or other matters found. The Audit Committee will promptly report any queries or recommendations in various matters to the Board of Directors. The Audit Committee's performance of duties can be concluded as follows:

1. Review the accuracy of financial reports and the adequacy of the disclosure of the Company's information
2. Review connected transactions or transactions that may have conflict of interest
3. Review the internal control system
4. Supervise the internal audit
5. Consider the appointment of auditors and communication of significant matters between the Audit Committee and the auditors
6. Review legal compliance
7. Review good corporate governance
8. Review and revise the Audit Committee Charter

In addition, the Audit Committee performed its duties in accordance with the Charter assigned by the Board of Directors completely and independently to ensure that the Company has executed the efficient and adequate corporate governance, operations for the utmost benefits to the shareholders with fair and equal without any conflict of interest, and internal control system were adequate and appropriate.

Details can be found in Enclosure 6 of the Report of the Audit Committee.

8.3 Performance Summary of Other Committees

Report of the Risk Policy Committee

To Shareholders,

Since 2019, the Risk Policy Committee has been appointed by the Board of Directors of Central Retail Corporation Public Company Limited to support the Board of Directors in overseeing the Company to ensure that it has the adequate and appropriate risk management system in place, enabling the Company to achieve its objectives in an efficient and effective manner, as well as to comply with relevant laws and standards, in order for the overall risk to be within the acceptable level. The Committee consists of four directors, namely Mr. Kanchit Bunajinda (as Chairman of the Committee since December 2020), Mrs. Patareeya Benjapolchai, Mr. Prin Chirathivat, and Mr.Yol Phokasub, whereby Ms. Intira Kritayareungrote serving as secretary of the Risk Policy Committee from 16 October 2021 to 30 September 2022 and Ms. Rangsirat Pornsuthee taking over on 1 October 2022.

In 2022, the Committee held five meetings (2021: 6 meetings), and had the important performance as summarized below:

1. Supervised the Company to ensure its analysis on business risks, covering all business groups of the Company.
2. Considered the request for core business units to present their risk information at the Risk Policy Committee meeting themselves.
3. Considered linking risk management with internal control and internal audit by guiding the Internal Audit Department to unitize risk assessments results for audit planning.
4. Approved of key risks and risk scale criteria.
5. Considered the Company's Risk Management Framework and Risk Maturity Model.
6. Considered the IT Risk Governance Process.
7. Considered the expansion of risk management process to cover business groups in Vietnam and Italy.
8. Reviewed members and roles of the Risk Policy Committee.
9. Reviewed the charter of the Risk Policy Committee and the Company's risk management policy to be appropriate and in line with the changing business environment.
10. Assessed the performance of the Risk Policy Committee in various aspects including the structure, meetings, and implementation of the corresponding duties specified in the charter, in order to further improve its efficiency.
11. Considered individual performance assessment of the risk management teams of various business groups while standing ready to support and provide advice to further improve the efficiency.
12. Reported the progress to the Board of Directors on a regular basis.

The Committee has a commitment to enhance the internationally standardized risk management system in order for the shareholders and stakeholders to be confident in the Company's business operation with adherence to the corporate governance and sustainable development principles.

Mr. Kanchit Bunajinda
Chairman of the Risk Policy Committee

Report of the Nomination and Remuneration Committee

To Shareholders,

In 2022, the Nomination and Remuneration Committee held four meetings and consistently reported its performance to the Board of Directors for acknowledgement after each meeting, summarized below:

1. Considered the structure of the Board of Directors and the sub-committees, in terms of the composition and the number of directors deemed as appropriate for the size, type, and complexity of business as well as compared it with other companies in the same or similar industry and acknowledged the 2022 Board diversity, comprising the information on the number of independent directors, their gender, and Board Skill Matrix to be used for the consideration of appointment of suitable directors with qualifications, knowledge, and capabilities that are diverse and beneficial to the Company's business operation.
2. Considered nominating suitable persons with qualifications, knowledge, experience, and expertise to be directors and proposed them to the Board of Directors and the 2022 Annual General Meeting of Shareholders. The Committee proposed the re-appointment of directors retiring by rotation in 2022 for another term, while the shareholders' meeting resolved to approve the appointment of all directors as proposed.
3. Considered nominating suitable persons with knowledge, experience, and expertise to replace the resigning directors and proposed them to the Board of Directors for consideration and approval.
4. Considered nominating suitable persons with knowledge, experience, and expertise to be the Company's senior executives and proposed them to the Board of Directors for consideration and approval.
5. Considered the structure and determined the 2022 remuneration for the Board of Directors and the sub-committees, comprising the Audit Committee, the Risk Policy Committee, and the Nomination and Remuneration Committee, and then submitted it to the Board of Directors and the shareholders 'meeting for consideration and approval, by taking into account their responsibilities and performance related to operating results and other relevant factors earned and other relevant factors. The remuneration rates were compared with those of other companies in the same or similar industry and approved by the shareholders' meeting.
6. Considered remunerations for directors who were the management and the top management, taking into account fair criteria or methods, rationality, and duties and responsibilities, as well as annual performance progress. These are to be submitted to the Board of Directors for approval.
7. Considered training and development plans for the Company's directors and the sub-committees as in accordance with the Company's business and situation.
8. Considered and reviewed succession plans for the CEO and senior executive positions to ensure the Company's continued business operations, with CEO's involvement in the his involvement in the review and data presentation.
9. Considered the assessment criteria for the 2022 performance of the CEO and senior executive positions and submitted them to the Board of Directors for approval.
10. Acknowledged and provided comments on the policy and practices of human resource management and organizational management, including plans and operation in 2022, recruitment, turnover rate, and staff development plan.

The Committee performed its duties with prudence and honesty, based on the responsibilities specified in the Charter while adhering to the good corporate governance principles adequately and suitably for the balanced and sustainable benefits of all stakeholders.

Mr. Roongrote Rangsiyopash
Chairman of the Nomination and Remuneration Committee

Report of the Corporate Governance and Sustainability Committee

To Shareholders,

The Corporate Governance and Sustainability Committee of Central Retail Corporation Public Company Limited comprises three (3) directors who have been appointed by the Board of Directors to supervise the work on corporate governance and sustainable development to be in line with the determined policy and goals, and to facilitate the Company to conduct its business in accordance with good corporate governance and transparency, while protecting interests of shareholders and all stakeholders. Mrs. Patareeya Benjapolchai is the Chairman of the Committee. Mr. Pichai Chirathivat and Mr. Yol Phokasub are committee members.

In 2022, the Corporate Governance and Sustainability Committee carried out its duties and responsibilities in accordance with the charter of the committee. A total of five (5) meetings were held, whereby every member of the committee attended every meeting. The committee reported its work on corporate governance and sustainable development to the Board of Directors regularly. This can be summarized as follows:

1. Corporate Governance

1.1. Endorsed the Corporate Governance and Code of Conduct Handbook of Central Retail Corporation Public Company Limited and its subsidiaries as a compilation of policies and guidelines for personnel of the Company and subsidiaries to follow. The Handbook was submitted to the Board of Directors for approval.

1.2. Reviewed and endorsed the charter and various policies of the Company in 2022 to be in line with the Corporate Governance Principles in order to improve and update the Corporate Governance and Code of Conduct Handbook. The Committee reviewed the charter and policies related to good corporate governance and also consider the amendment of the Charter of the Board of Directors, Corporate Governance Policy and Policy to Prevent Misuse of Insider Information of the Company and further proposed to the Board of Directors for consideration and approval.

1.3. Acknowledged the results of the assessment of the Corporate Governance Report of Thai Listed Companies (CGR) for the year 2022 whereby the Company received 5 Stars or "Excellent" award for the second consecutive year from the Thai Institute of Directors (IOD) with support from the Stock Exchange of Thailand with the average score of 96. The Company was ranked among the Top Quartile of listed companies with good corporate governance with the market value of more than THB 10 billion and also received the ASEAN Asset Class PLCs from the ASEAN CG Scorecard for the year 2021. This was given to listed companies with the score of at least 97.50. Moreover, the Company also received "100 full marks" (5 logos) for the Assessment of Quality of Holding Annual General Meetings (AGM) from the Thai Investors Association.

1.4. The Committee endorsed the development plan in accordance with the Corporate Governance Report of Thai Listed Companies (CGR) for the year 2023, and provided opinions to the Board of Directors to enhance the efficiency of corporate governance in accordance with the assessment approach of the Corporate Governance Report of Thai Listed Companies.

1.5. Reviewed the work in accordance with the Corporate Governance Code of the Securities and Exchange Commission and the Stock Exchange of Thailand and monitored the application of CG Code in ways appropriate to the respective business context in order to enhance work standards to be on par with internationally accepted principles, taking into account every stakeholders in a fair manner. The committee submitted its suggestions to the Board of Directors to review the work in accordance with business contexts.

2. Sustainable Development

2.1. Endorsed the long-term sustainability goal which takes into account the environment, society, and good governance. This is a procedure to plan and lay out approaches to issue strategies to drive the business towards sustainability in line with the UN Sustainable Development Goals.

2.2. Provided inputs and suggestions for Sustainability Gap Analysis where preliminary assessment was done. The analysis outlined key issues to maintain standards and improve performance. The results of the analysis are used to develop and lay down strategies in an appropriate manner.

2.3. Acknowledged the Company being assessed to be included in Thailand Sustainability Investment (THSI) and Dow Jones Sustainability Indices (DJSI) in 2022. As a result, CRC was listed in the 2022 THSI for the second consecutive year. It was also selected as a member of DJSI in the Emerging Markets group. CRC has received continuous increase in terms of score for the second consecutive year.

2.4. Approved in principle the assessment of the Sustainability Task Force (Champions) and determined annual KPIs.

2.5. In order to integrate sustainability work in the development of business and to ensure continuity of the development of work in the areas of environment, society, and economy, the sustainability budget for 2023 was approved.

2.6. Endorsed sustainability policies in various contexts such as policy on marketing ethics, the improvement of environment policy, the determination to conserve biodiversity, maintenance and reforestation.

2.7. In order to ensure the continuity, the comprehensiveness, compliance with international standards, and the quality of the work on sustainability in the area of environmental quality development, the Company endorsed the setting up of Environment Committee.

3. Others

3.1 Reviewed and endorsed the amendment to the charter of the Corporate Governance and Sustainability Committee to be in line with the Company's business operations at present, before submitting to the Board of Directors for approval.

3.2 Acknowledged the performance assessment results of the Corporate Governance and Sustainability Committee for the year 2022, it was found that the structure and components of the committee are appropriate, enabling them to perform their duties comprehensively and efficiently. The committee also emphasized the importance and provided sufficient time to consider, review, and perform on various matters in accordance with their roles, responsibilities, and accountabilities.

3.3 Reported the progress and results of the work to the Board of Directors regularly.

Mrs. Patareeya Benjapolchai
Chairman of the Corporate Governance
and Sustainability Committee

9

Internal Control and Connected Transactions

9.1 The Board of Directors' Opinions on Internal Control

The Board of Directors is aware of the importance of having good internal control systems. It is an important duty to be taken to ensure that the Company has appropriate and sufficient internal control systems to efficiently oversee the operations to meet the goals, objectives, laws, and relevant requirements, to be able to protect assets from any fraud and damage, and to do accounting and financial report with accuracy and reliability that is disclosed completely and adequately in a timely manner.

The meeting of the Board of Directors No. 2/2023 held on 28 February 2023 was attended by 5 independent directors, 3 of whom were members of the Audit Committee. The Board of Directors considered and assessed the sufficiency of the internal control systems of the Company and subsidiaries by using the assessment form for the sufficiency of the internal control systems of the Securities and Exchange Commission ("SEC") and asking the information from the management of the Company. The Board of Directors considered the internal control systems of the Company in 5 parts according to the guidelines of The Committee of Sponsoring Organizations of Treadway Commission ("COSO") which consists of:

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

After consideration of such assessment form, the Board of Directors was of the opinion that the internal control systems of the Company and subsidiaries were sufficient and appropriate while having adequate personnel to efficiently implement the systems as well as oversee operations to sufficiently safeguard the assets of the Company and subsidiaries from wrongful conduct or without authority and transactions with persons that may have conflict of interest and related persons. The assessment results on the sufficiency of the internal control systems in 5 components as follows:

Part 1 Control Environment

- The Company considered the operational goals through the preparation of the Company's strategic plan and the review of the annual budget plan at the meeting of the Board of Directors. The Company's business operations adhere to ethics which require the Company to conduct business with good corporate governance, transparency, and efficiency.
- The Company values the importance of integrity and ethics. The Board of Directors imposes a good corporate governance policy, an anti-corruption policy, and a "Code of Conduct" handbook in writing, officially announced to be abided by the Company's employees at all levels. The said handbook specified ethical requirements and regulations that the Company's employees at all levels should perform or not perform in a manner that may cause conflict of interest with the business. There is also an Internal Audit Department responsible for reviewing compliance with the Code of Conduct and a performance assessment policy which specifies ethical practices as one of the assessment criteria. The Company set up a Compliance Unit to oversee the Company's personnel and internal units to perform duties or work in compliance with relevant regulations. The Company established a Compliance Agent to coordinate with the Compliance Unit and related departments, as well as auditing and monitoring compliance with the regulation. In addition, the Company also appointed Sustainability working teams to ensure more efficiency in sustainability operations.

- The Company set the roles and responsibilities of the Board of Directors through the Charter of the Board of Directors which specified the duties and responsibilities of the directors in determining visions, strategies, business directions, goals, business plans, budgets, and management structures through the Company's strategic plan and the annual operation plan of the Board of Directors.
- The Company develops the organizational structure and divides the management structure with the Chief Executive Officer as the top executive distributing responsibilities to executives in each department as deemed appropriate. This helps the management to operate more efficiently.
- The Company has an operation handbook for the Human Resource Department and a policy for evaluating the performance of employees specifying the guidelines for increasing salary and bonus for employees. The compensation such as salary, bonus, and long-term incentive compensation is one of the strategies of the Company and the performance measurement of employees under the rules or regulations of the Company. The Company also has a succession policy for recruiting successors to the position of the Chief Executive Officer and executives from department managers upward.
- The Company established written rules and regulations regarding the Company's human resource management which were in accordance with the requirements of the labor protection law. The Company also stipulated job descriptions for employees at all levels to be aware of their responsibilities.
- In June 2022, the Company was certified as a member of the Thai Private Sector Anti-Corruption Coalition. Thai Private Sector Collective Action Against Corruption (CAC) Project which is 6 months earlier than scheduled.

Part 2 Risk Assessment

- The Company appointed 4 members of the Risk Policy Committee to be responsible for overseeing the risk management to be in accordance with the Charter approved by the Board of Directors and appointed Head of Enterprise Risk Management as the Secretary to the Risk Policy Committee.
- The Risk Policy Committee performed its duties through the Risk Management Committee and the management in developing risk management plans and overseeing the risk management of each business unit.
- The Risk Management Committee monitored and reviewed the risks and risk indicators to report to the Risk Policy Committee at least twice a year.
- The Risk Policy Committee reported the results on the implementation of risk management plans to the Board of Directors after every meeting of the Risk Policy Meeting.
- Whistleblowing was reported to the Audit Committee for acknowledgement at least once every quarter. In case of significant wrongdoings, they would be immediately informed.

Part 3 Control Activities

- The Company set the structure of the department, job descriptions, and work manuals in line with the characteristics of the business of that department, including the scope of authority and duties and the credit limit of each department at each level clearly in writing. An authority handbook was developed. The information technology system was also put in place to support work processes as well as to help control performance.
- The Company clearly segregated duties and responsibilities in various tasks. They can be inspected with clear procedures in duties as follows:

  (1) Approve
  (2) Record accounting entries and information
  (3) Handle and store assets

- The Company regularly improves new work procedures to be in line with the changing work system. The Company monitored and reviewed connected transactions or transactions that may cause conflict of interest among shareholders, directors, executives, and related parties with the policy to prevent the conflict of interest, the connected transaction policy, and the land purchase and leasing for business operation from related person policy as a control measure to make the connected transactions or transactions that may cause conflict of interest in accordance with the laws and regulations of SET. In case the value of the transaction reached the specified significant criteria, before making a transaction, the management department must present the said transaction to the Audit Committee for comments, which is treated as the arm's length basis before proposing to the Board of Directors who has no interest in that transaction to consider. In addition, in order to control the operations of the subsidiaries and associates, the Company set written investment policies and policies for overseeing the operations of subsidiaries and associates, including appointing directors or executives in those subsidiaries or associates.

Part 4 Information and Communication

- The Company has a policy to communicate various information of the Company to personnel in any position related to various matters through the Human Resource Department.
- The Company provides sufficient important information and delivered such information before the meeting date for the Board of Directors' decision-making.
- In each committee meeting, there are minutes of the meeting recording matters that the Board of Directors approved or provided additional suggestions. The said important minutes are kept in accordance with the law.
- The Company kept all accounting documents and accounts into categories and never been informed by the auditors that there was any flaw.
- The Company has in place a system to keep documents orderly to allow the auditors, the internal auditors and the authorized person to have access for inspection.
- The Company's financial statements are audited and commented by the auditors approved by SEC.
- The Company provides communication channels so that both internal and external stakeholders can report information or clues about fraud or corruption and also set a policy to report clues about wrongdoings. The said policy stipulates protection of people who report clues or complaints.

Part 5 Monitoring Activities

- The Company has a process to monitor compliance with the "Code of Conduct" by the Company's Internal Audit Department. For the subsidiaries, a Loss Prevention Department was established to oversee the orderliness, the safety and the wrongdoing occurring within each company.
- In the case that the operating results are significantly different, the Company would organize executive meetings for each department to find the cause of the different results and assess the situation to find an immediate solution and would report progress of corrective actions at the next executive committee meeting.
- The Company established criteria for reporting cases from the Legal Department, which must be reported to the Audit Committee and the Board of Directors for acknowledgment. The guidelines are regularly reviewed and updated.
- The Company assigns the internal auditor to report the audit results directly to the Audit Committee regularly, and the Audit Committee emphasizes on continuous personnel development of the Internal Audit Department, which can be seen from having external consultant to undertake the Quality Assurance Review (QAR).
- The Company has a policy for the management to report immediately to the Board of Directors in case of frauds or suspicious behaviors of serious corruptions, practices that violated the law or any other unusual actions which may affect the reputation and financial status of the Company significantly. Such case may be initially reported verbally and there would be a follow-up report in writing for presentation.

Head of Internal Audit

The Company's Internal Audit Department directly reported to the Audit Committee. The department is responsible for overseeing the independence, the efficiency, and the effectiveness of the internal audit operations. The Audit Committee Meeting No. 1/2019, held on 28 March 2019, resolved to appoint Mr. Phisoot Suksangthip as Head of Internal Audit since he possessed complete and sufficient knowledge and experience according to the qualifications specified in the Charter of Internal Audit Department to control such operations. However, the consideration and approval of appointment, removal, and transfer of Head of Internal Audit of the Company must be approved by the Audit Committee. The qualifications of Head of Internal Audit can be found in Enclosure 3.

9.2 Connected Transaction

Persons who might be involved in a conflict of interest

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
1. Mr. Suthichai Chirathivat[1] ("Mr. Suthichai")	-	Director, on the date of transaction (ended of 25 November 2021)
2. Mr. Suthikiati Chirathivat ("Mr. Suthikiati")	-	Director
3. Mr. Sudhitham Chirathivat[2] ("Mr. Sudhitham")	-	Director, on the date of transaction (starting on 21 December 2021)
4. Mr. Suthipand Chirathivat ("Mr. Suthipand")	-	Director
5. Mrs. Yuwadee Chirathivat ("Mrs. Yuwadee")	-	Director
6. Mr. Suthilaksh Chirathivat (Mr. Suthilaksh)	-	Director
7. Mr. Prin Chirathivat ("Mr. Prin")	-	Director
8. Mr. Tos Chirathivat ("Mr. Tos")	-	Director
9. Mr. Pichai Chirathivat ("Mr. Pichai")	-	Director
10. Mr. Sudhisak Chirathivat	-	Brother of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
11. Mr. Suthichart Chirathivat	-	Brother of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
12. Mr. Suthidech Chirathivat	-	Brother of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
13. Mr. Suthiphak Chirathivat	-	Brother of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
14. Khunying Suchitra Mongkolkiti	-	Sister of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh

Remark:
[1] As a director of the Company Until 25 November 2021
[2] Appointed as Director on 21 December 2021

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
15. Mrs. Sukanya Promphan	-	Sister of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
16. Mrs. Supatra Chirathivat	-	Sister of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
17. Ms. Achara Chirativat	-	Sister of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
18. Ms. Piyaphan Chirathivat	-	Sister of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
19. Ms. Busaba Chirathivat	-	Sister of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
20. Ms. Wallaya Chirathivat	-	Sister of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
21. Mrs. Nathaya Chirathivat	-	Sister of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
22. Ms. Jariya Chirathivat	-	Sister of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
23. Mr. Suthisarn Chirathivat	-	Brother of 5 Directors of the Company including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthipand and (5) Mr. Suthilaksh
24. Mrs. Oranee Chirathivat	-	Spouse of the Director or Mr. Suthichai (on the transaction date)
25. Mr. Naratha Chirathivat	-	Son of the Director or Mr. Suthichai (on the transaction date)
26. Ms. Sansana Chirathivat	-	Daughter of the Director or Mr. Suthichai (on the transaction date)

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
27. Ms. Rvisra Chirativat	-	Daughter of the Director or Mr. Suthichai (on the transaction date)
28. Mr. Davis Chirathivat	-	Son of the Director or Mr. Suthichai (on the transaction date)
29. Mr. Theeradech Chirathivat	-	Son of the Director or Mr. Suthikiati
30. Mr. Theerayut Chirathivat	-	Son of the Director or Mr. Suthikiati
31. Theerakiati Chirathivat	-	Son of the Director or Mr. Suthikiati
32. Mrs. Somkamol Chirathivat	-	Daughter of the Director or Mr. Suthikiati
33. Mr. Patsarakorn Chirathivat	-	Son of the Director or Mr. Suthikiati
34. Ms. Arunee Chirathivat	-	Sister of 3 Directors including (1) Mrs. Yuwadee (2) Mr. Prin and (3) Mr. Tos
35. Mrs. Nitsinee Chirathivat	-	Sister of 3 Directors including (1) Mrs. Yuwadee (2) Mr. Prin and (3) Mr. Tos
36. Mrs. Sirikate Chirakiti	-	Sister of 3 Directors including (1) Mrs. Yuwadee (2) Mr. Prin and (3) Mr. Tos
37. Ms. Netanong Chirathivat	-	Sister of 3 Directors including (1) Mrs. Yuwadee (2) Mr. Prin and (3) Mr. Tos
38. Mr. Kriengsakdi Chirathivat	-	Brother of 3 Directors including (1) Mrs. Yuwadee (2) Mr. Prin and (3) Mr. Tos
39. Mrs. Sakolsri Maleenon	-	Sister of 3 Directors including (1) Mrs. Yuwadee (2) Mr. Prin and (3) Mr. Tos
40. Mr. Ton Chirathivat	-	Son of the Director or Mr. Sudhitham Chirathivat
41. Ms. Juthatham Chirathivat	-	Daughter of the Director or Mr. Sudhitham Chirathivat
42. Mr. Chodok Bhicharnchitr	-	Son of the Director or Mrs. Yuwadee
43. Mr. Barom Bhicharnchitr	-	Son of the Director or Mrs. Yuwadee
44. Ms. Woraluksanai Bhicharnchitr	-	Daughter of the Director or Mrs. Yuwadee
45. Mr. Watt Chirathivat	-	Brother of the Director or Mr. Pichai
46. Mr. Kobchai Chirathivat	-	Brother of the Director or Mr. Pichai
The companies of which major shareholder is the person who might be involved in a conflict of interest (Other Groups of Companies)		
1. SALA Phuket Company Limited	Hospitality	The following directors of the Company directly hold the shares: (1) Mr. Tos directly holds 35% of the shares (2) Mr. Suthilaksh directly holds 25% of the shares and (3) Mr. Prin directly holds 15% One of its Board of Directors member is the same as the Company's, which is Mr. Suthilaksh.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
2. Sala Rattanakosin Company Limited	Hospitality	The following directors of the Company directly hold the shares: (1) Mr. Tos directly holds 21.00% (2) Mr. Pichai directly holds 18.00% and (3) Mr. Prin directly holds 12.50%
3. Sapsaimanee Company Limited	Hospitality	The following directors of the Company directly hold the shares: (1) Mr. Tos and relevant persons (2) Mr. Suthilaksh indirectly hold the shares through SALA Samui Company Limited and Samui Laem Samrong Company Limited directly holds 55% and 40% of the shares respectively. One of its Board of Directors member is the same as the Company's, which is Mr. Suthilaksh.
4. Plaengpak Thammachart Company Limited	Vegetable and Fruit Supplies	Director on the date of transaction, Mr. Suthisarn (ending 15 March 2019), directly holds 20.00% of shares. He is a brother of director of the Company.
5. Five Senese Company Limited	Hospitality	Director on the date of transaction, Mr. Suthisarn (ending 15 March 2019), directly holds 20.00% of shares. He is a brother of director of the Company.
6. Jindatawee Company Limited	Hospitality	The following directors of the Company directly hold the shares: (1) Mr. Tos and relevant persons directly hold 49.98% of shares (2) Mr. Suthisarn (Director of the Comapny on the date of transaction), directly holds 50.00% of shares. (ending 15 March 2019)
7. Osodtong Company Limited	Hospitality	The following directors of the Company directly hold the shares: (1) Mr. Prin directly holds 20% of the shares (2) Mr. Tos directly holds 20% of the shares and (3) Mrs. Yuwadee directly holds 10% of the shares.
8. Terra Cottage Company Limited	Hospitality	A director of the Company, Mr. Suthilaksh, directly holds 20% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Suthilaksh.
9. Bangkok Post-Bauer Company Limited (Completed the liquidation on 2 August 2022)	Publishing Media	A director of the Company, Mr. Suthilkiati, indirectly holds the shares via Post International Media Company Limited which directly holds 70.12% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Suthikiati.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
10. Food Passion Company Limited	Restaurant	A director of the Company, Mr. Suthilaksh, directly holds 10.8% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Suthilaksh.
11. Stork (Thailand) Company Limited	Restaurant	A director of the Company, Mr. Suthilaksh, directly holds 15% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Suthilaksh.
12. F.T. Sales And Servic Company Limited	Car Care Service and Supply of Auto Parts and Accessories	A director of the Company, Mr. Prin, directly holds 10% of the shares.
13. Pingsuwan Company Limited	Hospitality	The following directors of the Company directly hold the shares: (1) Mr. Prin directly holds 17.5% of the shares (2) Mr. Tos directly holds 17.5% of the shares and (3) Mrs. Yuwadee directly holds 10% of the shares.
14. SpicyDisc Company Limited	Audio Disc Supply	A director of the Company, Mr. Pichai, directly holds 99.98% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Pichai.
15. RIS Company Limited ("RIS")	Computer System Services and Selling Computer Equipment	Sibling of Directors of the Company, Mrs. Sirikate Chirakiti, directly holds 10% of the shares.
16. Terasoft Solutions Development Company Limited	Software Development or program for sale or rent	Son Directors of the Company, Mr. Chodok Bhicharnchitr who directly holds 99.99% of the shares.
17. Spaghetti Factory Company Limited	Selling food and beverage	A director of the Company, Mr. Pichai Chirathivat, directly holds 99.98% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Pichai.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
18. The Little Kitchen Company Limited	Selling food and beverage	The following directors of the Company directly hold the shares: (1) Mr. Prin Chirathivat directly holds 10% of the shares and (2) Mrs. Yuwadee Chirathivat directly holds 10% of the shares. Two of its Board of Directors members is the same as the Company's, which is (1) Mr. Prin and (2) Mrs. Yuwadee.
19. Samui Laem Samrong Company Limited	Hospitality	The major shareholder is Vacation Club Company Limited which directly holds 69.70% of the shares. The following directors of the Company directly hold the shares: (1) Mr. Suthilaksh Chirathivat directly holds 5.46% of the shares and (2) Mr. Tos directly holds 5.46% of the shares.
20. Post International Media Company Limited	Advertising	The major shareholder is Bangkok Post Public Company Limited which directly holds 100% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Suthikiati
21. Flour Shoppe Company Limited	Selling bakery and beverage	Sibling of Directors of the Company, Mrs. Arunee Chirakiti, directly holds 50% of the shares. One of its Board of Directors members is the same as the Company's, which is Mrs. Yuwadee
22. Sakura Restaurant Company Limited	Selling food and beverage	A director of the Company, Mr. Pichai Chirathivat, directly holds 99.98% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Pichai
Harng Central Department Store Limited (HCDS) and Its Subsidiaries called together with HCDS as the HCDS Group		
23. Harng Central Department Store Limited ("HCDS")	Holding Company And Provider of Service and Consultation regarding Management of Business, Asset, and Operation to the Subsidiaries	The major shareholder of the Company directly holding 35.06 % of the Company's shares Six of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthilaksh (5) Mr. Prin and (6) Mr. Tos.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
24. Central Food Retail Ratchada Company Limited	Holding Real Estate	The major shareholder is HCDS which directly holds 100% of the shares. Two of its Board of Directors members are the same as the Company's including (1) Mr. Prin and (2) Mr. Tos.
25. Central Embassy Hotel Company Limited	Hospitality	The major shareholder is HCDS which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthilaksh (2) Mrs. Yuwadee (3) Mr. Prin and (4) Mr. Tos.
26. Overseas Fashions Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Sudhitham (3) Mrs. Yuwadee and (4) Mr. Prin.
27. CRC Property Company Limited	Holding Real Estate	The major shareholder is HCDS which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthilaksh (2) Mrs. Yuwadee (3) Mr. Prin and (4) Mr. Tos.
28. CRC Power Retail Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. Three of its Board of Directors members are the same as the Company's including (1) Mr. Suthilaksh (2) Mr. Prin and (3) Mr. Tos.
29. Central WHA Alliance Company Limited	Warehouse, Goods Distribution Center, and Facilities Project Developer	The major shareholder is HCDS indirectly holding shares via CRC Power Retail Company Limited which directly holds 50% of the shares. Two of its Board of Directors members are the same as the Company's, including (1) Mr. Prin and (2) Mr. Suthisarn (on the date of transaction) ending 15 March 2019.
30. Teenee Khonkhaen Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. One of its Board of Directors members are the same as the Company's, which is Mr. Prin.
31. Teenee Wongsawang Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. One of its Board of Directors members are the same as the Company's, which is Mr. Prin.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
32. Central Wealth Solution Mutual Fund Brokerage Securities Company Limited	Mutual Fund Broker	The major shareholder is HCDS which directly holds 100% of the shares. Three of its Board of Directors members are the same as the Company's including (1) Mr. Suthilaksh (2) Mr. Prin
33. Evergrow Asia Limited	Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthilaksh (3) Mr. Prin (4) Mr. Tos
34. Baby Kiko Sdn. Bhd.	Holding Company	The major shareholder is HCDS indirectly holding shares via Evergrow Asia Ltd. Which directly holds 100% of the shares. Two of its Board of Directors members are the same as the Company's, which are (1) Mr. Prin and (2) Mr. Pichai.
35. ANIR One Limited	Holding Company	The major shareholder is HCDS which directly holds 100% of the shares. Two of its Board of Directors members are the same as the Company's, which are (1) Mr. Prin and (2) Mr. Tos.
36. Illum A/S	Department Store Retail in Denmark	The major shareholder is HCDS indirectly holding shares via CRC Luxembourg S.A.R.L which directly holds 99.46% of the shares.
37. Rina Estate Italia S.r.l.	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via CRC Luxembourg S.A.R.L which directly holds 100% of the shares. Three of its Board of Directors members are the same as the Company's, which are (1) Mrs. Yuwadee (2) Ms. Prin and (3) Mr. Tos.
38. Lagrange Estate S.r.l.	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via CRC Luxembourg S.A.R.L which directly holds 88.70% of the shares. Three of its Board of Directors members are the same as the Company's, which are (1) Mrs. Yuwadee (2) Ms. Prin and (3) Mr. Tos.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
39. PT Central Retail Indonesia Company Limited	Department Store in Indonesia	The major shareholder is HCDS indirectly holding shares via CRC Luxembourg S.A.R.L which directly holds 99.98% of the shares. Two of its Board of Directors members are the same as the Company's, which are (1) Mrs. Yuwadee and (2) Mr. Prin On the date of this document issuance, Overseas Fashions Joint Stock Company is liquidated.
40. CGE Investments Limited	Holding Company	The major shareholder is HCDS indirectly holding shares via CRC Luxembourg S.A.R.L which directly holds 100% of the shares.
41. The KaDeWe Group GmbH	Department Store Retail in German	The major shareholder is HCDS indirectly holding shares via The KaDeWe Group Holding GmbH directly holding 100% of the shares whose shares are indirectly held by HCDS via CRC Luxembourg S.A.R.L which directly holds 50.10% of its shares.
42. Central Insurance Services Company Limited	Casualty Insurance Broker	The major shareholder is HCDS which directly holds 100% of the shares. One of its Board of Directors members are the same as the Company's, which is Mr. Tos.
43. Bangna Department Store Company Limited	Real Estate Holding Company	The major shareholder is HCDS which indirectly holds 100% of the shares. Seven of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthilaksh (5) Mrs. Yuwadee (6) Mr. Prin and (7) Mr. Tos.
44. Z Retail Tech Company Limited	Retail Done via Online Channel and Trading Medium	The major shareholder is HCDS which directly holds 100% of the shares. Not recognized as conflicted of Interest as at the date of this document issuance. Z Retail Tech Company Limited had changed the major shareholders to CHAI ADVISORY LIMITED, holding 100% of the shares
45. Central Payment Company Limited	Gift Voucher Supplier	Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthilaksh (2) Mrs. Yuwadee (3) Mr. Prin and (4) Mr. Tos.
46. The 1 Central Company Limited	Reward Point Trade and Relevant Services	The major shareholder is HCDS which directly holds 100% of the shares.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
47. Dining Sensations Company Limited	Restaurants and Fine Dining	The major shareholder is HCDS indirectly holding shares via Onward Holding Company Limited which directly holds 100% of the shares
48. Central People Development Center Company Limited	Business and Conference Service	The major shareholder is HCDS indirectly holding shares via Onward Holding Co., Ltd. and Dining Sensations Company Limited which directly holds 100% of the shares. Nine of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Sudhitham (4) Mr. Suthilaksh (5) Mrs. Yuwadee (6) Mr. Prin (7) Mr. Tos (8) Mr. Pichai and (9) Mr. Yol
49. Central Retail International Limited	Ownership of Trademark Registered in Foreign Countries	The major shareholder is HCDS indirectly holding shares via San Simeon Investment Ltd. which directly holds 100% of the shares.
50. Suannaklua Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 74.92 of the shares and indirectly holds the shares via Tiang Chirathivat Company Limited which directly holds 25.08% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Suthilaksh and (4) Mr. Prin.
51. Central Garment Factory Company Limited	Fashion Manufacturing	The major shareholder is HCDS which directly holds 69.71% of the shares. Five of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Pin (4) Mr. Tos and (5) Mr. Pichai

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
52. Central Thonburi Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 48.77 of the shares and indirectly holds the shares via Tiang Chirathivat Company Limited which directly holds 41.21% of the shares and CDS Holding Company Limited which directly holds 10.02% of the shares. Five of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Suthilaksh (4) Mr. Prin and (5) Mr. Tos
53. Central Marketing Group Intertrade Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 45.57 of the shares and indirectly holds the shares via Tiang Chirathivat Company Limited which directly holds 54.43% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Sudhitham (3) Mr. Suthilaksh and (4) Mr. Prin
54. Prin Intertrade Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 71.00 of the shares and indirectly holds the shares via Central Garment Factory Company Limited which directly holds 29% of the shares. Five of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Prin (4) Mr. Tos and (5) Mr. Pichai
55. Central JD Commerce Company Limited	Retail Done via Online Channel and Trading Medium	The major shareholder is HCDS which directly holds 41.74% of the shares.
56. Central JD Money Company Limited	Electronic Payment System Service	The major shareholder is HCDS indirectly holding shares via Central JD Fintech Company Limited which directly holds 100% of the shares. Two of its Board of Directors members are the same as the Company's, which are (1) Mr. Prin and (2) Mr. Yol.
57. C.D.S. Restaurant Company Limited	Restaurants and Fine Dining	The major shareholder is HCDS indirectly holding shares via Central Thonburi Company Limited which directly holds 61.11% of the shares. Three of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati and (3) Mr. Suthilaksh.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
58. Tiang Chirathivat Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 29.84% of the shares. Six of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati, (3) Mr. Sudhitham (4) Mr. Suthilaksh, (5) Mr. Prin and (6) Mr. Tos.
59. Ploenruedee Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Five of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Sudhitham (3) Mr. Suthilaksh (4) Mr. Prin and (5) Mr. Tos
60. Paton 1 Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Suthilaksh and (4) Mr. Prin
61. Paton 2 Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiatis (3) Mr. Suthilaksh and (4) Mr. Prin
62. Paton 3 Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Suthilaksh and (4) Mr. Prin
63. Vivify Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares. Two of its Board of Directors members are the same as the Company's, which are (1) Mr. Suthilaksh and (2) Mr. Prin

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
64. Phuket Hill Resort Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 99.98% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Suthilaksh and (4) Mr. Prin
65. Frederick World Sales Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited and various subsidiaries with multiple steps along the line The initial shareholder company is Chakkrawat Holding Company Limited who directly holds 99.97% of the shares. One of its Board of Directors members are the same as the Company's, which is Mr. Prin
66. Central Condominium Company Limited	Real Estate Holding Company	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 99.78% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Suthilaksh and (4) Mr. Prin
67. The Vintage Club Company Limited	Golf Club	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 37.62% of the shares. The following directors of the Company directly hold the shares: (1) Mr. Sudhitham directly holds 9.6% of the shares (2) Mr. Suthilaksh directly holds 9.6% of the shares (3) Mr. Tos directly holds 9.6% of the shares Three of its Board of Directors members are the same as the Company's, which are (1) Mr. Sudhitham (2) Mr. Prin (3) Mr. Suthilaksh
68. Cha-am Seaview Company Limited	Hospitality	The major shareholder is HCDS which directly holds 4.02% of the shares and indirectly holds the shares via The 1 Central Company Limited which directly holds 20.70% of the shares. Four of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Suthilaksh and (4) Mr. Prin

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
69. Central Inter Pattana Company Limited	Real Estate Holding Company	The major shareholder is HCDS which directly holds 25% of the shares. Five of its Board of Directors members are the same as the Company's including (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthikiati (3) Mr. Suthilaksh (4) Mr. Prin and (5) Mr. Tos
70. Siam Retail Development Company Limited	Fashion Island Department Store	The major shareholder is HCDS which directly holds 12.00 of the shares and indirectly holds the shares via Square Ritz Plaza Company Limited which directly holds 25% of the shares.
71. Peter and Jannie Company Limited (Completed of the liquidation on 17 November 2019)	Selling clothes	The major shareholder is Chakkrawat Holding Company Limited which directly holds 99.98% of the shares.
72. Central Tham Social Enterprise Company Limited	Other retail sale in non-specialized stores	The major shareholder is HCDS which directly holds 99.99% of the shares. Two of its Board of Directors members are the same as the Company's, which are (1) Mr. Prin and (2) Mr. Pichai
73. Up Front Company Limited	Renting and leasing of other personal and household goods	The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 99.99% of the shares.

Transactions between the Company and its subsidiaries with persons or companies which may have conflict of interest

Transactions between the Company and its subsidiaries with persons or companies which may have conflict of interest during the year ended 31 December 2020, 2021 and 2022 can be concluded as follows:
(These following transactions are excluded effect of TFRS16: Leases)

1) Rental of land, building, and space in building

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2020	2021	2022		
1.1 Rental land, building, and space in building and other services expense						
HCDS Group: - Harng Central Department Store Limited - Tiang Chirathivat Company Limited - Central Embassy Hotel Company Limited - Overseas Fashions Company Limited - Central WHA Alliance Company Limited - Bangna Department Store Company Limited - CRC Power Retail Company Limited - Siam Retail Development Company Limited - Central Condominium Company Limited - Prin Inter Trade Company Limited - Teenee Wongsawang Company Limited - Central Garment Factory Company Limited - Vivi file Company Limited - Central Good Retail Ratchada Company Limited - Central Inter Pattana Company Limited - Suannaklua Company Limited - Ploenruedee Company Limited - Phuket Hill Resort Company Limited - Cha-am Seaview Company Limited - Teenee Khonkhaen Company Limited - Rina Estate Italia S.r.l. - Lagrange Estate S.r.l. - CRC Property Company Limited - Central Marketing Group Intertrade Company Limited - Frederick World Sales Company Limited	Rental and service expenses	2,229.33	2,158.50	2,430.63	The Group lease and / or sublease land, building, and space in building, including car park area, and other relevant services from HCDS to establish branches, stores, offices, or warehouses. Mostly, period of land lease agreements is long-term period which is 30 years. Period of building and space in building leased agreements are not more than 3 years for short-term contracts and from 3 to 30 years for long-term contracts. The Group has leased land, building, and space in building which located in good, convenience and well-known locations. The Group has leased these properties for a long time and considered that it would be difficult to find other locations which had similar spec and size. Therefore, the Group decided to continue leasing them. Rates of rental and conditions of lease agreements were agreed between parties. Rental rates are comparable to market prices or lower than nearby property rates. However, currently, the group has Business development Department (BD) who is responsible for procurement, market price checking, comparing rental rate with nearby properties and negotiating on rental rates and conditions with lessors to get suitable rate and achieve objectives of leasing.	Transactions are business support transactions of the Group. Rates of rental are agreed between parties which are comparable with market prices or lower than nearby property and third-party rates. The Group has usual business practice following the condition of general trading. Therefore, transactions are reasonable and beneficial to the Group.
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021.)	Rental and service expenses	13.35	1.16	-	Business units lease buildings from COL Group to be warehouses and rent space in buildings from COL Group to arrange events. Rental rates are agreed with market prices or lower than market prices.	Transactions are leasing properties transactions for bussiness operation of the Group. Rates of rental are agreed between parties which are comparable with market prices or lower than market prices. As a result, transactions are reasonable and beneficial to the Group.
Other related companies Group: - Sapsaimanee Company Limited - Terra Cottage Company Limited	Rental and service expenses	2.09	1.59	1.25	Business units rent space in building and land for short-term period of 3 years. Rental rates are comparable to market price of nearby areas.	Transactions are business support transactions of the Group. Rates of rental are comparable with market prices. Therefore, transactions are reasonable and beneficial to the Group.

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2020	2021	2022		
1.2 Rental land, building, and space in building and other services income						
HCDS Group: - Harng Central Department Store Limited - C.D.S. Restaurant Company Limited - Tiang Chirathivat Company Limited - Central Embassy Hotel Company Limited - Central People Development Center Company Limited - Central JD Commerce Company Limited - Central Insurance Services Company Limited - The 1 Central Company Limited - Teenee Wongsawang Company Limited - Central JD Money Company Limited	Rental and service income	67.13	73.25	78.53	HCDS Group lease spaces in buildings for offices and restaurant business from many business units. Lease agreements are short-term period which are not more than 3 years. Rental rates and conditions are comparable with nearby area or do not cause any disadvantages to the Group.	Transactions are lease transactions. Rental rates and conditions are comparable with nearby area or do not cause any disadvantages to the Group. Therefore, transactions are reasonable.
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021.)	Rental and service income	226.82	20.72	-	COL Group lease spaces to launch stores in department stores. Lease agreements are short-term period which are not more than 3 years. Moreover, COL group occasionally lease spaces to arrange events. Rental rates and conditions are complied with market prices and can be comparable to other main tenants and other nearby tenants. As COL group lease spaces to launch stores, the Group have variety of products to attract more customers to department stores. Moreover, COL group also operate many brands which are popular and famous among customers. Therefore, the Group can fulfill all their customers' needs and these leased out of spaces to COL group would be beneficial to the Group.	Transactions are leasing properties transactions which can attract more customers to come to department stores and support the Group's operation. Rental rates and conditions are comparable with nearby area or do not cause any disadvantages to the Group. Therefore, transactions are reasonable and beneficial to the Group.
Other related companies Group: - F.T. Sales and Service Company Limited	Rental and service income	16.87	13.54	11.06	Other related companies Group lease buildings from business units to launch branches for restaurant and car care. Lease agreements are short-term period which are not more than 3 years. Rental rates and conditions are comparable to other nearby tenants.	Transactions are leasing properties transactions. Rental rates and conditions are comparable with nearby area. Therefore, transactions are reasonable.

2) Trading

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2020	2021	2022		
2.1 Sales of goods						
HCDS Group: - Central JD Commerce Company Limited - Harng Central Department Store Limited - Tiang Chirathivat Company Limited - Central Embassy Hotel Company Limited - Central People Development Center Company Limited - Central Insurance Services Company Limited - Central Tham Social Enterprise Company Limited - The 1 Central Company Limited - Teenee Wongsawang Company Limited - Ploenruedee Company Limited - C.D.S Restaurant Company Limited - Central Marketing Group Intertrade Company Limited - CRC Power Retail Company Limited - Siam Retail Development Company Limited - Central Payment Company Limited	Revenue from sales of goods	108.32	100.30	63.11	Companies in HCDS group purchased goods from many business units with prices and conditions complying to trading agreement. The Group consider that trading prices do not cause any disadvantages to the Group and prices are comparable to other companies.	Transactions are normal course of business transactions and do not cause any disadvantages to the Group. This might lead to increasing in sales and bargaining power over suppliers. As a result, transactions are reasonable and beneficial to the Group.
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021.)	Revenue from sales of goods	106.01	8.55	-	COL Group purchased goods in large quantities from the Group's business units for business operation with general trading prices and conditions. The Group consider that trading prices do not cause any disadvantages to the Group. Moreover, the Group do not need to invest in sales promotion campaigns. These transitions also lead to increase in sales, bargain power over suppliers, and get more trade discounts from suppliers.	Transactions are normal course of business transactions and do not cause any disadvantages to the Group. This might lead to increasing in sales and bargaining power over suppliers. As a result, transactions are reasonable and beneficial to the Group.
Other related companies Group: - Five Senese Company Limited - Jindatawee Company Limited - Osodtong Company Limited - Sala Rattanakosin Company Limited - Plaengpak Thammachart Company Limited	Revenue from sales of goods	7.62	2.44	2.15	Other related companies Group purchased building construction supplies, home and garden equipment, and alcoholic beverages from business units with prices and conditions that can be comparable to other companies.	Transactions are normal course of business transactions. Prices and conditions are normal and can be comparable to other companies. Therefore, transactions are reasonable and beneficial to the Group.
2.2 Purchase of goods						
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021.)	Purchase of goods	43.40	2.36	-	The Group purchased office equipment from COL Group with the prices and conditions that can be compared with other companies.	Transactions are supportive transaction of business operation with normal prices and conditions. Therefore, transactions are reasonable and beneficial to the Group.

3) Management fee

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2020	2021	2022		
3.1 Management fee expenses						
HCDS Group: - Harng Central Department Store Limited - CGE Investment Limited	Management fee expenses	300.00	309.29	310.13	The Group receive consulting services for operations management from HCDS due to the following reasons: (1) HCDS have efficient and specialist professionals including experienced top-level managements from various top companies and HCDS also have highly experienced teams from various industries, (2) HCDS have served other business units that are in different industries. Thus, HCDS can apply experiences and knowledge from each business to the Group, and (3) The Group can reduce operating cost and achieve economies of scale. In 2019, the Group and HCDS entered into management services agreements to set scopes of services such as consulting on business strategies, merger & acquisition and giving advices for business opportunities. In the past, HCDS provided a service that was Creating Shared Value (CSV) activity to the Group. However, HCDS transferred employees who worked in this project to the Company and did not charge this service expense to the Group anymore. In addition, service rate is re-determined to be a fixed rate. Annual service charge would be adjusted with the same growth rate of income, EBIT, and inflation rate which shall not be more than 10% per year but not lower than 0% per year. If there would be any changes of service fee calculation method and important conditions in the agreement, it shall be approved by the Audit Committee before being applied. This service rate is comparable to an expected cost of the Group, and it is not included cost plus. As a result, the group shall have lower operating cost than proceeding the operation by itself.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is calculated from proportion of expected actual cost. Therefore, transactions are reasonable and beneficial to the Group.
	Management fee expenses - Accounting and Finance	271.72	354.07	356.93	The Group receive accounting & financial services from FAST (operates under HCDS) such as accounting entry, tax filing, financial statement preparation, payment, issuance of invoices and issuance of receipts. Managements considered that the Company would take advantages from services provided by FAST because of their expertise and specialization of employees. Therefore, the Group and FAST have entered into services agreements and agreed service scopes, service fee, and conditions annually. The service fee would be referred to cost plus margin and would be adjusted annually. If there would be an adjustment, it shall be approved by Audit Committee before being applied. However, these service fees are comparable to other service charges in the market and service conditions are also appropriated and complied with other services provided by FAST.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is calculated from cost plus margin and can be comparable to market rates. Therefore, transactions are reasonable and beneficial to the Group.
	Management fee expenses - Human Resources	96.88	80.25	96.33	The Company and its business units received human resource services from HCDS such as recruitment & selection, talent management, salary payment, annual performance evaluation form, and communication with employees. Managements considered that HCDS would provide services with expertise and proficiency of their employees, and this would be advantages to the Group. The Group and HCDS have entered into services agreements and agreed service scopes, service fee, and conditions annually. Service fees are calculated based on agreed rates, number of tasks and cost of services plus margin which will be adjusted annually. If there will be an adjustment, it shall be approved by the Audit Committee before being applied. Moreover, service rates are comparable to other third parties and service conditions are also appropriated.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is calculated from cost plus margin and can be comparable to market rates. Therefore, transactions are reasonable and beneficial to the Group.

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2020	2021	2022		
	Management fee expenses - Legal - Tax	80.99	80.87	126.51	The Company and its business units received legal services from HCDS. HCDS is responsible for both general legal tasks such as business establishment and documentation revision, and special projects such as merger and acquisition. However, managements considered that the Company would take advantages from services provided by HCDS because of its expertise and specialization of employees in legal. Service fees are comparable to market rates and conditions are agreed to condition of general trading. Moreover, the Group received other services which are tax consulting, tax audit service, and tax refund service from HCDS. Tax consulting service would be charged monthly with rates that can be compared to the market and conditions agreed to general trading conditions. For auditing and tax refund service, rates would be variable rates based on percentage of tax refund and detected income which is inconsistent with invoices. Service fees are comparable to other service rates in the market and conditions are agreed to the condition of general trading.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is calculated from cost plus margin and can be comparable to market rates. Therefore, transactions are reasonable and beneficial to the Group.
	Management fee expenses - Other services	8.88	14.50	13.17	Business units receive other services which mostly are hiring HCDS Group to service retail management projects. The Group lease land for a long time and hire HCDS to manage properties. In addition, properties management business is not a core business of the Group. Therefore, the Group decided to hire other companies which have expertise to manage it. Then, the Group can only focus on core business of the Group. Managements considered that business units would take advantages from service provided by HCDS because of its expertise and specialization of employees. The Group and HCDS have entered into service agreements and agreed services scopes, service fee, and conditions annually. Service fees are comparable to other service rates in the market and the conditions are agreed to the condition of general trading.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is calculated from cost plus margin and can be comparable to market rates. Therefore, transactions are reasonable and beneficial to the Group.
Other related companies Group: - RIS Company Limited	Management fee expenses - Other services	156.27	164.62	165.17	Business units received IT services from other related companies Group such as hardware control services and other consulting of technical maintenance. Service rates are calculated from allocation of actual cost of service plus margin.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is calculated from cost plus margin. Therefore, transactions are reasonable and beneficial to the Group.
3.2 Training expense						
HCDS Group: - Harng Central Department Store Limited - Central People Development Center Company Limited	Training expenses	104.68	141.96	138.58	HCDS group provide training services to the Group. These training services are parts of human resource management service agreement between the Group and HCDS. Because of their expertise and specialization of employees, the Group will be beneficial. Service rates are comparable with market rates and conditions are agreed to condition of general trading.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is comparable to market rates and conditions can be agreed to condition of general trading. Therefore, transactions are reasonable and beneficial to the Group.
3.3 Management fee income						
HCDS Group: - Harng Central Department Store Limited - Central Embassy Hotel Company Limited - Lagrange Estate S.R.L. - Rina Estate Italia S.r.l. - The 1 Central Company Limited - CRC Power Retail Company Limited - Central JD Commerce Company Limited	Management fee income	27.02	21.14	15.86	The Company provided internal audit services in bill payment or CenPay system according to the conditions determined by Bank of Thailand to HCDS Group. Since 2019, internal audit department is responsible for auditing of this scope. Service fees are comparable to other service rates in the market and the conditions can be agreed the condition of general trading. Moreover, business unit provides human resource services to HCDS Group. Service fees are calculated by allocating actual cost of the time that each employee served the Group and HCDS Group. The conditions of services are agreed to the condition of general trading.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is comparable to market rates or actual cost. Conditions can be agreed to condition of general trading. Therefore, transactions are reasonable and beneficial to the Group.

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2020	2021	2022		
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021)	Management fee income	148.52	12.63	-	The Group entered into warehouse management service agreements with COL Group to provide services in warehouse system management and goods distribution. Service fees are comparable to other service rates in the market and the conditions can be agreed with the condition of general trading. In addition, business unit and COL group entered into loss prevention agreement to conduct safety inspection in products, stores, and equipment. Service fee is calculated by cost plus margin and adjusted annually. If there will be an adjustment, it shall be approved by the Audit Committee before being applied. Service rates do not cause any disadvantages to the Group and the conditions can be agreed with the condition of general trading.	Transactions are normal course of business transactions which are favorable to the Group. Service rate is comparable to market rates or calculate by cost plus margin and will not cause any disadvantages to the Group. Therefore, transactions are reasonable and beneficial to the Group.

4) Other transactions

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2020	2021	2022		
4.1 Trading of The 1 point after business restructuring						
HCDS Group: - The 1 Central Limited	The 1 point expenses (point-earned)	658.99	640.17	675.75	The Group entered into an agreement with The 1. The 1 point-earned and point redemption rate are fixed rates which are comparable with other companies in The 1 group. The 1 also charges additional operating cost referring to the points which are redeemed by customers. If there will be an adjustment of operating cost, it shall be approved by the Audit Committee before being applied. Moreover, the Group considered that these transactions are favorable for the Group, and they are necessary to continue the agreement in the future. Moreover, The 1 could attract more customers to the Group and provided services relating to sales promotion such as sending SMS to The 1 members. Service charges are calculated by actual service costs which are comparable.	Transactions are normal course of business transactions which the Group receive services from The 1. Service rates are agreed and will not cause any disadvantages to the Group. Therefore, transactions are reasonable and beneficial to the Group.
	The 1 point income (point redemption)	1,147.11	1,119.80	1,306.68		
	Management Fee – The 1	170.27	169.61	196.03		
	Sales promotion expenses	37.53	41.84	79.85		
4.2 Other Expenses						
HCDS Group: - Harng Central Department Store Limited - Central Embassy Hotel Company Limited - Z Retail Tech Company Limited - Central Payment Company Limited - The 1 Central Company Limited - CRC Property Company Limited - Central JD Commerce Company Limited - CRC Power Retail Company Limited - Siam Retail Development Company Limited - Teenee Wongsawang Company Limited - Central Marketing Group Intertrade Company Limited - Teenee Khonkhaen Company Limited - Prin Inter Trade Company Limited - Central JD Money Company Limited - Central Tham Social Enterprise Company Limited	Other Expenses	154.42	151.22	275.98	Other expenses that HCDS Group charged the Group can be divided into 2 categories as shown below. (1) Other services expenses such as rental expense for EDC and system, licenses fee for software and computer system, and operating expenses for bargain media and advertising expenses. Expenses would be annually agreed in advance or calculated based on cost plus margin. (2) Expenses that HCDS Group paid in advance such as marketing activities expenses, employee satisfaction survey expense, and expense for scholarship ceremony arrangement. These expenses would be charged according to actual expenses that HCDS group paid in advance. Managements considered that receiving services from HCDS Group would be more favorable for the Group because HCDS takes advantages from economies of scale and has bargaining power over suppliers. The Group will have lower operating cost comparing to proceed all activities by itself. However, if there will be an adjustment of service rate or relevant conditions, it shall be approved by the Audit Committee before being applied.	Transactions are normal course of business transactions which the Group receive services from HCDS group. Service rates are agreed between parties. The group will have lower operating cost than proceed all activities by itself. In case of HCDS make advance payment, HCDS will charge the Group with actual cost. Therefore, transactions are reasonable and beneficial to the Group.

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2020	2021	2022		
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021.)	Other Expenses	9.50	0.42	-	Other expenses that COL Group charged the Group are mostly compensation expense for damaged goods, compensation for damages caused by reduction of leasing space in department stores, logistic expenses, miscellaneous expenses, and IT support service charges which are agreed in advance and the rates are comparable to services provide by other companies.	Transactions are normal course of business transactions. Service rates and conditions are normal operation or actual cost. Therefore, transactions are reasonable.
Other related companies Group: - SpicyDisc Company Limited - RIS Company Limited - Terasoft Solutions Development Company Limited - Bangkok Post Public Company Limited	Other Expenses	291.73	368.73	426.29	Other expenses that other related companies group charged the Group are mostly from application system services and coding expenses. Service rates are calculated from allocation of actual cost plus 5% margin. For other expenses such as cash coupons provided to the customers as rewards, and advertising expense. Expenses are charged according to actual cost and can be comparable to other companies.	Transactions are normal course of business transactions. Service rates and condition are normal operation. Therefore, transactions are reasonable.
4.3 Other Income						
HCDS Group: - Harng Central Department Store Limited - The 1 Central Company Limited - Central Insurance Services Company Limited - Central Payment Company Limited - Central Embassy Hotel Company Limited - Tiang Chirathivat Company Limited - Central JD Money Company Limited - Central JD Commerce Company Limited - C.D.S. Restaurant Company Limited - CRC Power Retail Company Limited - Central Marketing Group Intertrade Company Limited - PT Central Retail Indonesia Company Limited - Central Tham Social Enterprise Company Limited - Teenee Wongsawang Company Limited	Other Income	81.67	150.91	78.51	Income from services rendered to HCDS Group are mainly as follows: (1) Income from fee and allocation of income from bill payment and prepaid card top-up services agent (CENPAY) which charged as commission fee with the same rate as HCDS Group paid to COL Group. (2) Income from online platform development services and data storage on websites which charge at comparable rates to other companies. Moreover, managements considered that services provided to HCDS Group also support the Group's business operation and the Group could take advantages from using expertise of employees and resources effectively. These transactions provide additional income to the Group and should be continued in the future.	Transactions are services provider to HCDS group which using expertise of employees and resources of the Group effectively. Service rates are agreed between parties. Therefore, transactions are reasonable and support business operations.
COL Group including (CRC group acquired COL Group as subsidiaries in February 2021.)	Other Income	141.97	3.73	-	Income from services rendered to the COL Group are from many transactions such as E-commerce platform development, usage of B2S trademark, money exchange service, cash pick up service, financial service, leasing spaces in department stores, compensation for damages from reduction of leased space and website & system maintenance. Service rates are agreed with the agreements between parties and do not cause any disadvantages to the Group. The Group considered that the Group could take advantages from using expertise of employees and resources effectively. These transactions provide additional income to the Group and should be continued in the future.	Transactions are services provider to COL group which using expertise of employees and resources of the Group effectively. Service rates are agreed between parties. Therefore, transactions are reasonable and support business operations.
Other related companies Group: - RIS Company Limited - Flour Shoppe Company Limited	Other Income	30.79	9.63	3.05	Income from services rendered to other related companies' group are mainly from license fee of E-Commerce platform. Service rates are calculated from allocation of actual cost plus 6-10% margin.	Transactions are normal course of business transactions. Service rates are based on actual service cost plus margin. Therefore, transactions are reasonable.

Account receivables and account payables which relevant to related party transactions

1) Account Receivables

Persons or Companies which may have conflict of interest	Transaction Value (Baht : Million)						Details
	2020		2021		2022		
	Account receivables	Other non-current assets	Account receivables	Other non-current assets	Account receivables	Other non-current assets	
HCDS Group: - Rina Estate Italia S.r.l. - Harng Central Department Store Limited - The 1 Central Company Limited - CRC Power Retail Company Limited - Central JD Commerce Company Limited - Central JD Money Company Limited - Overseas Fashions Joint Stock Company - Central Embassy Hotel Company Limited - C.D.S. Restaurant Company Limited - Central Insurance Services Company Limited - Vivi File Company Limited - Tiang Chirathivat Company Limited - Central Payment Company Limited - Central People Development Center Company Limited - Illum A/S - Central Garment Factory Company Limited - Central Marketing Group Intertrade Company Limited - Central Thonburi Company Limited - Ploenruedee Company Limited - Paton 1 Company Limited - Central Inter Pattana Company Limited - Suannaklua Company Limited - Cha-am Seaview Company Limited - Phuket Hill Resort Company Limited - Teenee Khonkhaen Company Limited - CRC property Company Limited - Siam Retail Development Company Limited - Teenee Wongsawang Company Limited - Central Tham Social Enterprise Company Limited - Frederick World Sales Company Limited - Central Condominium Company Limited - CGE Investment Limited	700.38	165.37	763.02	185.94	548.80	151.36	Outstanding account receivables from HCDS Group mainly from the transactions as follows: (1) Prepaid rental expenses (2) Receivables from The1 customers who redeemed The 1 point to get trade discounts after business restructuring (transferred The 1 business to The 1 Central Company). Trading conditions is to make payments to the Group within 30 days after invoices date in every month ended. (3) Receivables from sales of goods to HCDS Group with trading conditions of payment between 30 – 90 days Other non-current assets from HCDS Group are mostly from prepaid rental expenses and cash paid for guaranteed deposit for leasing.
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021.)	108.26	-	-	-	-	-	Outstanding receivables from COL Group are mostly from transactions as follows: (1) Receivables from sales of goods to COL Group with trading conditions of payment within 30 days. (2) Receivables from rental space in building with trading conditions of payment within 30 days.
Other related companies Group: - RIS Company Limited - Flour Shoppe Company Limited - Sala Samui Property Company Limited	32.91	-	12.64	-	2.75	-	Outstanding receivables from other related companies Group are mostly from license fee income for using programs and miscellaneous income.

2) Account payables

Persons or Companies which may have conflict of interest	Transaction Value (Baht : Million)						Details
	2020		2021		2022		
	Account payables	Other non-current liabilities	Account payables	Other non-current liabilities	Account payables	Other non-current liabilities	
HCDS Group: - Harng Central Department Store Limited - Tiang Chirathivat Company Limited - Central Garment Factory Company Limited - The 1 Central Company Limited - Central Payment Company Limited - Overseas Fashions Company Limited - CRC Power Retail Company Limited - Central Embassy Hotel Company Limited - Central People Development Center Company Limited - Central Food Retail Ratchada Company Limited - Overseas Fashions Joint Stock Company - Z Retail Tech Company Limited - Bangna Department Store Company Limited - Prin Inter Trade Company Limited - Central Insurance Services Company Limited - Frederick World Sales Company Limited - Dining Sensations Company Limited - PT Central Retail Indonesia Company Limited - Teenee Khonkhaen Company Limited - Cha-am Seaview Company Limited - C.D.S. Restaurant Company Limited - Central JD Commerce Company Limited - Rina Estate Italia S.r.l. - Lagrange Estate S.r.l. - KaDeWe Group GmbH - CRC Property Company Limited - Central JD Money Company Limited - Central Tham Social Enterprise Company Limited - Central Marketing Group Intertrade Company Limited - Central International Development Limited - Siam Retail Development Company Limited - Suannaklua Company Limited - Teenee Wongsawang Company Limited - Illum A/S - Vivify Company Limited - Central Condominium Company Limited - Central WHA Alliance Company Limited - Phuket Hill Resort Company Limited - CRC Power Retail Company Limited - CGE Investment Limited	811.26	871.19	612.22	835.59	806.53	1,041.67	Outstanding account payables from HCDS Group are mostly from the transactions as follows: (1) Account payables from leasing of land, building, and space in building with trading conditions of payment within 30 days. (2) Account payables from shared services expenses and other services with trading conditions of payment within 30 days. (3) Account payables from the The 1 point with the trading conditions of payment within 30 days. Non-current liabilities from HCDS Group are mainly from accounting adjustments of long-term land and building leasing to record as straight-line method.

Persons or Companies which may have conflict of interest	Transaction Value (Baht : Million)						Details
	2020		2021		2022		
	Account payables	Other non-current liabilities	Account payables	Other non-current liabilities	Account payables	Other non-current liabilities	
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021.)	36.77	9.57	-	-	-	-	Outstanding payables from COL Group are mainly from purchasing of goods with trading conditions of payment within 30 days. Non-current liabilities from COL Group are mostly from receiving guaranteed deposit and receiving cash in advance from leased space in building.
Other related companies Group: - Terasoft Solutions Development Company Limited - RIS Company Limited - SpicyDisc Company Limited - Bangkok Post Public Company Limited	238.81	-	470.80	-	439.05	-	Outstanding payables from other related companies are mainly from computer service expense and maintenance expenses with trading conditions of payment within 30 days.
Related persons Group	-	-	-	-	26.44	-	Outstanding payable of related persons group is from cheques on hand which the Company paid dividends to each person.

Measures and procedures for approval of Related Party Transactions

When the Company and its subsidiaries enter into a related party transaction, the Company would comply with the Securities and Exchange Act including rules, announcement, order, or regulations of the Securities and Exchange Commission and the Capital Market Supervisory Board, and also comply with the conditions regarding information disclosure of the related party transaction and other relevant rules. Related parties are not able to participate in the approval of such transactions.

In the case that the related regulations prescribe that the related transactions shall be approved by the meeting of Board of Directors, the Company would appoint the Audit Committee to attend the meeting for considering and giving opinions on the necessity and reasonability of the transactions. The transaction of ordinary business or ordinary business supporting transaction which is the trade agreement with general commercial conditions and the transaction which is not the general commercial conditions shall be done according to the following principles:

(1) The transaction which is of general commercial conditions

For the ordinary business transaction or transaction supporting ordinary business of the Company which might be continuously occur in the future, the Company has established the policy determining the scope of such transaction which shall be done on an arm's length basis with the trading negotiation power without influence caused by the position of the board of directors, management, or related person (according to the case). The conditions shall also not cause the transfer of interest and/or be able to show that the transaction is done by reasonable or fair price determination. If the Board of Directors has set a principle scope of the aforementioned transactions, the managements of the Company would be able to proceed the approval of transaction complying with the specified scope. The Company would report the summary of such transaction to the Audit Committee and the Board of Directors on a quarterly basis.

(2) The transaction which is of non-general commercial conditions

The transaction which is trading agreement that is not the general commercial conditions shall be considered and approved by the Audit Committee before being presented to the Board of Directors and/or the meeting of shareholders (according to the case) to approve. This type of transaction shall be done according to the Securities and Exchange Act, rules, announcements, orders, or regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange and shall be done in compliance with the relevant regulations regarding information disclosure of the related party transaction and other relevant rules.

In the case that the Audit Committee are not expert in considering the related party transaction which might occur, the Company would appoint the specialized professionals such as auditor or independent property appraiser to give opinion relating to the related party transaction in order for the Audit Committee and/or Board of Directors and/or shareholders (according to the case) to use as information for decision making. This is done in order to ensure that the transaction is necessary and reasonable and is beneficial to the Company. The Company would disclose the related party transaction in the annual registration statement, annual report, and footnotes under the financial statement inspected by the accounting auditor or other forms of reports (according to the case) in accordance with the relevant regulations and laws.

Policy on the Future Related Party Transaction

In the case that there is future related party transaction, the Board of Directors shall comply with the Securities and Exchange Act including rules, announcements, orders, and regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange and the regulations regarding information disclosure of the related party transaction done by the Company or its subsidiaries according to the accounting standard determined by the Certified Accountants and Auditors of Thailand and other relevant rules.

Moreover, if there is any related party transaction or change of agreement and condition regarding the transaction related to director, management, or related person of the Company, the director who is a stakeholder shall not attend the meeting of Board of Directors on the agenda relating to the consideration of such transaction.

Policy on Acquisition or Lease of Land and/or Building from the Connected Person

The Group has established the Asset Light Business Operation Policy making the future branch expansion mainly focusing on space leasing. Moreover, business development department of the Group would find the suitable locations for branch expansion and negotiate for the price suitable with the business operation. If the land or building is owned by the connected persons, the Group would comply with the rules regarding related party transaction and transaction of asset acquisition or disposition determined by the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange. The Group also has established the policy on the acquisition or lease of land and/or building from the connected persons as a guideline for the relevant organizations. The contents are as detailed below.

- During the feasibility study, the Group shall carefully consider various factors in order to ensure that the acquisition of land and/or building would provide a maximum benefit to the Company and its subsidiaries.
- The transaction of land and/or building acquisition or leasing shall be done with the conditions complying with general commercial terms.
- The Group shall comply with the rules regarding related party transaction and transaction of asset acquisition or disposition determined by the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange.
- The Group shall present the transactions according to aforementioned criteria to the meeting of Board of Directors to approve all the transactions. The Audit Committee shall be appointed to consider and give opinion about necessity and reasonability of the transaction price before it is presented to the Board of Directors and/or the meeting of shareholders (according to the case) to consider for approval. The connected persons would have no right to vote for any decisions done for that transaction.

Part

Financial Statements

Responsibility of the Board of Directors to the Financial Statements

The Board of Directors of Central Retail Corporation Public Company Limited ("the Company") is responsible for the consolidated financial statements of the Company and its subsidiaries as well as financial information as presented in the annual report. The financial statements are prepared in conformity with Thai Financial Reporting Standards (TFRSs) which are appropriately applied on a consistent basis. Conservation judgment and best estimate are adopted in this preparation. In addition, all important information is adequately disclosed in the notes to financial statements. The Board of Directors has set up and maintained an effective internal control to reasonably ensure that all accounting records are accurate, complete and sufficient to secure its assets. Moreover, all possible weakness could be found to prevent fraud or material unusual transactions. The Board of Directors has appointed the audit committee which comprises independent directors, to control quality of financial report and internal control system. The opinion of the audit committee on this matter has already been presented in the audit committee report. The Board of Directors is of an opinion that internal control systems of the Company are in the satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statements of the Company and its subsidiaries as of 31 December 2022.

Dr. Prasarn Trairatvorakul
Chairman

Mr. Yol Phokasub
Director & Chief Executive Officer

Independent Auditor's Report

To the Shareholders of Central Retail Corporation Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Central Retail Corporation Public Company Limited and its subsidiaries (the "Group") and of Central Retail Corporation 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.

Impairment of goodwill	
Refer to Note 17 to the consolidated and separate financial statements	
The key audit matter	**How the matter was addressed in the audit**
As at 31 December 2022, the Group had goodwill of Baht 38,019 million. The cash-generating units ("CGU") to which the goodwill belongs are tested for impairment annually. The Group applies the value-in-use (discounted cash flow ("DCF")) method to determine the recoverable amount of each CGU. Any shortfall of the recoverable amounts against the carrying amounts would be recognised as impairment losses. Due to the materiality of the balances and the judgment and complexities involved in determining the future cash flows attributable to the individual CGU, I considered the measurement of the recoverable amount as a key audit matter.	My audit procedures were as follows: • Evaluated the DCF provided by the Group and the Group's assumptions applied in the value-in-use method against relevant documents as well as externally derived data. • Analysed historical information to support the precision in the Group's forecasting process. • Tested the principles and mathematical accuracy of the DCF and performed sensitivity analysis around the key assumptions. • Evaluated the financial parameters applied to the discount rate. • Assessed the adequacy of the Group's disclosure in accordance with Thai Financial Reporting Standards.

Valuation of inventories	
Refer to Note 9 to the consolidated and separate financial statements	
The key audit matter	**How the matter was addressed in the audit**
The Group's inventories are various products which depend on fashion, technology or have short lives and their sales and selling prices are subject to the market situation. Consequently, the estimation of valuation of inventories involves management's judgment relating to estimate valuation for deteriorated, damaged, obsolete and slow-moving and quantity of shrinkage inventories. Because of the significance of the amounts and of the judgement involved. I considered the adequacy of allowance for decline in value of inventories as a key audit matter of my audit.	My audit procedures were as follows: • Understood the inventory control and management policy and the estimation of valuation of inventories. • Evaluated the design and implementation and testing the operating effectiveness of internal controls relating to inventory management and attending inventory counts and observing the condition of inventories. • Tested on a sample basis and the reasonableness of management's assumptions used to set the percentage of deteriorated, damaged, obsolete, slow-moving and shrinkage inventories by comparison with information for destruction and actual shrinkage inventories included retrospective review, inquiry management and tested calculation. • Tested a sample of selling prices post year-end and the estimated costs to make the sale with related documents including recalculation of net realisable value. • Assessed the adequacy of the Group's disclosures in accordance with Thai Financial Reporting Standards.

Commercial support	
Refer to Note 3(r) to the consolidated and separate financial statements	
The key audit matter	**How the matter was addressed in the audit**
During the year, the Group has variety of marketing activities which receives the marketing support from supplier which is general transaction of retail business. The marketing support is significant amount in each year which it varies with regards to the nature and timing of the activity to which it relates and is recognised in accordance with written agreements with suppliers. The marketing support is recognised as a deduction from cost of inventories or as other income and is earned over the period of the contractual agreements. My focus was on assessing the written agreement, whether the relevant marketing had taken place and whether the recognised was recorded in the appropriate amount and period.	My audit procedures were as follows: • Understood, evaluating and testing management's key controls in respect of the recognition of transactions. • Assessed the effectiveness of the Group controls over commercial support recognition's process. • Examined supporting documents and comparing to marketing activities which occurred during the year and after the period end transactions and evaluating by reference to agreements and marketing activities. • Assessed the adequacy of the Group's disclosures in accordance with 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.

(Pornthip Rimdusit)
Certified Public Accountant
Registration No.5565

KPMG Phoomchai Audit Ltd.
Bangkok
28 February 2023

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Assets	*Note*	2022	2021	2022	2021
		(in Baht)			
Current assets					
Cash and cash equivalents	*6*	14,715,999,461	16,579,390,141	4,797,731,999	4,664,556,667
Other current financial assets	*30*	900,654,976	1,508,371,388	-	-
Trade receivables	*5, 7*	5,420,915,039	4,859,602,608	517,109,493	116,354,944
Other current receivables	*5, 8*	11,270,464,404	9,867,741,539	2,002,991,465	327,597,849
Short-term loans	*5*	43,495,135	141,911,800	29,335,618,119	21,390,845,246
Current portion of finance lease receivables	*5*	-	35,672,269	-	-
Inventories	*9*	43,675,110,136	36,515,813,999	-	-
Derivative assets	*30*	73,551,150	4,899,402	69,895,116	-
Other current assets		431,341,910	404,511,023	-	-
Total current assets		**76,531,532,211**	**69,917,914,169**	**36,723,346,192**	**26,499,354,706**
Non-current assets					
Investments in subsidiaries	*11*	-	-	116,459,175,246	108,604,019,290
Investments in associates	*10*	480,964,437	390,167,102	52,501,000	52,501,000
Investments in joint ventures	*10*	5,837,217,433	5,169,121,683	-	-
Other non-current financial assets	*30*	1,978,288,010	1,617,248,821	15,033,427	14,005,216
Finance lease receivables	*5*	2,170,721,443	2,170,721,443	-	-
Investment properties	*12*	17,291,765,248	16,284,153,315	-	-
Property, plant and equipment	*13*	49,044,595,698	43,358,661,699	21,827,940	22,375,008
Right-of-use assets	*14*	63,279,440,898	65,338,042,415	20,989,386	48,788,377
Goodwill	*17*	38,019,489,741	38,085,285,203	-	-
Intangible assets other than goodwill	*18*	9,426,387,532	8,885,151,489	126,086,292	18,767,978
Deferred tax assets	*28*	4,599,526,342	4,815,124,967	-	12,723,010
Long-term derivative assets	*30*	138,649,323	-	110,386,957	-
Other non-current assets		7,185,858,232	7,196,227,644	371,330,285	326,443,838
Total non-current assets		**199,452,904,337**	**193,309,905,781**	**117,177,330,533**	**109,099,623,717**
Total assets		**275,984,436,548**	**263,227,819,950**	**153,900,676,725**	**135,598,978,423**

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated financial statements 31 December 2022	Consolidated financial statements 31 December 2021	Separate financial statements 31 December 2022	Separate financial statements 31 December 2021
		(in Baht)			
Current liabilities					
Bank overdrafts and short-term borrowings from financial institutions	*19, 30*	34,953,665,329	35,631,599,313	26,445,377,885	22,791,700,676
Trade payables	*5, 30*	39,828,144,351	36,904,741,058	-	-
Other current payables	*5, 20, 30*	19,838,548,576	17,828,282,843	496,734,777	263,281,039
Derivative liabilities	*30*	59,798,671	2,930,837	-	-
Current portion of long-term borrowings	*19, 30*	6,561,383,424	13,417,976,910	1,500,000,000	7,400,000,000
Current portion of lease liabilities	*5, 19, 30*	6,524,040,110	7,428,419,449	17,055,690	22,946,629
Short-term borrowings from related parties	*5, 19, 30*	-	-	7,166,440,733	6,939,256,986
Current income tax payable		722,583,501	447,841,713	-	-
Total current liabilities		**108,488,163,962**	**111,661,792,123**	**35,625,609,085**	**37,417,185,330**
Non-current liabilities					
Long-term borrowings	*19, 30*	39,779,750,937	28,517,057,087	37,950,000,000	21,484,120,370
Lease liabilities	*5, 19, 30*	49,252,536,583	50,300,105,127	9,070,952	26,658,165
Deferred tax liabilities	*28*	2,917,913,582	3,042,131,006	3,890,187	-
Non-current provisions for employee benefits	*21*	2,234,671,300	2,309,158,652	105,794,714	102,153,109
Unearned lease income	*5*	5,480,988,159	5,521,061,775	-	-
Long-term derivative liabilities	*30*	-	21,069,203	-	303,660
Other non-current liabilities	*5*	2,945,262,060	2,774,199,720	34,552,614	704,101
Total non-current liabilities		**102,611,122,621**	**92,484,782,570**	**38,103,308,467**	**21,613,939,405**
Total liabilities		**211,099,286,583**	**204,146,574,693**	**73,728,917,552**	**59,031,124,735**

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated financial statements 31 December 2022	Consolidated financial statements 31 December 2021	Separate financial statements 31 December 2022	Separate financial statements 31 December 2021
		(in Baht)			
Equity					
Share capital:					
Authorised share capital					
(6,320 million ordinary shares, par value at Baht 1 per share)		6,320,000,000	6,320,000,000	6,320,000,000	6,320,000,000
Issued and paid-up share capital					
(6,031 million ordinary shares, par value at Baht 1 per share)		6,031,000,000	6,031,000,000	6,031,000,000	6,031,000,000
Share premium:					
Share premium on ordinary shares		66,761,460,014	66,761,460,014	66,761,460,014	66,761,460,014
Share premium on treasury shares		123,358,563	123,358,563	-	-
Difference in value arising from restructuring transactions of entities under common control		(2,833,147,597)	(2,393,022,014)	-	-
Retained earnings					
Appropriated					
Legal reserve	22	632,000,000	632,000,000	632,000,000	632,000,000
Unappropriated		13,157,564,259	7,791,814,047	6,772,208,747	3,174,111,550
Difference arising from acquiring of non-controlling interests		(23,264,610,853)	(23,264,610,853)	-	-
Other components of equity		1,515,262,524	706,471,679	(24,909,588)	(30,717,876)
Equity attributable to owners of the parent		**62,122,886,910**	**56,388,471,436**	**80,171,759,173**	**76,567,853,688**
Non-controlling interests		2,762,263,055	2,692,773,821	-	-
Total equity		**64,885,149,965**	**59,081,245,257**	**80,171,759,173**	**76,567,853,688**
Total liabilities and equity		**275,984,436,548**	**263,227,819,950**	**153,900,676,725**	**135,598,978,423**

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements Year ended 31 December 2022	2021	Separate financial statements Year ended 31 December 2022	2021
		(in Baht)			
Revenue					
Revenue from sale of goods	23	211,903,483,270	175,975,194,554	-	-
(Gross revenue 2022 : Baht 252,608 million and 2021 : Baht 204,392 million)					
Revenue from rental services	23	6,583,314,360	4,990,151,312	-	-
Revenue from rendering of services	23	1,411,238,584	825,857,437	1,810,174,140	1,513,186,878
(Gross revenue 2022 : Baht 2,348 million and 2021 : Baht 1,449 million)					
Dividends income	5, 23	3,576,157	-	5,298,886,989	365,940,749
Interest income	23	210,141,931	221,289,671	553,666,186	427,346,981
Other income	24	16,133,029,004	13,641,313,458	879,295,318	543,646,140
Total revenue		**236,244,783,306**	**195,653,806,432**	**8,542,022,633**	**2,850,120,748**
(Gross revenue 2022 : Baht 277,886 million and 2021 : Baht 224,693 million)					
Expenses					
Cost of sales of goods		157,498,903,253	134,082,278,110	-	-
Cost of rental and rendering of services		2,148,049,134	1,764,646,878	-	-
Selling expenses	25	45,674,132,841	40,362,590,242	-	-
Administrative expenses	26	18,865,454,687	16,704,922,514	1,961,772,019	1,555,507,806
Total expenses		**224,186,539,915**	**192,914,437,744**	**1,961,772,019**	**1,555,507,806**
Profit from operating activities		**12,058,243,391**	**2,739,368,688**	**6,580,250,614**	**1,294,612,942**
Finance costs		(3,478,943,858)	(3,113,470,386)	(1,157,756,888)	(811,189,808)
Share of profit of associates and joint ventures accounted for using equity method	10	820,055,074	279,077,233	-	-
Profit (loss) before tax expense (income)		**9,399,354,607**	**(95,024,465)**	**5,422,493,726**	**483,423,134**
Tax expenses (income)	28	1,794,207,609	(371,826,197)	15,161,125	1,065,331
Profit for the year		**7,605,146,998**	**276,801,732**	**5,407,332,601**	**482,357,803**

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements Year ended 31 December 2022	2021	Separate financial statements Year ended 31 December 2022	2021
		(in Baht)			
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		367,221,274	5,421,626,389	-	-
Gain on cash flow hedges		31,193,203	8,782,983	-	-
Income tax relating to items that will be reclassified to profit or loss	*28*	(7,486,369)	(2,107,916)	-	-
Total items that will be reclassified subsequently to profit or loss		**390,928,108**	**5,428,301,456**	**-**	**-**
Items that will not be reclassified to profit or loss					
Gain (loss) on investments in equity instruments designated at FVOCI		202,469,476	(545,380)	1,028,211	1,686,111
Gain on remeasurements of defined benefit plans	*21*	10,350,527	157,277,809	6,232,149	5,477,074
Income tax relating to items that will not be reclassified to profit or loss	*28*	(40,463,991)	(32,211,042)	(1,452,072)	(1,432,637)
Total items that will not be reclassified to profit or loss		**172,356,012**	**124,521,387**	**5,808,288**	**5,730,548**
Other comprehensive income for the year, net of tax		**563,284,120**	**5,552,822,843**	**5,808,288**	**5,730,548**
Total comprehensive income for the year		**8,168,431,118**	**5,829,624,575**	**5,413,140,889**	**488,088,351**
Profit attributable to:					
Owners of the parent		7,174,985,616	59,369,781	5,407,332,601	482,357,803
Non-controlling interests		430,161,382	217,431,951	-	-
Profit for the year		**7,605,146,998**	**276,801,732**	**5,407,332,601**	**482,357,803**
Total comprehensive income attributable to:					
Owners of the parent		7,745,288,889	5,407,119,236	5,413,140,889	488,088,351
Non-controlling interests		423,142,229	422,505,339	-	-
Total comprehensive income for the year		**8,168,431,118**	**5,829,624,575**	**5,413,140,889**	**488,088,351**
Basic earnings per share		**1.19**	**0.01**	**0.90**	**0.08**

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statements of changes in equity

		Consolidated financial statements														
						Retained earnings			Other components of equity							
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Difference in value arising from restructuring transactions of entities under common control	Legal reserve	Unappropriated	Difference arising from acquiring of non-controlling interests	Translation reserve (in Baht)	Cash flow hedging reserve	Fair value reserve	Gain (loss) on remeasurements of defined benefit plans	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Year ended 31 December 2021																
Balance at 1 January 2021		**6,031,000,000**	**66,761,460,014**	**123,358,563**	**(2,393,022,014)**	**632,000,000**	**10,144,829,826**	**(23,264,610,853)**	**(5,316,776,412)**	**(8,902,503)**	**1,096,164,796**	**(411,763,657)**	**(4,641,277,776)**	**53,393,737,760**	**2,321,226,271**	**55,714,964,031**
Transactions with owners, recorded directly in equity																
Distributions to owners of the parent																
Dividends	29	-	-	-	-	-	(2,412,385,560)	-	-	-	-	-	-	(2,412,385,560)	(64,218,047)	(2,476,603,607)
Total distributions to owners of the parent		-	-	-	-	-	**(2,412,385,560)**	-	-	-	-	-	-	**(2,412,385,560)**	**(64,218,047)**	**(2,476,603,607)**
Changes in ownership interests in subsidiaries																
Acquisition of non-controlling interests through business combination	4	-	-	-	-	-	-	-	-	-	-	-	-	-	13,260,258	13,260,258
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	**13,260,258**	**13,260,258**
Total transactions with owners, recorded directly in equity		-	-	-	-	-	**(2,412,385,560)**	-	-	-	-	-	-	**(2,412,385,560)**	**(50,957,789)**	**(2,463,343,349)**
Comprehensive income for the year																
Profit		-	-	-	-	-	59,369,781	-	-	-	-	-	-	59,369,781	217,431,951	276,801,732
Other comprehensive income		-	-	-	-	-	-	-	5,216,402,935	6,675,067	(349,657)	125,021,110	5,347,749,455	5,347,749,455	205,073,388	5,552,822,843
Total comprehensive income for the year		-	-	-	-	-	**59,369,781**	-	**5,216,402,935**	**6,675,067**	**(349,657)**	**125,021,110**	**5,347,749,455**	**5,407,119,236**	**422,505,339**	**5,829,624,575**
Balance at 31 December 2021		**6,031,000,000**	**66,761,460,014**	**123,358,563**	**(2,393,022,014)**	**632,000,000**	**7,791,814,047**	**(23,264,610,853)**	**(100,373,477)**	**(2,227,436)**	**1,095,815,139**	**(286,742,547)**	**706,471,679**	**56,388,471,436**	**2,692,773,821**	**59,081,245,257**
Year ended 31 December 2022																
Balance at 1 January 2022		**6,031,000,000**	**66,761,460,014**	**123,358,563**	**(2,393,022,014)**	**632,000,000**	**7,791,814,047**	**(23,264,610,853)**	**(100,373,477)**	**(2,227,436)**	**1,095,815,139**	**(286,742,547)**	**706,471,679**	**56,388,471,436**	**2,692,773,821**	**59,081,245,257**
Transactions with owners, recorded directly in equity																
Distributions to owners of the parent																
Dividends	29	-	-	-	-	-	(1,809,235,404)	-	-	-	-	-	-	(1,809,235,404)	(485,973,400)	(2,295,208,804)
Total distributions to owners of the parent		-	-	-	-	-	**(1,809,235,404)**	-	-	-	-	-	-	**(1,809,235,404)**	**(485,973,400)**	**(2,295,208,804)**
Changes in ownership interests in subsidiaries																
Changes in ownership interests in subsidiaries from disposal of businesses		-	-	-	(440,125,583)	-	-	-	238,487,572	-	-	-	238,487,572	(201,638,011)	35,873,328	(165,764,683)
Acquisition of non-controlling interests through business combination	4	-	-	-	-	-	-	-	-	-	-	-	-	-	96,447,077	96,447,077
Total changes in ownership interests in subsidiaries		-	-	-	**(440,125,583)**	-	-	-	**238,487,572**	-	-	-	**238,487,572**	**(201,638,011)**	**132,320,405**	**(69,317,606)**
Total transactions with owners, recorded directly in equity		-	-	-	**(440,125,583)**	-	**(1,809,235,404)**	-	**238,487,572**	-	-	-	**238,487,572**	**(2,010,873,415)**	**(353,652,995)**	**(2,364,526,410)**
Comprehensive income for the year																
Profit		-	-	-	-	-	7,174,985,616	-	-	-	-	-	-	7,174,985,616	430,161,382	7,605,146,998
Other comprehensive income		-	-	-	-	-	-	-	374,206,900	23,706,834	161,591,638	10,797,901	570,303,273	570,303,273	(7,019,153)	563,284,120
Total comprehensive income for the year		-	-	-	-	-	**7,174,985,616**	-	**374,206,900**	**23,706,834**	**161,591,638**	**10,797,901**	**570,303,273**	**7,745,288,889**	**423,142,229**	**8,168,431,118**
Balance at 31 December 2022		**6,031,000,000**	**66,761,460,014**	**123,358,563**	**(2,833,147,597)**	**632,000,000**	**13,157,564,259**	**(23,264,610,853)**	**512,320,995**	**21,479,398**	**1,257,406,777**	**(275,944,646)**	**1,515,262,524**	**62,122,886,910**	**2,762,263,055**	**64,885,149,965**

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statements of changes in equity

		Separate financial statements							
				Retained earnings		Other components of equity			
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	Fair value reserve	Gain (loss) on remeasurements of defined benefit plans	Total other components of equity	Total equity
					(in Baht)				
Year ended 31 December 2021									
Balance at 1 January 2021		**6,031,000,000**	**66,761,460,014**	**632,000,000**	**5,104,139,307**	**9,455,319**	**(45,903,743)**	**(36,448,424)**	**78,492,150,897**
Transactions with owners, recorded directly in equity									
Distributions to owners of the parent									
Dividends	*29*	-	-	-	(2,412,385,560)	-	-	-	(2,412,385,560)
Total distributions to owners of the parent		**-**	**-**	**-**	**(2,412,385,560)**	**-**	**-**	**-**	**(2,412,385,560)**
Comprehensive income for the year									
Profit		-	-	-	482,357,803	-	-	-	482,357,803
Other comprehensive income		-	-	-	-	1,348,889	4,381,659	5,730,548	5,730,548
Total comprehensive income for the year		**-**	**-**	**-**	**482,357,803**	**1,348,889**	**4,381,659**	**5,730,548**	**488,088,351**
Balance at 31 December 2021		**6,031,000,000**	**66,761,460,014**	**632,000,000**	**3,174,111,550**	**10,804,208**	**(41,522,084)**	**(30,717,876)**	**76,567,853,688**
Year ended 31 December 2022									
Balance at 1 January 2022		**6,031,000,000**	**66,761,460,014**	**632,000,000**	**3,174,111,550**	**10,804,208**	**(41,522,084)**	**(30,717,876)**	**76,567,853,688**
Transactions with owners, recorded directly in equity									
Distributions to owners of the parent									
Dividends	*29*	-	-	-	(1,809,235,404)	-	-	-	(1,809,235,404)
Total distributions to owners of the parent		**-**	**-**	**-**	**(1,809,235,404)**	**-**	**-**	**-**	**(1,809,235,404)**
Comprehensive income for the year									
Profit		-	-	-	5,407,332,601	-	-	-	5,407,332,601
Other comprehensive income		-	-	-	-	822,569	4,985,719	5,808,288	5,808,288
Total comprehensive income for the year		**-**	**-**	**-**	**5,407,332,601**	**822,569**	**4,985,719**	**5,808,288**	**5,413,140,889**
Balance at 31 December 2022		**6,031,000,000**	**66,761,460,014**	**632,000,000**	**6,772,208,747**	**11,626,777**	**(36,536,365)**	**(24,909,588)**	**80,171,759,173**

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	(in Baht)			
Cash flows from operating activities				
Profit for the year	7,605,146,998	276,801,732	5,407,332,601	482,357,803
Adjustments to reconcile profit to cash receipts (payments)				
Tax expense (income)	1,794,207,609	(371,826,197)	15,161,125	1,065,331
Finance costs	3,478,943,858	3,113,470,386	1,157,756,888	811,189,808
Depreciation and amortisation	17,170,528,868	17,040,549,525	35,956,033	39,993,201
Expected credit losses	39,516,718	149,944,226	58,256,747	23,408
(Reversal of) impairment loss	(95,510,922)	252,253,458	-	-
Unrealised (gain) loss on exchange rate	48,800,603	200,868,223	(357,095,761)	27,089,444
Unrealised (gain) loss on derivative	(140,309,236)	7,386,818	(180,585,733)	303,660
Share of profit of associates and joint ventures accounted for using equity method, net of tax	(820,055,074)	(279,077,233)	-	-
Loss on inventories devaluation	464,273,573	868,139,912	-	-
Loss on disposal of investment property, property, plant and equipment, right-of-use assets and intangible assets and remeasurement of right-of-use assets	41,396,820	34,637,488	4,632,833	18,979
(Gain) loss on disposal of investment in subsidiaries	(397,732,559)	-	589	-
Gain on disposal of investment in associate	(438,702)	-	-	-
Realised unearned lease income	(424,433,694)	(196,894,532)	-	-
Non-current provisions for employee benefits	166,451,175	310,574,911	10,170,410	11,583,140
Dividends income	(3,576,157)	-	(5,298,886,989)	(365,940,749)
Interest income	(210,141,931)	(221,289,671)	(553,666,186)	(427,346,981)
	28,717,067,947	21,185,539,046	299,032,557	580,337,044
Changes in operating assets and liabilities				
Trade receivables	(578,648,734)	(18,073,566)	(400,754,549)	9,469,387
Other current receivables	(1,363,289,827)	768,345,362	(44,327,428)	(140,273,046)
Inventories	(7,538,411,892)	(1,521,822,399)	-	-
Finanace lease receivable	53,659,200	(11,188,200)	-	-
Other current assets	(112,552,041)	(33,553,657)	-	-
Other non-current assets	18,673,491	(473,413,920)	27,896,505	(1,914,568)
Trade payables	2,918,080,037	3,530,378,618	-	-
Other current payables	1,451,193,954	755,722,045	159,240,564	32,663,071
Non-current provisions for employee benefits	(124,162,106)	(203,516,730)	(296,655)	(17,320,867)
Unearned lease income	271,941,147	104,828,569	-	-
Other non-current liabilities	155,622,176	(31,630,176)	33,848,513	(108,795)
Net cash generated from operations	23,869,173,352	24,051,614,992	74,639,507	462,852,226
Taxes paid	(1,409,461,965)	(691,227,066)	(72,782,952)	(66,526,344)
Net cash from operating activities	**22,459,711,387**	**23,360,387,926**	**1,856,555**	**396,325,882**

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	(in Baht)			
Cash flows from investing activities				
Payment from disposal of subsidiaries, net of cash acquired	(11,936,756)	-	-	-
Proceeds from disposal of subsidiaries	-	-	209	-
Acquisition of subsidiaries, net of cash acquired	(187,214,055)	(10,778,173,129)	-	-
Increase in investment of subsidiaries	-	-	(6,164,973,400)	-
Increase in share capital of subsidiaries	-	-	(1,690,183,355)	(13,750,037,490)
Payment of payable for acquisition of subsidiary	-	(322,682,533)	-	-
Proceeds from disposal of investment in associate	438,702	-	-	-
Increase in investment of joint venture	(45,000,000)	(4,451,966,867)	-	-
Increase in share capital of joint venture	(40,000,000)	(70,000,000)	-	-
Proceeds from disposal of other current financial assets	8,112,279,961	4,015,904,882	-	-
Acquisition of other current financial assets	(7,792,807,720)	(3,468,557,754)	-	-
Acquisition of other non-current financial assets	(159,405,313)	(15,000,000)	-	-
Proceeds from disposal of property, plant and equipment	266,007,994	274,288,410	59,592	441,247
Acquisition of property, plant and equipment	(14,395,302,334)	(7,814,651,910)	(7,142,490)	(6,436,995)
Proceeds from disposal of investment properties	-	1,300,000	-	-
Acquisition of investment properties	(248,247,304)	(163,236,095)	-	-
Proceeds from disposal of other intangible assets	2,390,500	15,550,408	-	4,295
Acquisition of other intangible assets	(949,463,814)	(504,099,981)	(112,336,578)	(2,658,231)
Proceeds from repayment of short-term to related parties	100,000,000	-	55,618,510,362	90,191,836,112
Short-term loans to related parties	-	(100,000,000)	(63,610,413,796)	(88,155,400,610)
Proceeds from repayment of short-term to other parties	416,665	1,969,565	-	-
Short-term loans to other parties	(2,000,000)	-	-	-
Dividends received	310,083,964	272,815,185	3,713,956,076	365,940,749
Interest received	191,655,901	200,966,650	498,127,523	420,802,966
Net cash used in investing activities	**(14,848,103,609)**	**(22,905,573,169)**	**(11,754,395,857)**	**(10,935,507,957)**

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	(in Baht)			
Cash flows from financing activities				
Proceeds from issue of ordinary shares of subsidiary without a change in control	35,873,328	-	-	-
Proceeds from bank overdrafts and short-term borrowings from financial institutions	158,759,474,809	281,385,954,696	136,943,898,396	255,524,181,887
Repayment of bank overdrafts and short-term borrowings from financial institutions	(159,074,683,479)	(277,969,991,866)	(132,934,846,500)	(252,664,865,496)
Proceeds from short-term borrowings from related parties	-	-	48,023,965,120	37,477,722,134
Repayment of short-term borrowings from related parties	-	-	(47,796,781,373)	(39,815,091,390)
Proceeds from long-term borrowings from financial institutions	33,280,227,713	12,161,320,321	33,000,000,000	11,500,000,000
Repayment of long-term borrowings from financial institutions	(28,644,401,531)	(2,862,370,559)	(22,400,000,000)	(1,500,000,000)
Payment of lease liabilities	(10,238,185,939)	(9,268,491,525)	(23,804,029)	(24,701,744)
Dividends paid to owners of the Company	(1,809,235,404)	(2,412,385,560)	(1,809,235,404)	(2,412,385,560)
Dividends paid to non-controlling interests	(485,973,400)	(64,218,047)	-	-
Interest paid	(1,461,172,183)	(1,118,579,756)	(1,117,479,852)	(776,377,299)
Net cash from (used in) financing activities	**(9,638,076,086)**	**(148,762,296)**	**11,885,716,358**	**7,308,482,532**
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	(2,026,468,308)	306,052,461	133,177,056	(3,230,699,543)
Effect of exchange rate changes on cash and cash equivalents	339,121,036	571,499,574	(1,724)	73,033
Translating foreign operations	(176,043,408)	(210,031,681)	-	-
Net increase (decrease) in cash and cash equivalents,	**(1,863,390,680)**	**667,520,354**	**133,175,332**	**(3,230,626,510)**
Cash and cash equivalents at 1 January	16,579,390,141	15,911,869,787	4,664,556,667	7,895,183,177
Cash and cash equivalents at 31 December	**14,715,999,461**	**16,579,390,141**	**4,797,731,999**	**4,664,556,667**
Non-cash transactions				
Payable for property, plant and equipment	2,258,402,475	1,957,360,909	1,798,073	1,319,331
Payable for other intangible assets	396,068,918	177,384,155	659,722	645,309
Receivable for disposal of subsidiaries	39,873,341	-	-	-
Payable for acquisition of subsidiaries	42,441,743	65,879,172	-	-
Transfer from property, plant and equipment to investment property	2,430,115,575	1,907,158,160	-	-
Transfer from investment property to right-of-use assets	495,268,864	-	-	-
Transfer from right-of-use assets to investment property	-	917,504,917	-	-

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

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Acquisitions of subsidiaries
5	Related parties
6	Cash and cash equivalents
7	Trade receivables
8	Other current receivables
9	Inventories
10	Investments in associates and joint ventures
11	Investments in subsidiaries
12	Investment properties
13	Property, plant and equipment
14	Right-of-use assets
15	Leases as a lessee
16	Leases as a lessor
17	Goodwill
18	Other intangible assets
19	Interest-bearing liabilities
20	Other current payables
21	Non-current provisions for employee benefits
22	Legal reserves
23	Segment information and disaggregation of revenue
24	Other income
25	Selling expenses
26	Administrative expenses
27	Employee benefit expenses
28	Income tax
29	Dividends
30	Financial instruments
31	Capital management
32	Commitments with non-related parties
33	Contingent liabilities
34	Events after the reporting period

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 authorized for issue by the Board of Directors on 28 February 2023.

1 General information

Central Retail Corporation Public Company Limited, the "Company", is incorporated in Thailand and was listed on the Stock Exchange of Thailand. The Company's registered office at 22 Soi Somkid, Ploenchit Road, Kwang Lumpini, Khet Phathumvan, Bangkok, Thailand.

The parent company during the financial year were Harng Central Department Store Company Limited (35.06% shareholding). The Company was incorporated in Thailand.

The principal activities of the Group are the operation of a multi format retailing business.

Details of the Group's subsidiaries as at 31 December are as follows:

Name of the entity	Type of business	Country of incorporation	2022	2021
			Ownership interest (%)	
Capital C Limited	Investing	Thailand	99.99	99.99
Cenergy Innovation Co., Ltd.	Computer system development	Thailand	99.99	99.99
Central Department Store Limited	Department store	Thailand	99.99	99.99
Central Global Service Joint Stock Company	Dormant company	Vietnam	99.99	99.99
Central Group Online Limited	E-Commerce	Thailand	99.99	99.99
Central Marketing Group Co., Ltd.	Investing	Thailand	99.99	99.99
Central US Trading Ltd.	Trademark service	United States of America	100.00	100.00
CRC Holland B.V.	Investing	Netherlands	100.00	100.00
CRC Thai Watsadu Co., Ltd.	Retail	Thailand	99.99	99.99
Hillborough Group Ltd.	Investing	British Virgin Islands	100.00	100.00
Mass Concept Company Limited	Investing	Thailand	99.99	99.99
PBHD Co., Ltd.	Investing	Thailand	99.99	99.99
Subsidiaries under "Robinson Public Company Limited"				
Robinson Public Company Limited	Department store	Thailand	98.39	98.39
CR Chantaburi (Thailand) Co., Ltd.	Department store	Thailand	63.95	63.95
CR Chiang Mai (Thailand) Co., Ltd.	Department store	Thailand	88.55	88.55
CR Had Yai (Thailand) Co., Ltd.	Department store	Thailand	98.39	98.39
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	Department store	Thailand	49.19	49.19
CR Phuket (Thailand) Co., Ltd.	Department store	Thailand	49.19	49.19
CR Rajchaburi (Thailand) Co., Ltd.	Department store	Thailand	98.39	98.39
CR (Thailand) Co., Ltd.	Investing	Thailand	98.39	98.39
CR Udorn Thani (Thailand) Co., Ltd.	Department store	Thailand	98.77	98.77
RBS E-commerce Limited	E-Commerce	Thailand	98.36	98.36
Robinson Department Store (Vietnam) Joint Stock Company	Department store	Vietnam	98.39	98.39

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Name of the entity	Type of business	Country of incorporation	2022	2021
			Ownership interest (%)	
Robinson Nakarin Co., Ltd.	Dormant company	Thailand	98.25	98.25
Robinson Ratchada Co., Ltd.	Dormant company	Thailand	98.19	98.19
Robinson Sukhumvit Co., Ltd.	Dormant company	Thailand	98.39	98.39
R-Trading (BHD).	Dormant company	British Virgin Islands	98.31	98.31
SSHD Co., Ltd.	Investing	Thailand	99.99	99.99
C.R.G. Service Co., Ltd.	Investing	Thailand	99.99	99.99
CDF Holding Limited	Investing	Thailand	99.97	99.97
Central & Matsumoto Kiyoshi Limited	Retail	Thailand	51.00	51.00
Central Duty Free Shop Limited	Dormant company	Thailand	99.94	99.94
Central FamilyMart Co., Ltd.	Convenience stores and business member shops	Thailand	99.99	99.99
Central Food Retail Co., Ltd.	Supermarket	Thailand	99.99	99.99
Central Food Retail E-commerce Limited	E-Commerce	Thailand	99.96	99.96
Central Food Wholesales Limited	Wholesales	Thailand	99.97	-
Central Marketing Group (Shanghai) Co., Ltd.(1)	Dormant company	China	-	99.99
Central Marketing Group Singapore Pte. Ltd.(1)	Dormant company	Singapore	-	99.99
Central Online Limited	E-Commerce	Thailand	99.99	99.99
Central Retail Corporation (Vietnam) Joint Stock Company	Department store	Vietnam	99.99	99.99
Central Retail Investment Limited	Investing	United States of America	100	-
Central Pet and Me Limited	Pet food and gadgets retail and service	Thailand	99.99	99.99
Central Trading Co., Ltd.	Retail	Thailand	99.99	99.99
Cetrac International Co., Ltd.	Service and investing	Thailand	99.99	99.99
CHG Marketing Limited.	E-Commerce	Thailand	99.97	99.97
Child Boutique Manufactory Sdn. Bhd.(1)	Dormant company	Malaysia	-	99.99
CMG Asia Three Ltd.	Dormant company	United States of America	99.99	99.99
CMG Asia Four Ltd.	Dormant company	United States of America	99.99	99.99
CMG Asia Five Co.Limited	Dormant company	Hong Kong	99.99	99.99
CMG Central Marketing Group Malaysia Sdn. Bhd.	Dormant company	Malaysia	99.99	99.99
CMG International Group Ltd.	Dormant company	United States of America	99.99	99.99
CMG Vietnam Company Limited	Dormant company	Vietnam	99.99	99.99
Subsidiaries under "COL Public Company Limited"				
COL Public Company Limited	Warehouse rental	Thailand	99.74	99.74
B2S Co., Ltd.	Stationary retail	Thailand	99.74	99.74
Future Plus Limited	Stationary franchisor	Thailand	99.74	99.74
OfficeMate (Thai) Limited	Office equipment retail	Thailand	99.74	99.74

Name of the entity	Type of business	Country of incorporation	2022	2021
			Ownership interest (%)	
B2S Vietnam Joint Stock Limited	Dormant company (in process of liquidation)	Vietnam	99.55	99.55
COL Vietnam Joint Stock Company	Dormant company	Vietnam	99.55	99.55
MEB Corporation Public Company Limited	E-Book store	Thailand	74.81	74.81
MP Synergy Company Limited	Manufacturer and distributor of Furniture	Thailand	59.99	-
Officemate Omni Franchise Co., Ltd.	Consultation service	Thailand	99.74	99.74
Officemate Logistic Limited	Distribution center	Thailand	99.74	99.74
Hytexts Interactive Co., Ltd.	E-Book store	Thailand	56.10	56.10
Two Bees(HK) Limited	Investing	Hong Kong	99.74	-
CRC Rinascente S.p.A.	Investing	Italy	99.99	99.99
CRC Sport Co., Ltd.	Retail	Thailand	99.35	99.35
CRC Sport E-commerce Co., Ltd.	E-Commerce	Thailand	99.33	99.33
CRC Sports (Vietnam) Joint Stock Company	Dormant company	Vietnam	99.35	99.35
Earth Care Company Limited	Dormant company	Thailand	99.99	99.99
John Master (M) Sdn. Bhd.(2)	Dormant company	Malaysia	-	99.99
Kiko Garments Sdn. Bhd.(2)	Dormant company	Malaysia	-	99.99
Kiko Retail Sdn. Bhd.(1)	Dormant company	Malaysia	-	99.99
la Rinascente S.p.A.	Department store	Italy	100.00	100.00
Lan Chi-Ha Nam Investment and Service Company Limited	Hypermarket	Vietnam	51.00	51.00
Lan Chi Investment and Service Company Limited	Hypermarket	Vietnam	51.00	51.00
Lan Chi Services and Trading Investment Company Limited	Distribution center	Vietnam	51.00	51.00
LCP Trading Services Joint Stock Company	Investing	Vietnam	51.00	51.00
Matter D Company Limited	Service	Thailand	99.98	99.98
Subsidiaries under "NKT New Solution and Technology Development Investment Joint Stock Company"				
NKT New Solution and Technology Development Investment Joint Stock Company	Investing	Vietnam	99.36	99.36
Nguyen Kim Binh Duong One Member Company Limited	Retail	Vietnam	99.36	99.36
Nguyen Kim Buon Ma Thuot One Member Company Limited	Retail	Vietnam	99.36	99.36
Nguyen Kim Can Tho One Member Company Limited	Retail	Vietnam	99.36	99.36
Nguyen Kim Central Trading One Member Company Limited	Retail	Vietnam	99.36	99.36
Nguyen Kim Hai Phong Development Investment One Member Company Limited	Retail	Vietnam	99.36	99.36

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Name of the entity	Type of business	Country of incorporation	2022	2021
			Ownership interest (%)	
Nguyen Kim Long Xuyen One Member Company Limited	Retail	Vietnam	99.36	99.36
Nguyen Kim Modern Trade Development Investment Joint Stock Company	Investing	Vietnam	99.36	99.36
Nguyen Kim Trading Joint Stock Company	Retail	Vietnam	99.36	99.36
Sai Gon Industrial Corporation	Real estates	Vietnam	97.91	97.91
Orbit Avenue Sdn. Bhd.	Investing	Malaysia	100.00	100.00
PB Logistic Co., Ltd.	Importing and selling	Thailand	99.35	99.35
Power Buy Co., Ltd.	Retail	Thailand	99.35	99.35
Power Buy E-Commerce Limited	E-Commerce	Thailand	99.33	99.33
Subsidiaries under "Quinam B.V."				
Quinam B.V.	Investing	Netherlands	99.99	99.99
Cavi Limited	Investing	Hong Kong	99.99	99.99
Cavi Real Estate Limited	Investing	Hong Kong	99.99	99.99
Cavi Retail Limited	Investing	Hong Kong	99.99	99.99
Cavinoi Limited	Investing	Hong Kong	99.99	99.99
C-Discount Vietnam Limited Liability Company	Dormant company	Vietnam	99.99	99.99
Dong Duong Tra Vinh Real Estate and Retail Supermarket Joint Stock Company	Real estates	Vietnam	99.99	99.99
E.B Phu Thanh Limited Liability Company	Hypermarket	Vietnam	99.99	99.99
EB Binh Duong Limited Liability Company	Hypermarket	Vietnam	99.99	99.99
EB Can Tho Limited Liability Company	Hypermarket	Vietnam	99.99	99.99
EB Hai Duong Limited Liability Company	Hypermarket	Vietnam	99.99	99.99
EB Hai Phong Joint Stock Company	Hypermarket	Vietnam	99.99	99.99
EB Nam Dinh Limited Liability Company	Hypermarket	Vietnam	99.99	99.99
EB New City Company Limited	Hypermarket	Vietnam	99.99	99.99
EB Services Company Limited	Service	Vietnam	99.99	99.99
EB Tan Phu Limited Liability Company	Hypermarket	Vietnam	99.99	99.99
EB Thanh Hoa Limited Liability Company	Hypermarket	Vietnam	99.99	99.99
EB Vinh Limited Liability Company	Hypermarket	Vietnam	99.99	99.99
E-Cavi Limited	Investing	Hong Kong	99.99	99.99
Espace Big C An Lac Company Limited	Hypermarket	Vietnam	99.99	99.99
Espace Big C Dong Nai	Hypermarket	Vietnam	65.00	65.00
Espace Big C Thang Long	Hypermarket	Vietnam	65.00	65.00
Espace Business Hue Joint Stock Company	Hypermarket	Vietnam	99.99	99.99
General Trading and Distribution Company Limited	Investing	Vietnam	99.99	99.99

Name of the entity	Type of business	Country of incorporation	2022 Ownership interest (%)	2021 Ownership interest (%)
General Trading Fashions One Member Company Limited	Retail	Vietnam	99.99	99.99
General Trading of Household Products One Member Company Limited	Retail	Vietnam	99.99	99.99
General Trading, Service and Distribution Co., Ltd.	Retail	Vietnam	99.99	99.99
Hung Cuong Retail Real Estate Investment Joint Stock Company	Real estates	Vietnam	99.99	99.99
New Grocery Company Limited	Dormant company	Vietnam	65.00	65.00
New Plan Company Limited	Investing	Vietnam	99.99	99.99
New Plan Real Estate Investment Co., Ltd.	Real estates	Vietnam	99.99	99.99
TTS Dong Nai One Member Limited Liability Company	Real estates	Vietnam	99.99	99.99
Tan Trung Son Br Company Limited	Real estates	Vietnam	99.99	-
Viet Nhat My Tho Company Limited	Real estates	Vietnam	99.99	99.99
Viet Nhat Real Estate Joint Stock Company	Real estates	Vietnam	99.99	99.99
Viet Nhat Sai Gon - My Tho Company Limited	Real estates	Vietnam	99.99	99.99
Viet Nhat Thai Nguyen Real Estate JSC	Real estates	Vietnam	99.99	99.99
Vindemia SAS	Investing	France	99.99	99.99
Recess Logistics and Retail Co., Ltd.	Dormant company	Vietnam	99.99	99.99
SFM Holding Company Limited	Investing	Thailand	99.99	99.99
Textral Textile Co., Ltd.	Dormant company	Thailand	99.99	99.99
Thai Watts Co., Ltd.	Retail	Thailand	51.00	51.00
Three Plus Service Co., Ltd.	Service	Thailand	99.35	99.35
Tops Vita Services Limited	Health care retail	Thailand	99.99	-

(1) Liquidation completed during 2022
(2) Disposal of business during 2022

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 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") and the Group's interests in associates and joint ventures. The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and joint ventures.

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.

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.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognised investments in associates and joint ventures using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity–accounted investees, until the date on which significant influence or joint control ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Business combinations

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

The Group elect to use a concentration test which is a simplified assessment that results in an asset acquisition if substantially all of the fair value of the gross assets is concentrated in a single identifiable asset or a group of similar identifiable assets.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group estimates provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

(b) Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures 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.

(c) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);and
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, 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 and accumulated in the translation reserve until disposal of the investment, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control 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 Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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.

(d) Financial instruments

(d.1) Classification and measurement

Other financial assets and financial liabilities (except trade accounts receivables (see note 3(f))) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition 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.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(d.2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to 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.

(d.3) Derivatives

Derivative are recognised at fair value. At the end of each reporting period the fair value is measured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on nature of the item being hedged (see note 3(d.4)).

(d.4) Hedging

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is recognised in a cash flow hedging reserve within equity.

For all other hedged forecast transactions, the amount accumulated in the cash flow hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedging reserve are immediately reclassified to profit or loss.

(d.5) Impairment of financial assets other than trade receivables

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:
- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

(d.6) Write offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(d.7) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(f) Trade receivables

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs 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.

(h) Investment properties

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed assets includes capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of investment properties of 2 - 50 years and recognised in profit or loss. No depreciation is charged on assets under construction.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Reclassification to property, plant and equipment

When the use of a property changes such that it is reclassified as property, plant and equipment, its book value at the date of reclassification becomes its cost for subsequent accounting.

(i) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located including transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Reclassification to investment property
When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its book value.

Subsequent costs
The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation
The Group changed the depreciation method of plant and equipment which purchase or acquire after 2018 from sum-of-the-years-digits to straight-line method. Such change of depreciation method has been effective since 1 January 2019, onward except for subsidiaries in foreign operation and certain subsidiaries in Thailand which the depreciation method is a straight-line basis over the periods.

Depreciation is calculated over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land or assets under construction.

The estimated useful lives are as follows:

Land improvements	5 - 50	years
Leasehold improvements	2 - 40	years
Building, construction and improvements	2 - 50	years
Information system equipment	2 - 20	years
Utility and building system equipment	2 - 28	years
Furniture, fixtures and office equipment	2 - 20	years
Vehicles	4 - 10	years

(j) Goodwill

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment. Internally generated goodwill and brands are recognised in profit or loss as incurred.

(k) Intangible assets

Intangible assets that have indefinite useful lives are measured at cost less impairment losses. Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licenses	2 - 15	years
Trademarks and franchise	4 - 10	years
System development cost	2 - 10	years
Customer relationship	7	years

(l) Leases

At inception of a contract, the Group assesses whether 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 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. However, for leases that received COVID-19 related rent concessions and the Group elected not to assess that the rent concessions are lease modification, the Group remeasured lease liabilities using the original discount rate and recognised the impact of the change in lease liability in profit or loss.

As a lessor
At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Group is an intermediate lessor, the Group classifies the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. Those right-of-use assets are presented as investment properties.

The Group recognises finance lease receivables at the net investment of the leases, which includes the present value of the lease payments, and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income reflects a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group recognises lease payments received under operating leases in profit or loss 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.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the lease receivables 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. The Group derecognises the lease receivables as disclosed in note 3(d).

(m) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Employee benefits

Defined contribution plan
Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans
The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed regularly by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits
Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits
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.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

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.

(q) Revenue from contracts with customers

(1) Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes 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 for the estimated products to be returned.

Revenue for rendering of services is recognised over time. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group recognises revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices.

Rental income
Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

(2) *Contract balances*
Contract assets are recognised when the Group has recognised revenue before it has an unconditional right to receive consideration. The contract assets are measured at the amount of consideration that the Group is entitled to, less allowance for expected credit loss. The contract assets are classified as trade receivables when the Group has an unconditional right to receive consideration.

Contract liabilities including advances received from customers are the obligation to transfer goods or services to the customer. The contract liabilities including advances received from customers are recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue. For the advances that contain a significant financing component, they include the interest expense accreted on the contract liability under the effective interest method. The Group uses the practical expedient which is to not adjust the consideration for any effects of a significant financing component for the contract for which the period is 12 months or less.

(r) Commercial support from supplier

The Group has commercial support agreements with suppliers. The Group receive purchase rebate and commercial income from performing as specified in the agreements. Commercial support relating to purchase rebate are recognised as a reduction of a core cost price of a product, as such is considered part of the purchase price and recognised in cost of sales upon sale of those inventories.

Commercial income is recognised in other income when all conditional service has been provided.

(s) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is is recognised in respect of 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 following 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.

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.

(t) Earnings per share

Basic earnings per share 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 year.

4 Acquisitions of subsidiaries

In 2022

Acquisition of MP Synergy Company Limited

On 2 June 2022, the Group obtained control of MP Synergy Company Limited, a manufacturer and distributor of healthcare furniture by acquiring 59.99% of the shares and voting interests in the company. The consideration consisted of a cash payment of Baht 219 million and a contingent consideration of Baht 19 million. The Group incurred acquisition-related costs of Baht 5 million which have been included in administrative expenses.

Management believes that such business acquisitions will help expand the Group's business and better meet the target customer's group expectation.

During the year from acquisition date to 31 December 2022, MP Synergy Company Limited contributed revenue of Baht 163 million and profit of Baht 5 million to the Group's results. If the acquisition had occurred on 1 January 2022, management estimates that consolidated revenue would have increased by Baht 112 million and consolidated profit for the year would have increased by Baht 26 million. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

Identifiable assets acquired and liabilities assumed	*Note*	**Fair value** *(in million Baht)*
Cash and cash equivalents		32
Inventories		79
Other current receivables		22
Property, plant and equipment	*13*	94
Intangible assets	*18*	78
Other non-current assets		2
Other current payables		(23)
Long-term loans		(25)
Deferred tax liabilities	*28*	(18)
Total identifiable net assets		**241**

Identifiable assets acquired and liabilities assumed	*Note*	**Fair value** *(in million Baht)*
Less Non-controlling interests (40%)		(96)
Total identifiable net assets received		**145**
Goodwill arising from the acquisition	*17*	89
Purchase consideration transferred		**234**
Net cash acquired with the subsidiary		32
Cash paid		(219)
Net cash outflows		**(187)**

Acquisition of Tan Trung Son BR Company Limited

In April 2022, the Group acquired 100% ordinary shares of Tan Trung Son BR Company Limited, a real estate company in Vietnam. The consideration consisted of a cash payment of Baht 486 million (VND 325 billion). Most identifiable assets are investment properties. This transaction is recognised as an asset acquisition rather than as a business acquisition because almost all the fair value of the assets acquired is concentrated in a group of similarly identifiable assets.

Identifiable assets acquired and liabilities assumed	*(in million Baht)*
Investment properties	481
Other current assets	11
Other current payables	(6)
Net	**486**
Net cash acquired with the subsidiary	-
Cash paid	(486)
Net cash outflows	**(486)**

In 2021

COL Public Company Limited and its Subsidiaries

On 5 February 2021, the Group obtained control of COL Public Company Limited and its Subsidiaries, a distributor of stationery supplies, books, office equipment by receiving sales order through call center, website and retail store, distribution of e-book and provision of warehouse rental service through its subsidiary, PBHD Limited, by acquiring 99.74% of the shares and voting interests in the company, partially purchased from related parties. The consideration consisted of a cash payment of Baht 12,128 million. The Group incurred acquisition-related costs of Baht 3 million which have been included in administrative expenses.

Management believes that such business acquisitions will help expand the Group's business and better meet the target customer’s group expectation.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Identifiable assets acquired and liabilities assumed	*Note*	**Fair value** *(in million Baht)*
Cash and cash equivalents		1,350
Trade receivables		392
Other current receivables		446
Short-term loans		1
Inventories		1,567
Property, plant and equipment	*13*	1,894
Right-of-use assets	*14*	1,230
Intangible assets	*18*	1,931
Deferred tax assets	*28*	170
Other non-current assets		193
Trade payables		(1,805)
Other current payables		(555)
Current portion of lease liabilities		(276)
Income tax payable		(45)
Lease liabilities		(809)
Deferred tax liabilities	*28*	(444)
Non-current provisions for employee benefits	*21*	(123)
Other non-current liabilities		(17)
Total identifiable net assets		**5,100**
Less Non-controlling interests (0.26%)		(13)
Total identifiable net assets received		**5,087**
Goodwill arising from the acquisition	*17*	7,041
Purchase consideration transferred		**12,128**
Net cash acquired with the subsidiary		1,350
Cash paid		(12,128)
Net cash outflows		**(10,778)**

5 Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making.

Relationships with parent, subsidiaries, associates and joint ventures are described in notes 1, 10 and 11. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	**Country of incorporation/ nationality**	**Nature of relationships**
CGE Investment Limited	United Kingdom	Common parent
Lagrange Estate	Italy	Common parent
Rina Estate Italia S.r.l.	Italy	Common parent
Bangna Department Store Co., Ltd.	Thailand	Some common directors
Bangna Central Property Co., Ltd.	Thailand	Some common directors
C.D.S. Restaurant Co., Ltd.	Thailand	Some common directors
Central Condominium Co., Ltd.	Thailand	Some common directors
Central Food Retail Ratchada Co., Ltd.	Thailand	Some common directors

Name of entities	Country of incorporation/ nationality	Nature of relationships
Central Embassy Hotel Co., Ltd.	Thailand	Some common directors
Central Garment Factory Co., Ltd.	Thailand	Some common directors
Central JD Commerce Co., Ltd.	Thailand	Some common directors
Central JD Money Co., Ltd.	Thailand	Some common directors
Central Marketing Group Intertrade Co., Ltd.	Thailand	Some common directors
Central Pattana Chiangmai Co., Ltd.	Thailand	Some common directors
Central Pattana Chonburi Co., Ltd.	Thailand	Some common directors
Central Pattana Development Co., Ltd.	Thailand	Some common directors
Central Pattana Khonkaen Co., Ltd.	Thailand	Some common directors
Central Pattana Nine Square Co., Ltd.	Thailand	Some common directors
Central Pattana Public Company Limited	Thailand	Some common directors
Central Pattana Rama 3 Co., Ltd.	Thailand	Some common directors
Central Pattana Rattanatibeth Co., Ltd.	Thailand	Some common directors
Central Pattana Realty Co., Ltd.	Thailand	Some common directors
Central Payment Co., Ltd.	Thailand	Some common directors
Central People Development Center Limited	Thailand	Some common directors
Central Plaza Hotel Public Company Limited	Thailand	Some common directors
Central Restaurants Group Co., Ltd.	Thailand	Some common directors
Central WHA Alliance Co., Ltd.	Thailand	Some common directors
Central World Co., Ltd.	Thailand	Some common directors
CPN Korat Co., Ltd.	Thailand	Some common directors
CPN Pattaya Co., Ltd.	Thailand	Some common directors
CPN Rayong Co., Ltd.	Thailand	Some common directors
CPN Residence Khon Kaen Co., Ltd.	Thailand	Some common directors
CRC Power Retail Co., Ltd.	Thailand	Some common directors
CRC Property Company Limited	Thailand	Some common directors
CRG Manufacturing Co., Ltd.	Thailand	Some common directors
CRG International Food Co., Ltd.	Thailand	Some common directors
Flour Shoppe Co., Ltd.	Thailand	Some common directors
Overseas Fashion Ltd.	Thailand	Some common directors
Siam Future Development Public Company Limited	Thailand	Some common directors
Siam Future Property Co., Ltd.	Thailand	Some common directors
Spicy Disc Co., Ltd.	Thailand	Some common directors
The 1 Central Limited	Thailand	Some common directors
The Little Kitchen Co., Ltd.	Thailand	Some common directors
TeeNee KhonKaen Limited	Thailand	Some common directors
TeeNee WongSawang Limited	Thailand	Some common directors
Tiang Chirativat Real Estate Co., Ltd.	Thailand	Some common directors
Vivi File Co., Ltd.	Thailand	Some common directors

Significant transactions with related parties	**Consolidated financial statements**		**Separate financial statements**	
Year ended 31 December	2022	2021	2022	2021
	(in million Baht)			
Parent				
Rental and service income	27	27	-	-
Other income	14	17	2	1
Interest expense	61	82	-	-
Lease-related expense	26	27	-	-
Management fee expense	769	748	321	322
Other expenses	269	188	39	1

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Significant transactions with related parties	Consolidated financial statements		Separate financial statements	
Year ended 31 December	2022	2021	2022	2021
	(in million Baht)			
Subsidiaries				
Dividend income	-	-	5,168	193
Royalty income	-	-	353	302
Interest income	-	-	542	398
Management fee income	-	-	1,810	1,513
Other income	-	-	48	27
Interest expense	-	-	80	36
Lease-related expense	-	-	11	7
Other expenses	-	-	27	10
Associates				
Rental and service income	163	117	-	-
Revenue from sales of goods	29	-	-	-
Dividend income	164	214	131	173
Other income	88	138	-	-
Purchases of goods or receiving of services	11	-	-	-
Other expenses	17	-	-	-
Joint ventures				
Rental and service income	150	99	-	-
Management fee income	101	67	-	-
Dividend income	146	58	-	-
Other income	28	23	-	-
Other expenses	2	8	-	-
Other related parties				
Rental and service income	357	336	-	-
Revenue from sales of goods	68	112	-	-
Utility income	46	45	-	-
Management fee income	53	72	-	-
Interest income	74	72	-	-
Gain on disposal fixed assets	-	76	-	-
Other income	117	124	20	4
Purchases of goods or receiving of services	53	91	-	-
Interest expense	341	339	1	-
Lease-related expense	421	253	-	3
Sales promotion expense	115	57	-	-
Utility expenses	682	521	-	-
Management fee expense	204	183	-	-
Other expenses	512	230	13	6
Key management personnel				
Short-term employee benefits	2,463	2,191	477	393
Post-employment benefits	74	80	7	24
Termination benefits	23	1	-	-

Balances with related parties *At 31 December*	Consolidated financial statements 2022	2021	Separate financial statements 2022	2021
	(in million Baht)			
Trade receivables				
Parent	3	5	-	-
Subsidiaries	-	-	517	116
Associates	12	7	-	-
Joint ventures	18	16	-	-
Other related parties	141	168	4	4
	174	196	521	120
Less allowance for expected credit loss	(4)	(4)	(4)	(4)
Net	**170**	**192**	**517**	**116**
Other current receivables				
Parent	1	10	-	-
Subsidiaries	-	-	1,755	110
Associates	73	64	-	-
Joint ventures	4	10	-	-
Other related parties	258	294	1	3
	336	378	1,756	113
Less allowance for expected credit loss	-	-	(9)	-
Net	**336**	**378**	**1,747**	**113**
Short term loans				
Subsidiaries	-	-	29,384	21,391
Joint ventures	42	142	-	-
	42	142	29,384	21,391
Less allowance for expected credit loss	-	-	(48)	-
Net	**42**	**142**	**29,336**	**21,391**

Expected credit losses *Year ended 31 December*	Consolidated financial statements 2022	2021	Separate financial statements 2022	2021
	(in million Baht)			
Other receivables	-	-	9	-
Loans to	-	-	48	-

Balances with related parties *At 31 December*	Consolidated financial statements 2022	2021	Separate financial statements 2022	2021
	(in million Baht)			
Finance lease receivables				
Other related party	**2,171**	**2,206**	**-**	**-**
Trade payables				
Other related parties	**25**	**52**	**-**	**-**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Balances with related parties	Consolidated financial statements		Separate financial statements	
At 31 December	2022	2021	2022	2021
	(in million Baht)			
Other current payables				
Parent	51	119	1	-
Subsidiaries	-	-	15	38
Joint ventures	5	1	-	-
Other related parties	1,272	1,155	9	11
Total	**1,328**	**1,275**	**25**	**49**
Short-term borrowings				
Subsidiaries	-	-	**7,166**	**6,939**
Lease liabilities				
Parent	2,885	2,987	-	-
Subsidiaries	-	-	5	13
Other related parties	11,317	11,532	19	37
Total	**14,202**	**14,519**	**24**	**50**
Unearned lease income				
Other related parties	**5,296**	**5,458**	-	-
Other non-current liabilities				
Parent	-	-	33	-
Subsidiaries	-	-	1	1
Associates	54	44	-	-
Other related parties	100	151	-	-
Total	**154**	**195**	**34**	**1**
Other commitments				
Service agreements	**341**	**310**	**341**	**310**

Business acquisition

During 2021, the Group acquired a business which was partially purchased from related parties as disclosed in note 4.

Guarantor for credit facilities

As at 31 December 2022, the Company acted as guarantor for credit facilities from financial institutions for its related parties totaling Baht 2,711 million *(2021: Baht 10,145 million)*.

Significant agreements with related parties

Programs Sublicense Agreement

The Group entered into program license agreement with a related party whereby the related party will provide the licensee with the using right of the licensed program for Human Resource Management System. The Group agreed to pay service fee at rates specified in the agreement. The agreement has a term of 10 years and may be terminated by at least 6 months prior written notice.

The Group entered into programs sublicense agreement with a related party whereby the related party will provide the licensee with the using right of the licensed program in Vietnam. The Group agreed to pay service fee at rates specified in the agreement. The agreement has a term of 5 years and may be terminated by at least 12 months prior written notice.

Service agreements

The Group entered into service agreements with a related party whereby the related party will provide services relating to accounting, taxation, financial and other related services for a period of 3 years. The Group agreed to pay service fees as specified in the agreements. Either party may give advance written notice of termination by 180 days and the agreements are automatically renewed for successive periods of 1 year each.

Area rental services agreement

The Group has entered into the lease agreement to rent area in the department store with related parties. The Group received lease income in advance as specified in agreements. The lease period is 30-40 years and the longest lease period will expire in 2056.

Warehouse management service agreements

The Group had entered into several building lease and service agreement with a related party for storage and distribution of goods for periods of 3 years. The related party agreed to pay rental and service charges as specified in the agreement.

Rental and service rendered agreements

The Group has entered into retail space rental and service agreements with related parties for a period of 1 year. Related parties agreed to pay rental and management fees at percentages of sales and/or size of occupied areas. Either party may give advance written notice for renew.

Rental and service agreements

The Group has entered into area rental and service agreements from related parties for a period of 1 - 10 years. The Group agreed to pay rental and service fees as specified in the agreements.

Car park rental agreements

The Group entered into car park rental agreements with related parties for a period of 29 - 30 years. The Group paid the compensation in advance as specified in the agreements and present as part of other non-current assets.

Member card service agreement

The Group has entered into member card service agreement “The 1 Card” with a related party. The related party will provide service to members, marketing management, member database management and provide the reward or other benefits for The 1 Card point redemption. The Group agreed to pay service fee at rates specified in the agreement. The agreement has a term of 2 years and is automatically renewed for successive periods of 2 years each.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Legal service agreements

The Group has entered into legal service agreements with a related party for a period of 3 years, The Group agreed to pay service fees as specified in the agreements. Either party may give notice of termination within 180 days prior to expiry date of these agreements, otherwise the agreements are automatically renewed for successive periods of 3 years each.

Human resource management service agreements

The Group has entered into human resource management service agreements with a related party for a period of 1 year. The Group agreed to pay service fees at actual cost-plus allocation method as specified in the agreements. Either party may give notice of termination within 6 months prior to expiry date of these agreements, otherwise the agreements are automatically renewed for successive periods of 1 year each.

Marketing service agreement

The Group has entered into marketing service agreement with a related party for marketing service for a period of 1 year. The Group agreed to pay service fees at percentages of net sales as specified in the agreement. Either party may give notice of termination within 30 days, otherwise the agreement is automatically renewed for successive periods of 1 year each.

Business strategy and develop retail business management agreements

The Company has entered into agreements to provide business and investment strategy, technology for strategy e-commerce, omni channel and big data, corporate relations and corporate social responsibility, research and development, human resource management, corporate finance, analysis and finance report, internal audit, business process improvement, risk management and corporate procurement to related parties for a period of 1 year. Related parties agreed to pay service fee at cost plus method as specified in the agreements. Either party may give advance written notice of termination by 6 months.

Service agreements

The Company has entered into service agreements with a related party whereby a related party will provide services relating to business and strategy advisory services, strategic and business opportunity services, corporate finance/ merger & acquisition/ treasury services and corporate affairs services for a period of 1 year. The Company agreed to pay service fees as specified in the agreements. Either party may give advance written notice of termination by 180 days and the agreements are automatically renewed for successive periods of 1 year each.

Information security service agreements

In 2022, the Company has entered into agreements to provide consulting, testing, managing or other services related to personal data protection to related parties for a period of 1 year. Related parties agreed to pay service fee as specified in the agreements. Either party may give advance written notice of termination by 30 days.

Member card service agreement

In 2022, the Group has entered into amendment agreement of member card service agreement with a related party for marketing technology platform for a period of 2 years. The Group agreed to pay service fee as specified in the agreement. Either party may give advance written notice of termination by 30 days and the agreement is automatically renewed for successive periods of 2 year each.

Consultancy service agreement

In 2022, the Company has entered into agreements to conduct market research and competitive analysis, prepare the business plan, structuring business structure, shareholders and directors, conduct a due diligence and company registration and VAT registration and others to related party. The agreement will expire in December 2023. The related party agreed to pay service fee as specified in the agreement.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in million Baht)			
Cash on hand	987	871	-	-
Cash at banks	13,069	13,416	4,798	4,665
Highly liquid short-term investments	660	2,292	-	-
Total	**14,716**	**16,579**	**4,798**	**4,665**

7 Trade receivables

	Consolidated financial statements		Separate financial statements	
At 31 December	2022	2021	2022	2021
	(in million Baht)			
Within credit terms	3,623	3,040	237	42
Overdue				
Less than 3 months	1,488	1,499	82	8
3 - 6 months	141	111	105	2
6 - 12 months	132	271	76	18
More than 12 months	333	323	21	50
Total	**5,717**	**5,244**	**521**	**120**
Less allowance for expected credit loss	(296)	(384)	(4)	(4)
Net	**5,421**	**4,860**	**517**	**116**

	Consolidated financial statements		Separate financial statements	
Allowance for expected credit loss	2022	2021	2022	2021
	(in million Baht)			
At 1 January	384	291	4	4
Addition	119	131	-	-
Reversal	(123)	(12)	-	-
Write-off	(86)	(25)	-	-
Effect of exchange rate	2	(1)	-	-
At 31 December	**296**	**384**	**4**	**4**

Information of credit risk is disclosed in note 30 (b.1).

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

8 Other current receivables

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in million Baht)			
Dividend receivables	-	-	1,585	-
Revenue Department receivables	1,439	1,511	-	-
Receivables from supplier	3,781	3,283	-	-
Prepaid expenses	2,306	1,734	3	6
Deferred promotion income	2,514	2,129	310	266
Interest receivables	4	3	108	53
Others	1,563	1,511	15	12
	11,607	**10,171**	**2,021**	**337**
Less allowance for expected credit loss	(337)	(303)	(18)	(9)
Net	**11,270**	**9,868**	**2,003**	**328**

9 Inventories

	Consolidated financial statements	
	2022	2021
	(in million Baht)	
Merchandise	45,246	38,788
Goods in transit	1,083	960
Others	29	11
	46,358	**39,759**
Less allowance for devaluation	(2,683)	(3,243)
Net	**43,675**	**36,516**
Inventories recognised as an expense in 'administrative expense':		
- (Reversal of) write-down to obsolescence and slow moving	(460)	15
- Write-down to shrinkage and damage inventories	924	853
	464	**868**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

10 Investments in associates and joint ventures

	Type of business	Ownership interest		Paid-up capital		Consolidated financial statements: Cost		Consolidated financial statements: Equity		Consolidated financial statements: Dividend income for the year	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		(%)		(in million Baht)		(in million Baht)					
Direct associates											
Central Watson Co., Ltd.	Retail	28.89	28.89	182	182	53	53	165	131	131	173
Indirect associates											
Associate under "Central Department Store Limited" and "Robinson Public Company Limited"											
VAT Refund Center (Thailand) Company Limited	Service	49.60	49.60	30	30	14	14	6	7	-	-
Associate under "Central Marketing Group Co., Ltd."											
Samsonite (Thailand) Co., Ltd.[1]	Fashion	50.41	50.41	21	21	9	9	262	205	32	40
Associate under "Central Trading Co., Ltd."											
Kokuyo International (Thailand) Co., Ltd.	Fashion	24.00	24.00	10	10	2	2	48	47	1	1
Total associates						**78**	**78**	**481**	**390**	**164**	**214**
Indirect joint ventures											
Joint ventures under "Central Department Store Limited"											
MUJI Retail (Thailand) Co., Ltd.[1]	Retail	50.00	50.00	660	580	330	290	445	375	40	40
Luxury Goods (Thailand) Ltd.	Retail	25.00	25.00	300	300	75	75	561	310	106	18
Bottega Venata (Thailand) Ltd.	Retail	25.00	25.00	100	100	25	25	40	20	-	-
Central DFS Co., Ltd.[1]	Retail	51.00	51.00	71	71	36	36	7	12	-	-
				(in million MYR)							
Morningbliss SDN. BHD.	Retail	-	49.00	-	0.1	-	-	-	-	-	-

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

	Type of business	Ownership interest		Paid-up capital		Consolidated financial statements: Cost		Equity		Dividend income for the year	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
				(in million Baht)				*(in million Baht)*			
Indirect joint ventures (Con't)											
Joint ventures under "Central Trading Co., Ltd."											
Sunglass Hut (Thailand) Co., Ltd.[1]	Fashion	51.00	51.00	85	85	43	43	-	-	-	-
Joint ventures under "CRC Thai Watsadu Co.,Ltd."											
Greengen Energy Co., Ltd.[1]	Production and sale of solar energy	50.00	-	90	-	45	-	45	-	-	-
Joint ventures under "Hillborough Group Ltd."				*(in million USD)*							
Porto Worldwide Limited[1]	Investing	67.00	67.00	199	199	4,452	4,452	4,739	4,452	-	-
Total joint ventures						**5,006**	**4,921**	**5,837**	**5,169**	**146**	**58**
Total						**5,084**	**4,999**	**6,318**	**5,559**	**310**	**272**

	Type of business	Ownership interest		Paid-up capital		Separate financial statements: Cost		Dividend income for the year	
		2022	2021	2022	2021	2022	2021	2022	2021
		(%)		*(in million Baht)*		*(in million Baht)*			
Associates									
Central Watson Co., Ltd.	Retail	28.89	28.89	182	182	53	53	131	173
Total						**53**	**53**	**131**	**173**

[1] The Group has no power to govern the financial and operation policies over those companies. Therefore, the Group treats those companies as associates or joint ventures.

All associates and joint ventures were incorporated and mainly operate in Thailand, except for Morningbliss SDN. BHD and Porto Worldwide Limited which were incorporated and mainly operates in Malaysia and Hong Kong, respectively.

None of the Group's and the Company's associates and joint ventures are publicly listed and consequently they do not have published price quotations.

Material movements	**Consolidated financial statements**	
Year ended 31 December	2022	2021
	(in million Baht)	
Joint ventures		
Invest in Greengen Energy Co., Ltd.	45	-
Increase in share capital in MUJI Retail (Thailand) Co., Ltd.	40	70
Acquisition share capital in Porto Worldwide Limited	-	4,452

Investment
During 2022, the Group jointly invested with Gulf1 Company Limited of 4,500,000 shares, amounting to Baht 45 million to establish Greengen Energy Co., Ltd. as a joint venture, with initial registered capital of Baht 90 million. The Group's equity interest is 50%.

Increase in share capital
During 2022, the Group made additional investments in MUJI Retail (Thailand) Co., Ltd. to increase share capital of 400,000 shares, amounting to Baht 40 million.

During 2021, the Group made additional investments in MUJI Retail (Thailand) Co., Ltd. to increase share capital of 700,000 shares, amounting to Baht 70 million.

Acquisition
In December 2021, the Group acquired 133,545,740 shares, equivalent to 67% of share capital of Porto Worldwide Limited incorporated in Hong Kong for a consideration of Baht 4,452 million from a related party, which became a joint venture between the Group and Central Pattana Public Company Limited (CPN). The purpose of this joint venture is to invest 40% shareholding in Grabtaxi Holdings (Thailand) Co., Ltd. The acquisition is in accordance with the obligations stipulated in the SPA which was approved by the Board of Directors' meeting of the Company on 10 December 2019 and the Shareholders' meeting of the Company on 19 December 2019. Additional, in the future, Porto Worldwide Limited has the right to swap its shares, in part or entirety, in GrabTaxi Holdings (Thailand) Co., Ltd. with the Class A ordinary shares of Grab Holdings Limited which listed on the NASDAQ with the designated price within the specified period.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

11 Investments in subsidiaries

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(%)		(in million Baht)		(in million Baht)							
Direct subsidiaries												
Central Department Store Limited	99.99	99.99	3,335	3,335	3,807	3,807	-	-	3,807	3,807	694	-
Mass Concept Company Limited	65.58	65.58	262	262	237	237	-	-	237	237	-	-
SSHD Co., Ltd.	99.99	99.99	255	255	255	255	-	-	255	255	-	-
PBHD Co., Ltd.	99.99	99.99	11,400	11,400	11,400	11,400	-	-	11,400	11,400	-	-
CRC Thaiwatsadu Co., Ltd.	99.99	99.99	5,430	5,430	5,429	5,429	-	-	5,429	5,429	2,986	-
Capital C Limited	99.99	99.99	26,800	26,800	26,815	26,815	-	-	26,815	26,815	-	-
Central Marketing Group Co., Ltd.	99.99	99.99	1,876	1,876	1,901	1,901	-	-	1,901	1,901	32	-
Central Group Online Limited	51.00	51.00	300	300	-	-	-	-	-	-	-	-
Cenergy Innovation Co., Ltd.	99.99	99.99	50	50	-	-	-	-	-	-	-	-
Robinson Public Company Limited	72.31	72.31	3,943	3,943	33,720	33,720	-	-	33,720	33,720	1,000	193
SFM Holding Company Limited	99.99	25.00	1,805	1,805	4,929	3,575	-	-	4,929	3,575	-	-
			(in million EUR)									
CRC Holland B.V.	100.00	100.00	26	26	989	989	-	-	989	989	-	-
Central Retail Investment Limited	100.00	-	130	-	4,811	-	-	-	4,811	-	-	-
			(in million VND)									
Central Global Service Joint Stock Company	99.99	99.99	4,200	4,200	6	6	-	-	6	6	-	-
			(in million USD)									
Hillborough Group Ltd.	100.00	100.00	533	533	17,452	17,452	-	-	17,452	17,452	-	-
Central US Trading Ltd.	100.00	100.00	-	-	3	3	-	-	3	3	-	-
Indirect subsidiaries			(in million Baht)									
C.R.G. Service Co., Ltd.[1]	38.08	38.08	1,089	1,089	218	218	-	-	218	218	456	-
Central Pet and Me Limited[1]	0.01	0.01	1	1	-	-	-	-	-	-	-	-
			(in thousand EUR)									
Quinam B.V. [1]	10.27	6.61	20	19	4,487	2,797	-	-	4,487	2,797	-	-
Total					**116,459**	**108,604**	**-**	**-**	**116,459**	**108,604**	**5,168**	**193**

[1] Management believes that the Group has control over these subsidiaries since the Group has more than half of the voting rights through other subsidiaries.

None of the Company's subsidiaries are publicly listed and consequently they do not have published price quotations.

Material movements	**Separate financial statements**	
Year ended 31 December	2022	2021
	(in million Baht)	
Subsidiaries		
Purchase additional investment in SFM Holding Company Limited	1,354	-
Invest in Central Retail Investment Limited	4,811	-
Increase in share capital in Quinam B.V.	1,690	2,528
Increase in share capital in PBHD Co., Ltd.	-	11,025
Increase in share capital in Hillborough Group Ltd.	-	197

Acquisitions
During 2022, the Company purchased an additional investment in SFM Holding Company Limited of 13,537,498 shares, amounting to Baht 1,354 million, as a result, the Company's direct ownership interest increased from 25.00% to 99.99%, without effective change in the Group's ownership interest.

Investment
During 2022, the Company made 100% new investment in Central Retail Investment Limited in the USA, amounting to EUR 130 million, equivalent to Baht 4,811 million which are capital of EUR 70 million have not been paid-up.

Increase in share capital
During 2022, the Company made additional investments in Quinam B.V. to increase share capital of 785 shares, amounting to Baht 1,690 million, as a result, the Company's direct ownership interest increased from 6.61% to 10.27%, without effective change in the Group's ownership interest.

During 2021, the Company increase in share capital of Quinam B.V. of 1,150 shares, amounting to Baht 2,528 million, as a result, the Company's equity interest increased from 0.69% to 6.61%.

During 2021, the Company increase in share capital of PBHD Co., Ltd. of 110,250,000 shares, amounting to Baht 11,025 million.

During 2021, the Company increase in share capital of Hillborough Group Ltd. of 580,000 shares, amounting to Baht 197 million.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

12 Investment properties

	Note	Consolidated financial statements 2022	2021
		(in million Baht)	
Cost			
At 1 January		25,173	22,076
Additions		248	163
Transfer from property, plant and equipment and right-of use assets	*13,14*	2,181	2,360
Disposals		(45)	(256)
Effect of movements in exchange rates		(6)	830
At 31 December		**27,551**	**25,173**
Depreciation			
At 1 January		8,889	8,269
Depreciation charge for the year		1,166	1,134
Transfer from property, plant and equipment and right-of use assets	*13,14*	247	(464)
Disposals		(42)	(219)
Effect of movements in exchange rates		(1)	169
At 31 December		**10,259**	**8,889**
Net book value			
At 31 December		**17,292**	**16,284**

Information relating to leases are disclosed in notes 15 and 16.

The fair value of investment properties as at 31 December 2022 of Baht 34,085 million *(2021: Baht 26,454 million)* was determined by independent professional valuers, at open market values on an existing use basis and discounted cash flow using risk-adjusted discount rates. The fair value of investment property has been categorised as a Level 3 fair value.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

13 Property, plant and equipment

		Consolidated financial statements									
	Note	Land and land improve-ments	Leasehold improve-ments	Building, construction and improvements	Information system equipment	Utility and building system equipment	Furniture, fixtures and office equipment	Vehicles	Machine	Assets under construction	Total
						(in million Baht)					
Cost											
At 1 January 2021		2,918	6,432	42,697	3,023	24,017	19,728	529	-	2,679	102,023
Acquired through business combination	*4*	488	-	561	35	565	230	1	-	14	1,894
Additions		101	68	878	157	886	826	15	-	4,860	7,791
Transfers		-	174	1,301	14	813	293	(6)	-	(2,589)	-
Transfer from (to) investment property	*12*	67	60	333	-	168	(25)	-	-	(2,055)	(1,452)
Disposals		-	(211)	(304)	(130)	(381)	(752)	(20)	-	(4)	(1,802)
Effect of movements in exchange rates		2	102	145	12	261	189	33	-	181	925
At 31 December 2021 and At 1 January 2022		**3,576**	**6,625**	**45,611**	**3,111**	**26,329**	**20,489**	**552**	**-**	**3,086**	**109,379**
Acquired through business combination	*4*	48	-	32	-	-	1	5	7	1	94
Additions		2,062	33	1,569	330	965	1,489	15	-	8,150	14,613
Transfers		-	175	4,707	11	2,269	741	5	-	(7,908)	-
Transfer to investment property	*12*	(161)	(4)	(1,443)	-	(829)	(57)	-	-	(551)	(3,045)
Disposals		-	(22)	(1,235)	(345)	(1,142)	(1,754)	(27)	-	(6)	(4,531)
Effect of movements in exchange rates		-	(116)	(3)	(12)	(3)	(59)	1	-	(2)	(194)
At 31 December 2022		**5,525**	**6,691**	**49,238**	**3,095**	**27,589**	**20,850**	**551**	**7**	**2,770**	**116,316**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

		Consolidated financial statements									
	Note	Land and land improve-ments	Leasehold improve-ments	Building, construction and improvements	Information system equipment	Utility and building system equipment	Furniture, fixtures and office equipment	Vehicles	Machine	Assets under construction	Total
						(in million Baht)					
Depreciation and impairment losses											
At 1 January 2021		3	4,499	19,814	2,599	17,348	15,813	293	-	-	60,369
Depreciation charge for the year		12	451	2,124	224	1,706	1,559	66	-	-	6,142
(Reversal of) impairment losses		-	96	(6)	1	(16)	192	-	-	-	267
Transfer		-	-	(2)	-	4	2	(4)	-	-	-
Transfer from (to) investment property	*12*	-	(16)	259	-	213	-	(2)	-	-	454
Disposals		-	(174)	(234)	(127)	(332)	(647)	(17)	-	-	(1,531)
Effect of movements in exchange rates		-	61	32	10	122	85	9	-	-	319
At 31 December 2021 and At 1 January 2022		**15**	**4,917**	**21,987**	**2,707**	**19,045**	**17,004**	**345**	**-**	**-**	**66,020**
Depreciation charge for the year		12	270	2,339	240	1,741	1,527	62	-	-	6,191
(Reversal of) impairment losses		-	1	52	(4)	28	(188)	(2)	-	-	(113)
Transfer		1	-	-	-	(71)	70	-	-	-	-
Transfer from (to) investment property	*12*	-	(5)	(287)	-	(325)	1	-	-	-	(616)
Disposals		-	(22)	(1,132)	(335)	(1,020)	(1,548)	(27)	-	-	(4,084)
Effect of movements in exchange rates		-	(74)	-	(10)	-	(43)	-	-	-	(127)
At 31 December 2022		**28**	**5,087**	**22,959**	**2,598**	**19,398**	**16,823**	**378**	**-**	**-**	**67,271**
Net book value											
At 31 December 2021											
Owned assets		**3,561**	**1,708**	**23,624**	**404**	**7,284**	**3,485**	**207**	**-**	**3,086**	**43,359**
At 31 December 2022											
Owned assets		**5,497**	**1,604**	**26,279**	**497**	**8,191**	**4,027**	**173**	**7**	**2,770**	**49,045**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Capitalised borrowing costs relating to the acquisition of the land and the construction of the new department store is amounted to Baht 12 million for the Group *(2021: Baht 32 million)* with a capitalisation rate of 1.51% - 5.95% per annum *(2021:1.51% - 5.65% per annum)*.

14 Right-of-use-assets

		Consolidated financial statements				
	Note	Land and land improvements	Building, construction and improvements	Furniture, fixtures and office equipment	Assets under construction	Total
				(in million Baht)		
Cost						
At 1 January 2021		24,356	85,362	512	121	110,351
Additions		1,593	1,572	-	203	3,368
Acquired through business combination	*4*	16	1,214	-	-	1,230
Remeasurement		31	2,219	-	-	2,250
Transfers		118	3	-	(121)	-
Transfer to investment property	*12*	(746)	(162)	-	-	(908)
Disposals		(209)	(2,701)	(50)	-	(2,960)
Effect of movements in exchange rates		761	1,600	-	-	2,361
At 31 December 2021 and 1 January 2022		**25,920**	**89,107**	**462**	**203**	**115,692**
Additions		1,889	1,629	-	831	4,349
Remeasurement		(37)	3,532	-	-	3,495
Transfers		713	-	-	(713)	-
Transfer from investment property	*12*	852	12	-	-	864
Disposals		(276)	(4,669)	(274)	-	(5,219)
Effect of movements in exchange rates		(10)	(878)	-	-	(888)
At 31 December 2022		**29,051**	**88,733**	**188**	**321**	**118,293**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

		Consolidated financial statements				
	Note	Land and land improvements	Building, construction and improvements	Furniture, fixtures and office equipment	Assets under construction	Total
				(in million Baht)		
Depreciation and impairment losses						
At 1 January 2021		6,034	36,867	421	-	43,322
Depreciation charge for the year		1,158	8,162	33	-	9,353
(Reversal of) impairment losses		10	(8)	-	-	2
Transfer from (to) investment property	*12*	57	(47)	-	-	10
Disposals		(190)	(2,183)	(41)	-	(2,414)
Effect of movements in exchange rates		141	(60)	-	-	81
At 31 December 2021 and 1 January 2022		**7,210**	**42,731**	**413**	**-**	**50,354**
Depreciation charge for the year		1,252	7,851	19	-	9,122
(Reversal of) impairment losses		(3)	5	-	-	2
Transfer from investment property	*12*	199	170	-	-	369
Disposals		(187)	(4,025)	(261)	-	(4,473)
Effect of movements in exchange rates		(12)	(348)	-	-	(360)
At 31 December 2022		**8,459**	**46,384**	**171**	**-**	**55,014**
Net book value						
At 31 December 2021						
Owned assets		18,710	46,376	49	203	65,338
		18,710	**46,376**	**49**	**203**	**65,338**
At 31 December 2022						
Owned assets		20,592	42,349	17	321	63,279
		20,592	**42,349**	**17**	**321**	**63,279**

15 Leases as a lessee

The Group leases a number of land, buildings and equipment for 2-55 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

During 2022, the Group leased land, buildings and equipment for 2-30 years and paid fixed and variable lease payment that are based on sales and usage over the lease term. These payment terms are common in Thailand.

Extension options
The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

	Consolidated financial statements		Separate financial statements	
For the year ended 31 December	2022	2021	2022	2021
	(in million Baht)			
Amounts recognised in profit or loss				
Sub-lease income	132	132	-	-
COVID-19 related rent concessions	(127)	(532)	-	-
Depreciation of right-of-use assets:				
- Land improvement	1,252	1,158	-	-
- Buildings	7,851	8,162	21	25
- Office equipment	19	33	-	-
Interest on lease liabilities	1,932	1,947	1	-
Expenses relating to short-term leases	356	287	11	10
Variable lease payments based on sales	584	407	-	-

In 2022, total cash outflow for leases of the Group and the Company were Baht 10,238 million and Baht 24 million, respectively. *(2021: Baht 9,268 million and Baht 25 million, respectively).*

16 Leases as a lessor

The leases of investment properties comprise a number of buildings that are leased to related parties under operating leases. Each of the leases contains an initial non-cancellable. Subsequent renewals are negotiated with the lessee. Rental income as specified in the agreements.

The Group has leased a land for 55 years. During 2020, the Group entered into sub-leases of land for 40 years which were classified as finance lease receivables, and reclassified related right-of-use assets to investment properties.

Lease payments to be received from finance lease receivables At 31 December	Consolidated financial statements	
	2022	2021
	(in million Baht)	
1st year	616	705
2nd year	110	9
3rd year	10	110
4th year	110	10
5th year	10	110
After 5th year	4,038	4,049
Total	**4,894**	**4,993**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

17 Goodwill

	Note	Consolidated financial statements 2022	2021
		(in million Baht)	
Cost			
At 1 January		40,889	30,752
Acquired through business combination	*4*	89	7,041
Effect of movements in exchange rates		(155)	3,096
At 31 December		**40,823**	**40,889**
Impairment losses			
At 1 January		(2,804)	(2,804)
At 31 December		**(2,804)**	**(2,804)**
Net book value			
At 31 December		**38,019**	**38,085**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs (operating divisions) as follows.

	Consolidated financial statements											
	la Rinascente S.p.A		Quinam B.V. and its subsidiaries		NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries		COL Public Company Limited and its subsidiaries		Multiple units without significant goodwill		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(in million Baht)											
At 1 January	4,876	4,745	21,035	18,652	4,634	4,109	7,041	-	499	442	38,085	27,948
Acquired through business combinations	-	-	-	-	-	-	89	7,041	-	-	89	7,041
Effect of movements in exchange rates	(138)	131	(14)	2,383	(3)	525	-	-	-	57	(155)	3,096
At 31 December	**4,738**	**4,876**	**21,021**	**21,035**	**4,631**	**4,634**	**7,130**	**7,041**	**499**	**499**	**38,019**	**38,085**

The recoverable amount of this CGU was based on asset's value in use, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

	Consolidated financial statements							
	la Rinascente S.p.A.		Quinam B.V. and its subsidiaries		NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries		COL Public Company Limited and its subsidiaries	
	2022	2021	2022	2021	2022	2021	2022	2021
				(%)				
Discount rate	9.00	9.00	10.00	10.00	10.00	10.00	10.50	10.50
Terminal value growth rate	1.00	1.00	6.00	6.00	6.00	6.00	1.50	1.50

The discount rate was a pre-tax measure estimated based on the historical industry average weighted-average cost of capital, with a market interest rate was approximately 3.60% for la Rinascente S.p.A., a market interest rate was approximately 6.00% for Quinam B.V. and its subsidiaries, a market interest rate was approximately 6.00% for NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries, and a market interest rate was approximately 5.80% for COL Public Company Limited and its subsidiaries.

The cash flow projections included specific estimates for 5 years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate.

Budgeted EBITDA was estimated taking into account past experience, adjusted as follows.

- Revenue growth rate and profit margin were projected consistent with the Company's business plan for the next 5 years based on historical performance, present and future strategies and action plans as well as anticipating future market trends.
- Significant one-off environmental costs have been factored into the budgeted EBITDA, reflecting various potential regulatory developments in a number of European countries in which the CGU operates. Other environmental costs are assumed to grow with inflation in other years.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately Euro 646 million *(2021: Euro 422 million)* for la Rinascente S.p.A., VND 64,121 billion *(2021: VND 61,556 billion)* for Quinam B.V. and its subsidiaries, VND 1,695 billion *(2021: VND 1,240 billion)* for NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries, and Baht 13,658 million *(2021: Baht 10,901 million)* for COL Public Company Limited and its subsidiaries. Management has identified that a reasonably possible change in a key assumption could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which an assumption would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Consolidated financial statements							
	la Rinascente S.p.A.		Quinam B.V. and its subsidiaries		NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries		COL Public Company Limited and its subsidiaries	
	2022	2021	2022	2021	2022	2021	2022	2021
					(%)			
Discount rate	7.47	4.29	4.68	4.78	0.88	0.61	8.26	6.87

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

18 Other intangible assets

		Consolidated financial statements					
	Note	Software licenses	Trademarks and franchise	Customer relationship	System development	Asset under installment	Total
				(in million Baht)			
Cost							
At 1 January 2021		2,601	5,199	-	1,745	383	9,928
Acquired through business combination	*4*	202	1,071	582	45	31	1,931
Additions		269	-	-	171	242	682
Transfers		52	-	-	293	(345)	-
Disposals		(13)	-	-	(13)	(9)	(35)
Effect of movements in exchange rates		65	285	-	16	3	369
At 31 December 2021 and 1 January 2022		**3,176**	**6,555**	**582**	**2,257**	**305**	**12,875**
Acquired through business combination	*4*	-	77	1	-	-	78
Additions		114	-	-	43	1,092	1,249
Transfers		42	-	-	216	(258)	-
Disposals		(223)	(272)	-	(33)	-	(528)
Effect of movements in exchange rates		(5)	(41)	-	(21)	-	(67)
At 31 December 2022		**3,104**	**6,319**	**583**	**2,462**	**1,139**	**13,607**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

	Consolidated financial statements					
	Software licenses	Trademarks and franchise	Customer relationship	System development	Asset under installment	Total
			(in million Baht)			
Amortisation and impairment losses						
At 1 January 2021	1,110	622	-	1,316	38	3,086
Amortisation for the year	356	247	73	214	-	890
Reversal of impairment loss	-	(9)	-	-	(8)	(17)
Disposals	(10)	-	-	-	-	(10)
Effect of movements in exchange rates	31	-	-	10	-	41
At 31 December 2021 and 1 January 2022	**1,487**	**860**	**73**	**1,540**	**30**	**3,990**
Amortisation for the year	365	26	78	260	-	729
(Reversal of) impairment loss	(1)	(275)	-	1	-	(275)
Disposals	(219)	-	-	(33)	-	(252)
Effect of movements in exchange rates	(4)	-	-	(7)	-	(11)
At 31 December 2022	**1,628**	**611**	**151**	**1,761**	**30**	**4,181**
Net book value						
At 31 December 2021	**1,689**	**5,695**	**509**	**717**	**275**	**8,885**
At 31 December 2022	**1,476**	**5,708**	**432**	**701**	**1,109**	**9,426**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

19 Interest-bearing liabilities

	Consolidated financial statements					
	2022			2021		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	(in million Baht)					
Bank overdrafts and short-term borrowings from financial institutions	14,398	20,556	34,954	19,288	16,344	35,632
Current portion of long-term borrowings	3,809	2,752	6,561	4,730	8,688	13,418
Current portion of lease liabilities	-	6,524	6,524	-	7,428	7,428
Long-term borrowings	1,201	38,579	39,780	5,111	23,406	28,517
Lease liabilities	-	49,253	49,253	-	50,300	50,300
Total interest-bearing liabilities	**19,408**	**117,664**	**137,072**	**29,129**	**106,166**	**135,295**

		Separate financial statements					
		2022			2021		
	Note	Secured	Unsecured	Total	Secured	Unsecured	Total
		(in million Baht)					
Bank overdrafts and short-term borrowings from financial institutions		8,809	17,636	26,445	10,142	12,650	22,792
Short-term borrowings from related parties	*5*	-	7,166	7,166	-	6,939	6,939
Current portion of long-term borrowings		-	1,500	1,500	-	7,400	7,400
Current portion of lease liabilities		-	17	17	-	23	23
Long-term borrowings		-	37,950	37,950	-	21,484	21,484
Lease liabilities		-	9	9	-	27	27
Total interest-bearing liabilities		**8,809**	**64,278**	**73,087**	**10,142**	**48,523**	**58,665**

Assets pledged as security for liabilities ***At 31 December***	Consolidated financial statements	
	2022	2021
	(in million Baht)	
Fixed deposits	167	1,127
Investment properties	1,487	1,610
Property, plant and equipment	34	-
Total	**1,688**	**2,737**

As at 31 December 2022, the Group had unutilised credit facilities from financial institutions totaling Baht 74,936 million *(2021: Baht 76,489 million)*.

As at 31 December 2022, the Company had unutilised credit facilities from financial institutions totaling Baht 25,695 million *(2021: Baht 36,347 million)*.

As at 31 December 2022, the Group had short-term borrowings from financial institutions representing promissory notes, packing credits, letters of credit and trust receipts which will be repayable within 2023. Interest was charged at rates from 1.25% to 8.50% per annum *(2021: 0.60% to 4.00% per annum)*.

As at 31 December 2022, the Group had long-term loan agreements with local and foreign financial institutions, which were repayable as stipulated in the agreements for the longest period of 20 years which will be expired in February 2041. Interest was charged at rates from 1.90% to 10.60% per annum *(2021: 1.35% to 5.85% per annum)*. The loans are guaranteed by its subsidiaries. Accordingly, the Group must comply with the conditions outlined in the agreements e.g. maintain the ratios of liabilities to equity, maintain the ratios of shareholding of investments in certain subsidiaries.

As at 31 December 2022, the Company had short-term borrowings from financial institutions representing promissory notes repayable within 2023. Interests was charged at rates from 1.45% to 5.80% per annum *(2021: 0.70% to 1.18% per annum)*.

As at 31 December 2022, the Company had long-term loan agreements with local financial institutions, which were repayable as stipulated in the agreements for the longest period of 4 years which will be expired in 2026. Interest was charged at rates from 1.90% to 3.93% per annum *(2021: 1.90% to 2.12% per annum)*. Accordingly, the Company must comply with the conditions outlined in the agreements e.g. maintain the ratios of liabilities to equity, maintain the ratios of net debt to EBITDA.

20 Other current payables

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in million Baht)			
Accrued operating expenses	6,147	6,204	173	58
Rental and service payable	4,946	4,153	13	15
Payable for purchase of assets	2,654	2,135	2	2
Accrued other tax expense	2,243	2,101	52	44
Deposits and advances received	2,063	1,955	-	-
Accrued bonus	1,548	1,056	167	93
Payable for acquisition of subsidiaries	27	66	-	-
Others	211	158	90	51
Total	**19,839**	**17,828**	**497**	**263**

21 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
At 31 December	2022	2021	2022	2021
	(in million Baht)			
Defined benefit plan	2,235	2,213	106	102
Termination benefits	-	96	-	-
Total	**2,235**	**2,309**	**106**	**102**

Defined benefit plan
The Group and the Company operate a defined benefit plan based on the requirements of the Thai Labor 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.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Present value of the defined benefit obligations	*Note*	**Consolidated financial statements** 2022	2021	**Separate financial statements** 2022	2021
		(in million Baht)			
At 1 January		2,213	2,228	102	113
Recognised in profit or loss:					
Current service costs and interest on obligation	*27*	221	214	10	12
Past service cost	*27*	(54)	-	-	-
***Recognised in other comprehensive income*:**					
Actuarial (gain) loss					
- Demographic assumptions		(40)	-	(5)	-
- Financial assumptions		(195)	(157)	(4)	(6)
- Experience adjustment		225	-	3	-
Effect of movements in exchange rates		(11)	9	-	-
Acquired through business combination	*4*	-	123	-	-
Benefit paid		(124)	(208)	-	(17)
Transfer		-	4	-	-
At 31 December		**2,235**	**2,213**	**106**	**102**

Principal actuarial assumptions	**Consolidated financial statements** 2022	2021	**Separate financial statements** 2022	2021
		(%)		
Discount rate	3.21-4.26	0.65-2.98	3.40	2.56
Future salary growth	5.0	4.0-5.0	5.0	4.0

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 14 years *(2021:15 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.

	Consolidated financial statements			
Effect to the defined benefit obligation At 31 December	1% increase in assumption 2022	2021	1% decrease in assumption 2022	2021
	(in million Baht)			
Discount rate	(190)	(194)	219	228
Future salary growth	195	239	(171)	(207)

	Separate financial statements			
Effect to the defined benefit obligation At 31 December	1% increase in assumption 2022	2021	1% decrease in assumption 2022	2021
	(in million Baht)			
Discount rate	(6)	(6)	7	7
Future salary growth	7	8	(6)	(7)

22 Legal reserves

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) 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 authorized capital. The legal reserve is not available for dividend distribution.

23 Segment information and disaggregation of revenue

(a) Segment information

Management determined that the Group has three reportable segments which are the Group's strategic divisions offer different products and services and cater to different and various needs of customers, but together offer a complete retail experience to consumers. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Segment 1 Fashion	Operating fashion business mostly under department store format in Thailand and overseas.
Segment 2 Food Products	Operating food retailing such as supermarket and convenience store.
Segment 3 Hardline	Operating hardline retailing including consumer electronic, construction material, home products, stationery supplies, books and office equipment.

Each segment's performance is measured based on segment earnings before interest, taxes, depreciation and amortization "EBITDA", as included in the internal management reports that are reviewed by the Group's CODM. Segment EBITDA 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.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

	Consolidated financial statement							
	Fashion		Food Products		Hardline		Total	
For the year ended 31 December	2022	2021	2022	2021	2022	2021	2022	2021
	(in million Baht)							
Information about reportable segments								
External revenues	60,857	46,818	85,875	71,210	73,380	63,984	220,112	182,012
Inter-segment revenue	11,520	4,344	6,268	3,803	1,738	1,160	19,526	9,307
Total revenue	**72,377**	**51,162**	**92,143**	**75,013**	**75,118**	**65,144**	**239,638**	**191,319**
Disaggregation of revenue								
Primary geographical markets								
Thailand	46,439	35,556	43,607	40,648	62,404	54,908	152,450	131,112
Italy	14,253	11,154	-	-	-	-	14,253	11,154
Vietnam	165	86	42,268	30,562	10,976	9,076	53,409	39,724
Others	-	22	-	-	-	-	-	22
Total revenue	**60,857**	**46,818**	**85,875**	**71,210**	**73,380**	**63,984**	**220,112**	**182,012**
Major products/service lines								
Sale of goods	55,496	42,810	83,556	69,600	72,852	63,565	211,904	175,975
Rental services	4,525	3,457	1,597	1,154	461	379	6,583	4,990
Rendering services	732	435	640	373	39	18	1,411	826
Investing	104	116	82	83	28	22	214	221
Total revenue	**60,857**	**46,818**	**85,875**	**71,210**	**73,380**	**63,984**	**220,112**	**182,012**
Segment profit (loss) before income taxes	2,557	(3,784)	2,165	(379)	4,677	4,068	9,399	(95)
Segment profit before interest, income taxes, depreciation and amortisation	13,566	7,080	7,932	5,296	8,551	7,683	30,049	20,059
Other income	3,386	2,614	7,909	7,061	4,838	3,966	16,133	13,641
Interest income	100	116	82	83	28	22	210	221
Interest expense	2,134	1,938	790	674	555	501	3,479	3,113
Depreciation and amortisation	8,876	8,926	4,977	5,001	3,318	3,114	17,171	17,041
Share of profit of investments in associates and joint ventures	697	279	123	-	-	-	820	279
Tax expense (income)	938	(844)	288	42	568	430	1,794	(372)

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

	Consolidated financial statement							
	Fashion		Food Products		Hardline		Total	
For the year ended 31 December	2022	2021	2022	2021	2022	2021	2022	2021
	(in million Baht)							
Other material non-cash items:								
- (Reversal of) impairment losses on property, plant and equipment and other intangible assets	104	(20)	(231)	280	31	(8)	(96)	252
- (Reversal of) losses on inventories devaluation	(278)	7	679	807	63	54	464	868
Investments in associates and joint ventures	1,534	1,108	4,739	4,451	45	-	6,318	5,559
Segment assets	110,395	109,364	89,028	83,451	76,561	70,413	275,984	263,228
Segment liabilities	145,001	138,904	33,608	32,014	32,490	33,229	211,099	204,147

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

(b) *Geographical segments*

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Geographical information	**Consolidated financial statements**			
	Revenues		**Non-current assets**	
	2022	2021	2022	2021
	(in million Baht)			
Thailand	152,450	131,112	120,119	112,519
Italy	14,253	11,154	26,677	29,724
Vietnam	53,409	39,724	31,126	30,626
Other countries	-	22	15,213	14,882
Investments in associates and joint ventures	-	-	6,318	5,559
Total	**220,112**	**182,012**	**199,453**	**193,310**

(c) *Major customer*

For the years 2022 and 2021, the Group had no customers with revenue greater than 10% of the Group's revenues.

24 Other income

	Consolidated financial statements		**Separate financial statements**	
	2022	2021	2022	2021
	(in million Baht)			
Promotional and advertising income	9,158	7,595	202	199
Logistic and distribution income	2,775	2,459	-	-
Utilities income	550	421	-	-
Gain on disposal of investment	398	-	-	-
Royalty income	349	300	353	304
Income sharing	262	272	-	-
Management fee income	209	146	-	-
Gain on derivative	208	-	252	-
Others	2,224	2,448	72	41
Total	**16,133**	**13,641**	**879**	**544**

25 Selling expenses

	Consolidated financial statements	
	2022	2021
	(in million Baht)	
Employee benefit	15,060	13,127
Depreciation	14,601	15,094
Utilities	4,834	3,925
Marketing and promotion	4,151	3,316
Rental and service expense	1,470	95
Others	5,558	4,806
Total	**45,674**	**40,363**

26 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in million Baht)			
Employee benefit	7,549	6,428	1,071	774
Technology service expenses	1,835	1,332	56	23
Management fee	1,708	1,746	321	322
Depreciation and amortisation	1,160	1,061	36	40
Professional fee	1,098	760	99	68
Maintenance	604	550	-	-
Loss from inventories devaluation	464	868	-	-
Rental and service expenses	345	234	12	10
Net loss on foreign exchange	49	201	153	150
Others	4,053	3,525	214	169
Total	**18,865**	**16,705**	**1,962**	**1,556**

27 Employee benefit expenses

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		(in million Baht)			
Salaries and wages		17,617	15,147	749	583
Bonus		1,534	1,076	154	75
Defined contribution plans		182	179	12	13
Defined benefit plans	*21*	167	214	10	12
Termination benefits		-	96	-	-
Others		3,109	2,843	146	91
Total		**22,609**	**19,555**	**1,071**	**774**

28 Income tax

Income tax recognised in profit or loss	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in million Baht)			
Current tax expense				
Current year	1,704	1,187	-	-
Under (over) provided in prior years	86	(35)	-	-
Deferred tax expense				
Movements in temporary differences	4	(1,524)	15	1
	1,794	**(372)**	**15**	**1**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

	Consolidated financial statements					
	2022			2021		
Income tax	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
			(in million Baht)			
Recognised in other comprehensive income						
Defined benefit plan actuarial gain	10	(2)	8	157	(32)	125
Cash flow hedges reserve	31	(7)	24	9	(2)	7
Financial assets at FVOCI	202	(38)	164	(1)	-	(1)
Total	**243**	**(47)**	**196**	**165**	**(34)**	**131**

Reconciliation of effective tax rate	Consolidated financial statements			
	2022		2021	
	Rate (%)	*(in million Baht)*	*Rate (%)*	*(in million Baht)*
Profit (loss) before income tax expense		9,399		(95)
Income tax using the Thai corporation tax rate	20	1,880	20	(19)
Effect of different tax rates in foreign jurisdictions		35		(25)
Share of profit of joint ventures and associates accounted for using equity method		(162)		(56)
Income not subject to tax		(313)		(209)
Expenses not deductible for tax purposes		240		218
Recognition of previously unrecognised tax losses		(190)		(49)
Current year losses for which no deferred tax asset was recognised		333		470
Deferred tax asset in prior year which recognised in this period		41		(97)
Expenses with additional deduction for tax purposes		(181)		(569)
Under (over) provided in prior years		86		(35)
Others		25		(1)
Total	**19.08**	**1,794**	**391.58**	**(372)**

Reconciliation of effective tax rate	Separate financial statements			
	2022		2021	
	Rate (%)	*(in million Baht)*	*Rate (%)*	*(in million Baht)*
Profit before income tax expense		5,422		483
Income tax using the Thai corporation tax rate	20	1,084	20	97
Income not subject to tax		(1,060)		(73)
Expenses not deductible for tax purposes		8		-
Expenses with additional deduction for tax purposes		(1)		(1)
Recognition of previously unrecognised tax losses		(16)		(22)
Total	**0.28**	**15**	**-**	**1**

	Consolidated financial statements			
Deferred tax	**Assets**		**Liabilities**	
At 31 December	2022	2021	2022	2021
	(in million Baht)			
Total	5,244	5,409	(3,562)	(3,636)
Set off of tax	(644)	(594)	644	594
Net deferred tax assets (liabilities)	**4,600**	**4,815**	**(2,918)**	**(3,042)**

	Separate financial statements			
Deferred tax	**Assets**		**Liabilities**	
At 31 December	2022	2021	2022	2021
	(in million Baht)			
Total	35	15	(39)	(2)
Set off of tax	(35)	(2)	35	2
Net deferred tax assets (liabilities)	**-**	**13**	**(4)**	**-**

		Consolidated financial statements				
		(Charged) / Credited to:				
Deferred tax	**At 1 January**	Profit or loss	Other comprehen-sive income	Acquired in business combination	Effect of movements in exchange rates	**At 31 December**
			(in million Baht)			
2022						
Deferred tax assets						
Trade and other current receivables	130	(8)	-	-	(1)	121
Inventories	640	(106)	-	-	(1)	533
Loans to other parties	21	1	-	-	-	22
Property, plant and equipment	108	(24)	-	-	-	84
Right-of-use assets	1,161	109	-	-	(11)	1,259
Derivatives	1	-	(1)	-	-	-
Non-current provisions for employee benefits	439	(10)	(2)	-	-	427
Loss carry forward	1,204	(246)	-	-	(17)	941
Accrued expenses	462	41	-	-	-	503
Others	1,243	118	-	-	(7)	1,354
Total	**5,409**	**(125)**	**(3)**	**-**	**(37)**	**5,244**
Deferred tax liabilities						
Financial assets measured at FVOCI	(277)	-	(38)	-	-	(315)
Property, plant and equipment	(259)	(20)	-	-	1	(278)
Fair value from business combination	(2,954)	182	-	(18)	14	(2,776)
Derivatives	-	(36)	(6)	-	-	(42)
Others	(146)	(5)	-	-	-	(151)
Total	**(3,636)**	**121**	**(44)**	**(18)**	**15**	**(3,562)**
Net	**1,773**	**(4)**	**(47)**	**(18)**	**(22)**	**1,682**

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

	Consolidated financial statements					
		(Charged) / Credited to:				
Deferred tax	At 1 January	Profit or loss	Other comprehen-sive income	Acquired in business combination	Effect of movements in exchange rates	At 31 December
			(in million Baht)			
2021						
Deferred tax assets						
Trade and other current receivables	123	4	-	2	1	130
Inventories	505	57	-	76	2	640
Loans to other parties	19	2	-	-	-	21
Property, plant and equipment	52	56	-	-	-	108
Right-of-use assets	982	130	-	12	37	1,161
Derivatives	3	-	(2)	-	-	1
Non-current provisions for employee benefits	424	30	(32)	17	-	439
Loss carry forward	642	487	-	60	15	1,204
Accrued expenses	494	(41)	-	-	9	462
Others	633	600	-	3	7	1,243
Total	**3,877**	**1,325**	**(34)**	**170**	**71**	**5,409**
Deferred tax liabilities						
Financial assets measured at FVOCI	(280)	-	-	-	3	(277)
Property, plant and equipment	(227)	(32)	-	-	-	(259)
Fair value from business combination	(2,528)	222	-	(419)	(229)	(2,954)
Others	(129)	9	-	(25)	(1)	(146)
Total	**(3,164)**	**199**	**-**	**(444)**	**(227)**	**(3,636)**
Net	**713**	**1,524**	**(34)**	**(274)**	**(156)**	**1,773**

Unrecognised deferred tax assets	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in million Baht)			
Loss carry forward	**2,426**	**2,363**	**839**	**856**

The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

29 Dividends

	Approval date	Payment schedule	Dividend rate per share *(Baht)*	Amount *(in million Baht)*
2022				
2021 annual dividend	29 April 2022	May 2022	0.3	1,809
2021				
2020 annual dividend	23 April 2021	May 2021	0.4	2,412

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

30 Financial instruments

(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, but 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.

	Consolidated financial statements							
	Carrying amount				Fair value			
At 31 December	Hedging instruments	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Total	Level 1	Level 2	Level 3	Total
				(in million Baht)				
2022								
Financial assets								
Investment in debt instruments	-	34	-	34	-	-	34	34
Investment in equity instruments	-	-	1,944	1,944	-	-	1,944	1,944
Interest rate swaps	28	114	-	142	-	142	-	142
Cross currency and interest rate swaps	-	70	-	70	-	70	-	70
Financial liabilities								
Forward exchange contract	-	60	-	60	-	60	-	60
2021								
Financial assets								
Investment in debt instruments	-	288	-	288	288	-	-	288
Investment in equity instruments	-	-	1,617	1,617	-	-	1,617	1,617
Forward exchange contract	-	5	-	5	-	5	-	5
Financial liabilities								
Interest rate swaps	3	21	-	24	-	24	-	24

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

	Separate financial statements						
	Carrying amount			Fair value			
At 31 December	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Total	Level 1	Level 2	Level 3	Total
			(in million Baht)				
2022							
Financial assets							
Investment in equity instruments	-	15	15	-	-	15	15
Interest rate swaps	110	-	110	-	110	-	110
Cross currency and interest rate swaps	70	-	70	-	70	-	70
2021							
Financial assets							
Investment in equity instruments	-	14	14	-	-	14	14

The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Type	Valuation technique
Equity instruments	The fair value of non-listed unit trusts is estimated based on the net asset value at the reporting date.
Derivatives	The fair value of derivatives is obtained from quoted market prices in active markets, where available. Fair values of derivatives in an illiquid market are obtained using an average price (quoted from several reliable sources), valuation technique and a benchmark price of instruments which have similar characteristics, as appropriate.

(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 analyze 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, other current receivables, finance lease receivables and investments in debt securities.

(b.1.1) Trade 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 24.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions and credit limits are offered.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

The Group limits its exposure to credit risk from trade receivables by establishing a payment period. 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 receivables is disclosed in note 7.

(b.1.2) Cash and cash equivalent and derivatives
The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions 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. As at 31 December 2022, the Group has issued a guarantee to certain banks in respect of credit facilities granted to subsidiaries (see note 5).

(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.

		Consolidated financial statements			
		Contractual cash flows			
At 31 December	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
		(in million Baht)			
2022					
Non-derivative financial liabilities					
Bank overdrafts and short-term borrowings from financial institutions	34,954	34,954	-	-	34,954
Trade payables	39,828	39,828	-	-	39,828
Other current payables	19,839	19,839	-	-	19,839
Long-term borrowings	46,341	6,561	38,595	1,185	46,341
Lease liabilities	55,777	7,853	22,775	38,091	68,719
	196,739	**109,035**	**61,370**	**39,276**	**209,681**
Derivative financial liabilities					
Forward exchange contract					
- Cash outflow	(60)	(945)	-	-	(945)
- Cash inflow	-	885	-	-	885
	(60)	**(60)**	**-**	**-**	**(60)**

	Consolidated financial statements				
		Contractual cash flows			
At 31 December	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
			(in million Baht)		
2021					
Non-derivative financial liabilities					
Short-term borrowings from financial institutions	35,632	35,632	-	-	35,632
Trade payables	36,905	36,905	-	-	36,905
Other current payables	17,828	17,828	-	-	17,828
Long-term borrowings	41,935	13,418	27,632	885	41,935
Lease liabilities	57,728	8,892	23,760	47,250	79,902
	190,028	**112,675**	**51,392**	**48,135**	**212,202**
Derivative financial liabilities					
Interest rate swaps used for hedging	3	3	-	-	3
Interest rate swaps	21	-	21	-	21
	24	**3**	**21**	**-**	**24**

	Separate financial statements				
		Contractual cash flows			
At 31 December	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
			(in million Baht)		
2022					
Non-derivative financial liabilities					
Short-term borrowings	33,611	33,611	-	-	33,611
Other current payables	497	497	-	-	497
Long-term borrowings	39,450	1,500	37,950	-	39,450
Lease liabilities	26	17	9	-	26
	73,584	**35,625**	**37,959**	**-**	**73,584**
2021					
Non-derivative financial liabilities					
Short-term borrowings	29,731	29,731	-	-	29,731
Other current payables	263	263	-	-	263
Long-term borrowings	28,884	7,400	21,484	-	28,884
Lease liabilities	50	23	27	-	50
	58,928	**37,417**	**21,511**	**-**	**58,928**

The cash outflows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

(b.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows.

(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.

	Consolidated financial statements					
	2022			2021		
Exposure to foreign currency at 31 December	USD	Others	Total	USD	Others	Total
			(in million Baht)			
Financial assets	544	9	553	63	15	78
Financial liabilities	(5,050)	(1,485)	(6,535)	(3,433)	(224)	(3,657)
Net statement of financial position exposure	**(4,506)**	**(1,476)**	**(5,982)**	**(3,370)**	**(209)**	**(3,579)**
Forward exchange contracts	902	-	902	478	-	478
Currency swaps contracts	(1,589)	(3,867)	(5,456)	-	-	-
Net exposure	**(5,193)**	**(5,343)**	**(10,536)**	**(2,892)**	**(209)**	**(3,101)**

	Separate financial statements					
	2022			2021		
Exposure to foreign currency at 31 December	USD	EUR	Total	USD	EUR	Total
			(in million Baht)			
Financial assets	3	4	7	54	5	59
Financial liabilities	(2,980)	(930)	(3,910)	(2,882)	-	(2,882)
Net statement of financial position exposure	**(2,977)**	**(926)**	**(3,903)**	**(2,828)**	**5**	**(2,823)**
Currency swaps contracts	(1,589)	(3,867)	(5,456)	-	-	-
Net exposure	**(4,566)**	**(4,793)**	**(9,359)**	**(2,828)**	**5**	**(2,823)**

(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. The Group mitigates this risk by ensuring that the majority of borrowings are at fixed interest rates and uses derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific borrowings.

Exposure to interest rate risk at 31 December	**Consolidated financial statements**		**Separate financial statements**	
	2022	2021	2022	2021
		(in million Baht)		
Financial instruments with variable interest rates				
Financial assets	-	288	-	46
Financial liabilities	(36,049)	(30,072)	(29,950)	(22,384)
Net statement of financial position exposure	**(36,049)**	**(29,784)**	**(29,950)**	**(22,338)**
Interest rate swaps	4,896	10,205	402	5,000
Net exposure	**(31,153)**	**(19,579)**	**(29,548)**	**(17,338)**

Interest rate swap contract

During 2020, the Group entered into an interest rate swap agreement for a long-term borrowing amounted of EUR 27 million swapping a floating interest rate of 3M Euribor plus spread per annum, to a fixed interest rate of 0.24% per annum, with maturity aligned to the loan granted.

During 2021, the Group entered into an interest rate swap agreement for a long-term borrowing amounted of Baht 3,500 million swapping a floating interest rate of 6M THBFIX plus spread per annum, to a fixed interest rate of 1.98% per annum, with maturity aligned to the loan granted.

During 2021, the Company entered into an interest rate swap agreement for a long-term borrowing amounted of Baht 5,000 million swapping a floating interest rate of 6M THBFIX plus spread per annum which changed to THB-THOR plus spread per annum in 2022, to a fixed interest rate of 1.95% per annum, with maturity aligned to the loan granted.

During 2022, the Company entered into an interest rate swap agreement for a long-term borrowing amounted of Baht 3,000 million swapping a fixed interest rate of 3.926% per annum, to a floating interest rate of THB-THOR plus spread per annum, with maturity aligned to the loan granted.

Cross currency and interest rate swap contract
During 2022, the Company entered into a cross currency and interest rate swap agreement for a short-term borrowing amounted of Baht 3,938 million swapping a currency of THB to EUR, amounted of EUR 105 million and a fixed interest rate of 1.85% per annum, to a fixed interest rate of 2.98% per annum, with maturity aligned to the loan granted.

During 2022, the Company entered into a cross currency and interest rate swap agreement for a short-term borrowing amounted of Baht 1,598 million swapping a currency of THB to USD, amounted of USD 46 million and a fixed interest rate of 3.15% per annum, to a floating interest rate of SOFR plus spread per annum, with maturity aligned to the loan granted.

Cash flow sensitivity analysis for variable-rate instruments
A reasonable possible change of 1% in interest rates at the reporting date; this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Consolidated financial statements		**Separate financial statements**	
Impact to profit or loss	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
	(in million Baht)			
2022				
Financial instruments with variable interest rate	312	(312)	295	(295)
2021				
Financial instruments with variable interest rate	196	(196)	173	(173)

31 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

32 Commitments with non-related parties

	Consolidated financial statements	
	2022	2021
	(in million Baht)	
Capital commitments		
Land	268	-
Buildings and other constructions	1,349	1,217
System development	3	54
Furniture, fixtures and office equipment	43	85
Total	**1,663**	**1,356**
Future minimum lease payments under non-cancellable operating leases		
Within 1 year	7	23
1 - 5 years	3	5
Total	**10**	**28**
Other commitments		
Unused letters of credit for goods and supplies	5,603	5,620
Bank guarantees	1,951	2,241
Service agreements	122	37
Total	**7,676**	**7,898**

33 Contingent liabilities

Legal dispute involving the boundary of leased land

During 2019, the owner of a plot of land for which the lease had expired served the Group with a claim amounting to Baht 3,815 million as compensation for a dispute with regard to the boundary of the plot. On 2 February 2021, the Civil Court dismissed the case. The plaintiff has appealed against the judgment. On 8 December 2021, the Group filed an appeal response. Subsequently, on 31 October 2022, the Appeal Court also dismissed the case. However, in case that the plaintiff would like to appeal to the Supreme Court, they need to submit a request and receive permission from the Supreme Court only. Management believes the plaintiff's claims are unlikely to succeed and a provision for future payments is not necessary.

Legal dispute involving the permits issued for the store construction

The Group leases a constructed store from a related party. The related party was sued by third parties regarding the construction permits including permits to Italy's Council of State. In case the Group lose the lawsuit, the Municipality of Rome or the ad-hoc officer may order that (i) the rebuilding and reconversion works to be demolished in whole or in part, or a demolition order could reduce the effective net selling space of the store resulting in the temporary closure of the store, or (ii) to forbid access to the entire store, or to require the payment of a curing fine of at least Euro 40 million and/or for payment of damages in an amount of approximately Euro 5 million. Italy's Council of State issued order annulling the construction permit no. 1 and 2. On the other hand, Council of State rejected the claim regarding construction permit no. 3 as such permit was issued validly and legally subject to the authority of Municipality of Rome. However, the counter party also filed the appeals against all construction permits in respect of the content of the construction permit and the claim for indemnification regarding the construction to the Regional Administrative Court. On 31 December 2022. The Regional Administrative Court declared the intervened termination of the disputed matter of

construction permits no. 1 and 2 as these permits already declared null and void by the Italy's Council of State. For the dispute of construction permit no.3, The court rejected the claim. As a result, the ruling of Administrative Court is in favour of the related party. However, the appellant party can therefore file the appeals for such rulings before 27 March 2023. Management believes that such appeals are unlikely to succeed and a provision for future payments is not necessary.

Legal dispute involving the payment of department store construction

During 2020, the contractor company served the Group with a claim amounting to Baht 95 million as compensation for legal dispute with regard to the breach of construction contract from a modified plan of a department store. The case is pending before the Civil Court. Management believes the claims are unlikely to succeed and a provision for future payments is not necessary.

Legal dispute involving the permits issued for the store construction

The Group leases a land from a related party to operate a department store. The related party was served with claims by a third party regarding the building permits under which it constructed the department store in Saraburi province in order to revoke the permits. In December 2016, the Central Administrative Court issued the judgement to the related party to demolish the building within 180 days. In January 2017, the Chief Executive of the Subdistrict Administrative Organization and the related party filed an appeal to the Supreme Administrative Court. The court has accepted the appeal. The case is pending before the Supreme Administrative Court. Management believes the claims are unlikely to succeed and a provision for future payments is not necessary.

34 Events after the reporting period

Initial public offering of MEB Corporation Public Company Limited

MEB Corporation Public Company Limited offered not exceed 22.5 million ordinary shares to the initial public offering which were sold at a price of Baht 28.5 per share (par value at Baht 0.5 per share and share premium at Baht 28.0 per share). Cash received from selling its ordinary shares was Baht 641 million before deducting expenses related to initial public offering. MEB Corporation Public Company Limited's share has started trading in Market for Alternative Investment (MAI) on 14 February 2023.

Dividend payment

At the Board of Director's meeting of the Company held on 28 February 2023, the directors approved the appropriation of annual dividends based on the operating profit for the year 2022 of Baht 0.48 per share, amounting to Baht 2,895 million. The dividend will be paid to shareholders during 2023. Such dividend is subject to the approval of the Shareholders at the Annual General Meeting to be held on 28 April 2023.

Glossary of Terms

Apart from the context otherwise requires, terms defined shall have the following meanings:

Central Group	HCDS and other companies operating under the "Central" brand, or entities under the name "Central" in which a member of the Chirathivat family holds a significant portion of shares, including Central Pattana Public Company Limited (CPN) and Central Plaza Hotel Public Company Limited (CENTEL).
Retail business group	Central Retail's business is organized into 4 operating segments based on business units, including hardline, food, fashion, and property or "segments" as presented in financial statement of the Company.
Central Retail	Central Retail Corporation Public Company Limited and / or subsidiaries and / or associated company, as context requires.
Key retail banners	Key retail banners as presented in the table of Central Retail's key retail banners in "Business Overview"
The Company	Central Retail Corporation Public Company Limited
Subsidiaries	The meaning of subsidiaries in accordance with Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551, Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (As amended).
Associated company	The meaning of associated company in accordance with Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551, Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities (As amended).
SET	The Stock Exchange of Thailand
Public Limited Companies Act	Public Limited Companies Act, B.E. 2535 (1992) (As amended)
Securities and Exchange Act	Securities and Exchange Act B.E. 2535 (1992) (As amended)
SEC	The Securities and Exchange Commission, Thailand
CENTEL	Central Plaza Hotel Public Company Limited
COL	COL Public Company Limited
CPN	Central Pattana Public Company Limited
HCDS	Harng Central Department Store, major shareholder of the Company
RIS	RIS Company Limited, providing IT services and computer equipment
Southeast Asia	Southeast Asia is composed of Cambodia, Thailand, Brunei, Burma (Myanmar), the Philippines, Malaysia, Laos, Vietnam, Singapore and Indonesia

Glossary of Retailing Terms

Glossary of retailing terms, presented in this One Report, shall have the following meanings:

DIY ("do-it-yourself")	The method of building, modifying or repairing something without the aid of experts or professionals.
The 1 loyalty program or The 1	The customer loyalty program operated by The 1 Central Co. Ltd., a subsidiary of HCDS, in which Central Retail participates.
Multi-Format Retailer	A retailer that operates multiple types of retail businesses, such as department stores, specialty stores, supermarkets, hypermarkets, convenience stores, etc.
Retail plaza	A retail format that hosts a diverse collection of stores that share common structures and other areas at a single location, and which includes "lifestyle centers" which are designed to be a destination for shopping as well as entertainment, dining and other activities, and which generates revenue in the form of rental income from tenants.
Net selling space	Net selling space is the main selling space (excluding rental space and display windows), including stock rooms, promotion areas, and walkways forming part or adjacent to the selling space.
Net leasable space	The area at a given location that may be rented out to tenants, after deducting for common areas.
FMCG (Fast-Moving Consumer Goods)	Merchandise sold quickly. Examples include non-durable goods such as packaged foods, beverages, toiletries, over-the-counter drugs, and other consumables.
Repeat customer rate	The percentage of customers who have made more than one visit transaction in a given year.
Same store sales growth (SSSG)	The change in the contribution to total gross sales between two periods made by the relevant stores on a standalone basis under each of our key retail banners. The stores that are included in comparisons are those that have been in operation during the entirety of the two periods of comparison. The comparison for each store takes into account sales by that store during the same period it was in operation in both the reporting period and the period of comparison. The gross sales of all the relevant stores in the relevant period are then aggregated and compared.
Total occupancy rate	The percentage of net leasable space leased out to a tenant, which is 12-month average occupancy rate
Omnichannel	Omnichannel refers to the confluence of the various shopping channels used by customers in modern retailing, including in-store, online, mobile and social media.

Enclosure

Enclosure 1

Enclosure 1.1

Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, Head of Controller and Company Secretary

Directors
Central Retail Corporation Public Company Limited

Dr. Prasarn Trairatvorakul

Age 70 years
Chairman
Date of Appointment as a Director 6 September 2019 – Present

Education
- Bachelor of Engineering in Electrical Engineering (First Class Honors), Chulalongkorn University
- Master of Engineering in Industrial Engineering and Management, Asian Institute of Technology, Thailand
- Master of Business Administration, Harvard University, Massachusetts, USA
- Doctor of Business Administration, Harvard University, Massachusetts, USA

Training organized by Thai Institute of Directors Association (IOD)
- Role of the Chairman Program (RCP) 2/2001
- Director Certification Program (DCP) 21/2002
- Ethical Leadership Program (ELP) 2/2015
- Board Nomination and Compensation Program (BNCP) 5/2018
- IT Governance and Cyber Resilience Program (ITG) 15/2020

Other Training
- Mastercard Economics Institute's Global Outlook for the year, Economy 2022, Mastercard
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company

2019 - Present	Chairman / Independent Director, Pruksa Holding Public Company Limited
2019 - Present	Chairman / Independent Director, SCG Packaging Public Company Limited
2019 - Present	Independent Director, Siam Cement Public Company Limited

Position in Other Company / Organization / Institution
4 Companies 10 Organizations

Experiences

1999 - 2003	Secretary-General, Securities and Exchange Commission of Thailand
2004 - 2010	President, Kasikornbank Public Company Limited
2010 - 2015	Governor, Bank of Thailand
2014 - 2019	Member, State Enterprise Policy Committee
2017 - 2019	Chairman, Economic Reform Committee
2017 - 2019	Chairman, Public Procurement Committee
2017 - 2019	Member, Independent Commission for Education Reform

GICS Industry Experience: Retailing

2004 - 2010	President - Retail Banking and Financial Leasing at Kasikornbank PCL

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Suthikiati Chirathivat

Age 80 years
Authorized Director
Vice Chairman
Date of Appointment as a Director 6 September 2019 - Present

Education
- Diploma in Mechanical Engineering, South West Essex Technical College, UK
- Bachelor of Arts in Political Science, Ramkhamhaeng University
- Master of Arts in Political Science, Ramkhamhaeng University
- Honorary Doctorate Degree in Business Administration, College of Asian Scholars
- Honorary Doctorate Degree in Business Administration, Dhurakij Pundit University
- Honorary Doctorate Degree in Hotel and Tourism Studies, Kasem Bundit University
- Honorary Doctorate Degree in Mass Communications, Ramkhamhaeng University

Training organized by Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) 68/2008

Other Training
- Diploma, The Joint State-Private Sectors Class 1, Thailand National Defense College
- Diploma, The Modern Management Course Class 1, Thailand National Defense College
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company

2002 - Present	Director, Central Pattana Public Company Limited
2004 - Present	Chairman, Central Plaza Hotel Public Company Limited
2009 - Present	Chairman and Chairman of the Executive Committee, Bangkok Post Public Company Limited

Position in Other Company / Organization / Institution
66 Companies

Experiences

1984 - 1988	The Founder and Head of Thai Retailers Association, Thai Retailers Association
1991 - 1992	Member, National Legislative Assembly
1992 - 1996	Member, Senate of Thailand
2014 - 2015	Advisor to Chairman of the Constitutional Court, Constitutional Court of Thailand
2014 - 2016	Honorary Advisor, Thai Hainanese Trade Association

GICS Industry Experience: Retailing

1968 - Present	Assistant General Manager/Director, Harng Central Department Store Co., Ltd.
1981 - 2019	Director, Central Trading Co., Ltd.

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.6439%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
- Elder Brother of (1) Mr. Sudhitham Chirathivat (2) Prof.Dr. Suthiphand Chirathivat and (3) Mr. Suthilaksh Chirathivat
- Uncle of (1) Mrs. Yuwadee Chirathivat (2) Mr. Prin Chirathivat (3) Mr. Tos Chirathivat (4) Mr. Pichai Chirathivat and (5) Mr. Ty Chirathivat

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Sudhitham Chirathivat

Age 75 years
Authorized Director
Director
Date of Appointment as a Director 21 December 2021 - Present

Education
- Master of Business Administration - Operations Research IONA University, New York, USA
- Bachelor's Degree - Electrical Engineering, University of Maryland (College Park), USA

Training organized by Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) 37/2003
- Ethical Leadership Program (ELP) 25/2022

Other Training
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company

1995 - Present	Chairman, Central Pattana Public Company Limited
2003 - Present	Director, Central Plaza Hotel Public Company Limited
2010 - 2022	Chairman, Jasmine International Public Company Limited

Position in Other Company / Organization/Institution
68 Companies

Experiences

1990 - 2002	Managing Director and Chief Executive Officer, Central Pattana Public Company Limited
1996 - 2002	Chairman, Coffee Partners Company Limited (Starbucks-Thailand)
1998 - 2002	President and Founder, Thai Shopping Center Association
2001 - 2003	Advisor to the Minister of Commerce, The Ministry of Commerce
2006 - 2008	Member of the National Legislative Assembly
2007 - 2015	Advisory of the Nomination and Remuneration Committee, Central Pattana Public Company Limited
2009 - 2013	Chairman of the Executive Committee, Central Group of Companies Co., Ltd.
2011	Director, Big C Supercenter Public Company Limited
2015 - 19 DEC 2021	Independent Director, Chairman of the Risk Management Committee, Member of the Audit Committee, Member of the Nomination and Remuneration Committee, TV Thunder Public Company Limited
2018 - Present	Chairman, Grand Canal Land Public Company Limited (currently as Honorary Chairman)

GICS Industry Experience: Retailing

1992 - Present	Executive Vice President/Director, Harng Central Department Store Co., Ltd.
2009 - 2013	Chairman of the Executive Committee, Central Group of Companies Co., Ltd.

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.6644%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
- Younger Brother of Mr. Suthikiati Chirathivat
- Elder Brother of (1) Prof. Dr. Suthiphand Chirathivat and (2) Mr. Suthilaksh Chirathivat
- Uncle of (1) Mrs. Yuwadee Chirathivat (2) Mr. Prin Chirathivat (3) Mr. Tos Chirathivat (4) Mr. Pichai Chirathivat and (5) Mr. Ty Chirathivat

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mrs. Pratana Mongkolkul

Age 59 years
Independent Director, Chairman of the Audit Committee
Date of Appointment as a Director 6 September 2019 - Present

Education
- Bachelor of Accounting, Thammasat University
- Master of Business Administration, Thammasat University
- Certificate Advanced Management Program, Harvard Business School, Harvard University, USA

Training organized by Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) 34/2003
- Director Accreditation Program (DAP) 2/2003
- Advanced Audit Committee Program (AACP) 22/2016
- IT Governance and Cyber Resilience Program (ITG) 4/2017
- Risk Management Program for Corporate Leaders (RCL) 8/2017
- Ethical Leadership Program (ELP) 21/2021
- Director Leadership Certification Program (DLCP) 2/2021
- Board Nomination and Compensation Program (BNCP) 12/2021

Other Training
- Director Diploma Examination Year 2003, The Australian Institute of Directors Association
- Chief Financial Officer Certification Program Class 1/2004, Institute of Certified Accounting and Auditors of Thailand
- Executive Program Class 6/2008, Capital Market Academy
- Thai Intelligent Investors 1/2012, Thai Investors Association
- Public Director Certification Program Class 13/2015, King Prajadhipok's Institute
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Rationale 20/2017, King Prajadhipok's Institute
- Higher Intellectual Property Law Certificate (IP BAR 2021): Intellectual Property Challenges in the Next Normal 2021, The Central Intellectual Property and International Trade Court
- Higher International Trade Law Certificate: (IT BAR 2022): New Normal – Now Normal - Next Normal Discussion of Challenges to International Trade Laws: Principles and Guidelines, The Central Intellectual Property and International Trade Court.
- Mastercard Economics Institute's Global Outlook for the year, Economy 2022, Mastercard
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company

2015 - Present	Independent Director, Chairman of the Risk Management Committee, Member of the Audit Committee, Member of the Nomination Remuneration and Good Corporate Governance Committee, FN Factory Outlet PLC.
2017 - Present	Independent Director and Chairman of the Audit Committee, Rojukiss International PLC.
2019 - Present	Independent Director, TBSP Public Company Limited (currently named as Plus Tech Innovation Public Company Limited)
2020 - Present	Independent Director, Member of Audit Committee, Member of the Nomination and Remuneration Committee, Member of the Corporate Governance Committee, Total Access Communication PLC.

Position in Other Company / Organization / Institution
8 Companies 4 Organizations

Experiences

1992 - 1998	Senior Vice President of Finance and Accounting Department, Central Pattana Public Company Limited
1998 - 2012	Director and Group Chief Financial Officer, Minor International Public Company Limited
2007 - 2011	Director, S&P Syndicate Public Company Limited
2007 - 2011	Independent Director, Chairman of Audit Committee, Thoresen Thai Agencies Public Company Limited
2012 - 2015	Director and Chairman of Executive Committee, MC Group PLC.
2013 - 2019	Independent Director, Member of the Audit Committee, T.K.S. Technologies PLC.
2014 - 2017	Independent Director and Member of the Executive Committee, Dusit Thani PLC.
2014 - 2018	Member of Board Commissioners, Chairman of the Audit Committee, Port Authority of Thailand
2015 - 2017	Director, Member of the Executive Committee, Government Saving Bank
2015 - 2019	Director, Chairman of the Audit Committee, Thailand Post Company Limited
2017 - 2020	Director, Member of Executive Board Committee, Thai Airways International PLC.
2018 - 2019	Board of Trustees and Chairman of the Audit Committee & Risk Management, Dhurakij Bundit University
JUL - NOV 2022	Director, Pomelo Fashion Company Limited
2014 - Present	Associate Judge of The Central Intellectual Property and International Trade Court

GICS Industry Experience: Retailing (1992 - 2022)
- Director, FN Factory Outlet Public Company Limited
- Director, Pomelo Fashion Company Limited
- Director and Group Chief Financial Officer, Mc Group Public Company Limited
- Group Chief Financial Officer, Minor International Public Company Limited
- Senior Vice President of Finance & Accounting Department, Central Pattana Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9
- The Audit Committee Meeting 12/12

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mrs. Patareeya Benjapolchai

Age 68 years
Independent Director, Chairman of the Corporate Governance and Sustainability Committee, Member of the Audit Committee, and Member of the Risk Policy Committee
Date of Appointment as a Director 6 September 2019 - Present

Education
- Bachelor of Accountancy (Accounting), Chulalongkorn University
- Master of Business Administration, Thammasat University
- Certificate, Advanced accounting and Auditing, Chulalongkorn University

Training organized by Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) 1/2000
- Financial Institutions Governance Program (FGP) 1/2010
- Director Certification Program Update (DCPU) 2/2014
- Director Certification Program refresher course (DCP) 2/2014
- Driving Company Success with IT Governance (ITG) 2/2016
- Ethical Leadership Program (ELP) 12/2018
- Director Leadership Certification Program (DLCP) 0/2021
- Advanced Audit Committee Program (AACP) 42/2021

Other Training
- Executive Program Class 1/2005, Capital Market Academy
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (PDI 13/2010), King Prajadhipok's Institute
- IOD (UK) Annual Convention 2016 "Thriving in a Changing World" The Institute of Directors (UK)
- IOD (Singapore) 2017 Flagship Conference "The Sustainability Imperative" Singapore Institute of Directors (SID)
- Mastercard Economics Institute's Global Outlook for the year, Economy 2022, Mastercard
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company

2020 - Present	Independent Director and Chairman of the Risk Management and Sustainability Committee, Interlink Communication Public Company Limited

Position in Other Company / Organization / Institution

2013 - Present	Independent Director and Chairman of the Audit Committee, Bangkok Glass Public Company Limited
2013 - Present	Director of Revolving Fund Evaluation Committee, Ministry of Finance
2013 - Present	Member of the SET AWARD Committee as an Expertise for Corporate Governance and Social Responsibilities, The Stock Exchange of Thailand
2017 - Present	Subcommittee on Acquisition of Securities for Business Takeover, The Securities and Exchange Commission
2019 - Present	Independent Director and Member of the Audit Committee, Glow Energy Public Co., Ltd.

Experiences

2006 - 2010	President, The Stock Exchange of Thailand/Chairman, Thailand Securities Depository Co., Ltd.
2013 - 2017	Directors' Responsibilities Steering Committee, The Securities and Exchange Commission
2010 - 2021	Associate Judge/The Central Intellectual Property and International Trade Court
2011 - 2019	Independent Director and Audit Committee, Chairman of the Corporate Governance Committee, TISCO Financial Group Public Company Limited
2011 - 2017	Ethics Committee, Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
2013 - 2019	Director, Thai Institute of Directors Association
2014 - 2019	Independent Director, MCOT Public Company Limited
2016 - 2021	Independent Director, Thaicom Public Company Limited
2017 - 2019	Advisor for Civil Penalties Measurement, The Securities and Exchange Commission
2020 - 2022	Independent Director and Member of the Audit Committee, ANZ BANK (THAI) Public Company Limited

GICS Industry Experience: Retailing
-None-

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9
- The Audit Committee meeting 12/12
- The Risk Policy Committee meeting 5/5
- The Corporate Governance and Sustainability Committee meeting 5/5

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Roongrote Rangsiyopash

Age 59 years
Lead Independent Director, Chairman of the Nomination and Remuneration Committee
Date of Appointment as a Director 26 February 2022 - Present

Education
- MBA, Harvard Business School, U.S.A.
- M.S. (Industrial Engineering), University of Texas at Arlington, U.S.A.
- B.E. (Mining), Chulalongkorn University

Training organized by Thai Institute of Directors Association (IOD)
- Directors Accreditation Program (DAP) 2004

Other Training
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Position in Other Company / Organization / Institution
- 2015 - Present Director, President, Member of CSR Committee for Sustainable Development The Siam Cement Public Company limited

Other Position in Other Company / Organization / Institution
7 Companies 22 Organizations

Experiences

2011 - 2015	Chairman of the Board of Directors and Executive Committee, Thai British Security Printing Public Company Limited
2011 - 2015	Chairman, Thai Cane Paper Public Company Limited
2011 - 2015	President, SCG Paper Public Company Limited (currently named as SCG Packaging Public Company Limited)
2012 - 2015	Director, Thai Plastic and Chemicals Public Company Limited
2013 - 2014	Expert Member, Government Pension Fund (GPF) Board of Directors
2013 - 2014	Chairman of Risk Management Sub-committee, Government Pension Fund (GPF)
2013 - 2015	Executive Director, Giga Impact Initiative Board, National Science and Technology Development Agency (NSTDA)
2015	Executive Vice President, The Siam Cement Public Company Limited
2017 - 2018	Committee, Steering Committee on the Reforming Support for THAILAND 4.0 Policy
2017 - 2019	Advisory, Chulalongkorn University Alumni Association
2017 - 2021	Director on Industrial and Organizational Phycology, Political System Development Committee
2018 - 2019	Advisory, Chulalongkorn University Engineering Alumni

GICS Industry Experience: Retailing
2016 - 2019 Director, SCG Distribution Company Limited

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9
- The Nomination and Remuneration Committee meeting 3/3

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Sompong Tantapart

Age 65 years
Independent Director, Member of the Audit Committee,
Member of the Nomination and Remuneration Committee
Date of Appointment as a Director 6 September 2019 – Present

Education
- Bachelor of Accounting, Thammasat University
- Master of Public Administration (M.P.A.), Chulalongkorn University

Training organized by Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) 210/2015
- Advanced Audit Committee Program (AACP) 33/2019
- Ethical Leadership Program (ELP) 23/2021

Other Training
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company

2021 - Present	Independent Director, Chairman of the Audit Committee, S Hotels and Resorts Public Company Limited
2019 - Present	Independent Advisor, Bangkok Commercial Asset Management Public Company Limited

Position in Other Company / Organization / Institution
-None-

Experiences

2014 - 2016	Deputy Director-General of the Revenue Department
2014 - 2018	Director, Erawan Hotel Public Company Limited
2014 - 2018	Director, Dhanarak Asset Development Public Company Limited
2016 - 2018	Principal Advisor on Strategic Tax Administration, The Revenue Department of Thailand
2019 - OCT 2021	Independent Director, Chairman of the Board and Chairman of the Audit Committee, S Hotels and Resorts Public Company Limited

GICS Industry Experience: Retailing
-None-

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Meeting attendance in 2022

Annual General Meeting of Shareholders 2022	1/1
The Board of Directors meeting	9/9
The Audit Committee Meeting	12/12
The Nomination and Remuneration Committee meeting	4/4

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Kanchit Bunajinda

Age 55 years
Independent Director, Chairman of the Risk Policy Committee
Date of Appointment as a Director 6 September 2019 - Present

Education
- Bachelor of Engineering, Civil Engineering, Chulalongkorn University
- MBA (Finance), Sasin Graduate Institute of Business Administration of Chulalongkorn University

Training organized by Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) 30/2003
- Director Accreditation Program (DAP) 35/2005
- Audit Committee Program (ACP) 14/2006
- Monitoring the Quality of Financial Reporting (MFR) 8/2009
- Monitoring the System of Internal Control and Risk Management (MIR) 6/2009
- Monitoring the Internal Audit Function (MIA) 5/2009
- Director Leadership Certification Program (DLCP) 0/2021

Other Training
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company

2016 - Present	Independent Director, Member of Enterprise Risk Policy Committee, Member of the Nomination and Remuneration Committee, KCE Electronics Public Company Limited
2020 - Present	Independent Director, Chairman of the Risk Policy Committee, Member of the Nomination and Remuneration Committee, Bluebik Group Public Company Limited

Position in Other Company / Organization / Institution

2016 - Present	Director, Thai Listed Companies Association
2019 - Present	Director, Kallayanamit Chucherd Company Limited
2022 - Present	Director, Koon Tree Holdings Company Limited
2022 - Present	Independent Director and Member of the Audit Committee, Card X Company Limited

Experiences

2003 - 2015	Director, Central Pattana Public Company Limited
2006 - 2015	Director, Pruksa Real Estate Public Company Limited
2009 - 2018	Director, Robinson Public Company Limited
2014 - 2017	Director, ZEN Corporation Group Public Company Limited

GICS Industry Experience: Retailing

2009 - 2018	Director, Robinson Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9
- The Risk Policy Committee meeting 5/5

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Prof.Dr. Suthiphand Chirathivat

Age 69 years
Authorized Director
Director, Member of the Nomination and Remuneration Committee
Date of Appointment as a Director 13 November 2020 - Present

Education
- License ès Sciences Economiques (Economics), Aix-Marseille University
- Maitrise ès Sciences Economiques (Economics), Aix-Marseille University
- D.E.A en Sciences Economiques (Economics), Paris I - Pantheon-Sorbonne University
- Doctorat de 3e cycle ès Sciences Economiques (Economics)

Training Programs
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company
-None-

Position in Other Company / Organization / Institution
10 Companies

Experiences

2004 - 2014	Director - Economic, National Research Council of Thailand
2005 - 2008	Chairman of Economics Research, Faculty of Economics, Chulalongkorn University
2006 - 2008	Chairman of Doctor of Philosophy (Economics) Program, Chulalongkorn University
2007 - 2015	International Advisory Board, ASEAN Economic Bulletin
2014 - 2018	Vice Chairman - Economic, National Research Council of Thailand

GICS Industry Experience: Retailing
-None-

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.7271%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
- Younger Brother of (1) Mr. Suthikiati Chirathivat and (2) Mr. Sudhitham Chirathivat
- Elder Brother of Mr. Suthilaksh Chirathivat
- Uncle of (1) Mrs. Yuwadee Chirathivat (2) Mr. Prin Chirathivat (3) Mr. Tos Chirathivat (4) Mr. Pichai Chirathivat and (5) Mr. Ty Chirathivat

Meeting attendance in 2022

Annual General Meeting of Shareholders 2022	1/1
The Board of Directors meeting	9/9
The Nomination and Remuneration Committee Meeting	4/4

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mrs. Yuwadee Chirathivat

Age 69 Years
Authorized Director
Director and Member of the Executive Committee
Date of Appointment as a Director 6 September 2019 - Present

Education
- Bachelor of Arts (Second Class Honors), Thammasart University
- Master of Science in Journalism, Northwestern University, USA

Training organized by Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) 111/2014
- Ethical Leadership Program (ELP) 21/2021

Other Training
- Diploma, The Joint State-Private Sectors Course, Class 18, Thailand National Defense College
- High level manager on business in industrial and Investment Development, Class 1, Institute of Business and Industrial Development
- Executive Program Class 19, Capital Market Academy
- Certificate Course in Good Governance for Medical Executives, Class 8, King Prajadhipok's Institute and the Medical Council of Thailand
- Mastercard Economics Institute's Global Outlook for the year, Economy 2022, Mastercard
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company
-None-

Position in Other Company / Organization / Institution
32 Companies

Experiences

1996 - 2013	President, Central Department Store Company Limited
2014 - 2017	CEO and President - Department Store Group, Central Group of Companies Company Limited

GICS Industry Experience: Retailing

1981 - 1996	Managing Director, Central Department Store Co., Ltd.
1996 - 2013	President, Central Department Store Company Limited
2014 - 2017	Chief Executive Officer and President, Central Group

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.2824%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
- Nephew of (1) Mr. Suthikiati Chirathivat (2) Mr. Sudhitham Chirathivat (3) Prof.Dr. Suthiphand Chirathivat and (4) Mr. Suthilaksh Chirathivat
- Elder Sister of (1) Mr. Prin Chirathivat and (2) Mr. Tos Chirathivat
- Cousin of (1) Mr. Pichai Chirathivat and (2) Mr. Ty Chirathivat

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9
- The Executive Committee meeting 19/19

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Suthilaksh Chirathivat

Age 67 years
Authorized Director
Director
Date of Appointment as a Director **6 September 2019 - Present**

Education
- Bachelor of Political Science, Chulalongkorn University
- Master of Business Administration, University of New Haven, USA

Training organized by Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) 100/2013

Other Training
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company
-None-

Position in Other Company / Organization / Institution
76 Companies

Experiences

2010 - 2017	Director, Central Embassy Plaza Company Limited

GICS Industry Experience: Retailing

2538 - 2560	Business Development/Executive Director and Chief Operating Officer Central Retail Corporation Co., Ltd.
2537 - Present	Director, Harng Central Department Store Co., Ltd.

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.7444 %
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
- Younger Brother of (1) Mr. Suthikiati Chirathivat and (2) Mr. Sudhitham Chirathivat (3) Prof.Dr. Suthiphand Chirathivat
- Uncle of (1) Mrs. Yuwadee Chirathivat (2) Mr. Prin Chirathivat (3) Mr. Tos Chirathivat (4) Mr. Pichai Chirathivat and (5) Mr. Ty Chirathivat

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Prin Chirathivat

Age 60 years
Authorized Director
Director, Member of the Risk Policy Committee
Date of Appointment as a Director 6 September 2019 – Present

Education
- Bachelor of Science (Accounting), Skidmore College, USA
- Master of Business Administration, SASIN Graduate Institute of Business Administration Chulalongkorn University

Training organized by Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) 2/2000
- Director Accreditation Program (DAP) 35/2005
- Audit Committee Program (ACP) 6/2005
- Role of the Chairman Program (RCP) 11/2005
- Monitoring the Internal Audit Function (MIA) 1/2007
- Monitoring the System of Internal Control and Risk Management (MIR) 1/2007
- Monitoring the Quality of Financial Reporting (MFR) 7/2009
- Monitoring Fraud Risk Management (MFM) 1/2009
- Advanced Audit Committee Program (AACP) 1/2009
- Corporate Governance for Capital Market Intermediaries (CGI) 20/2018
- Advanced Audit Committee Program, AACP 39/2021

Other Training
- Institute of Security Psychology, Class 73
- Advanced Certificate Course in Public Economics Management for Executives, Class 4 ,King Prajadhipok's Institute
- Executive Program Class 1, Capital Market Academy
- The Program of Senior Executive on Justice Administration Class 13/2008, Judicial Training Institute
- The Joint State - Private Sectors Course, Class 22, National Defense College
- Executive Development Training Program Year 2019, Royal Thai Police
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company

1994 - Present	Director, Member of Nomination and Compensation Committee, Member of Risk Management and Corporate Governance Committee, Central Plaza Hotel Public Company Limited
1995 - Present	Director, Member of Risk Policy Committee and Advisory of the Nomination and Remuneration Committee, Central Pattana Public Company Limited
2012 - Present	Director, Member of Audit Committee, Bumrungrad Hospital Public Company Limited

Position in Other Company / Organization / Institution
129 Companies

Experiences

1999 - 2012	Director, Malee Sampran Company Limited
2003 - 2012	Director, Bualuang Securities Public Company Limited
2006 - 2022	Director, Robinson Public Company Limited

GICS Industry Experience: Retailing

2002 - Present	Deputy Group Chief Executive Officer at Central Group
2006 - 2022	Director Robinson Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.4065%
- Held by spouse or minor children : 0.2654%

Family Relationship among Directors and Executives
- Nephew of (1) Mr. Suthikiati Chirathivat (2) Mr. Sudhitham Chirathivat (3) Prof.Dr. Suthiphand Chirathivat and (4) Mr. Suthilaksh Chirathivat
- Younger Brother of Mrs. Yuwadee Chirathivat
- Elder Brother of Mr. Tos Chirathivat
- Cousin of (1) Mr. Pichai Chirathivat and (2) Mr. Ty Chirathivat

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors meeting 9/9
- The Risk Policy Committee Meeting 5/5

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Tos Chirathivat

Age 58 years
Authorized Director
Director, Chairman of the Executive Committee,
Member of the Nomination & Remuneration Committee
Date of Appointment as a Director 6 September 2019 - Present

Education
- Bachelor's Degree - Economics, Wesleyan University, USA
- Master of Business Administration - Finance, Columbia University, USA
- Honorary Doctorate Degree of Arts in International Business Management, Bangkok University

Training organized by Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) Class 188/2021

Other Training
- Executive Program Class 3/2006, Capital Market Academy
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company
-None-

Position in Other Company / Organization / Institution
53 Companies

Experiences

2014 - Present	Executive Chairman and Chief Executive Officer, Central Group Company Limited
2010 - Present	Director, Central Embassy Hotel Company Limited

GICS Industry Experience: Retailing

2014 - Present	Executive Chairman and Chief Executive Officer of Central Group
2002 - 2014	Chief Executive Officer of Central Retail Corporation Co., Ltd.

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.6377%
- Held by spouse or minor children : 0.0008%

Family Relationship among Directors and Executives
- Nephew of (1) Mr. Suthikiati Chirathivat (2) Mr. Sudhitham Chirathivat (3) Prof.Dr. Suthiphand Chirathivat and (4) Mr. Suthilaksh Chirathivat
- Younger Brother of (1) Mrs. Yuwadee Chirathivat and (2) Mr. Prin Chirathivat
- Cousin of (1) Mr. Pichai Chirathivat and (2) Mr. Ty Chirathivat

Meeting attendance in 2022

Annual General Meeting of Shareholders 2022	1/1
The Board of Directors Meeting	8/9
The Nomination and Remuneration Committee Meeting	4/4
The Executive Committee Meeting	19/19

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Pichai Chirathivat

Age 61 years
Authorized Director
Director, Member of the Corporate Governance and Sustainability Committee
Date of Appointment as a Director 6 September 2019 – Present

Education
- Bachelor of Business Administration, Azusa Pacific University, USA
- Master of Business Administration (Marketing), Pitzer College, USA

Training organized by Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) No. 169/2020

Other Course
- Strategic Planning & Management in Retailing, Intercontinental Group of Department Stores (IGDS)
- Diploma, The National Defense Course Class 53, National Defense College
- Executive Program Class 22, Capital Market Academy
- Executive Management with Business Development and Investment Class 5, Institute of Business and Industrial Development
- Advanced Security Management Program (ASMP) Class 4, National Defense College
- Senior Executive Development Training Program, Royal Thai Police
- ISP, Institute of Security Psychology
- Mastercard Economics Institute's Global Outlook for the year, Economy 2022, Mastercard
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company
2012 - Present Director, Malee Group Public Company Limited

Position in Other Company / Organization/Institution
26 Companies

Experiences
2003 - 2016 Chief Executive Officer, Central Trading Company Limited

GICS Industry Experience: Retailing
1995 - 2016 Vice President, Procurement at Central Department Store Co., Ltd.

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.8826%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
- Nephew of (1) Mr. Suthikiati Chirathivat (2) Mr. Sudhitham Chirathivat (3) Prof.Dr. Suthiphand Chirathivat and (4) Mr. Suthilaksh Chirathivat
- Cousin of (1) Mrs. Yuwadee Chirathivat (2) Mr. Prin Chirathivat (3) Mr. Tos Chirathivat and (4) Mr. Ty Chirathivat

Meeting attendance in 2022
- Annual General Meeting of Shareholders 2022 1/1
- The Board of Directors Meeting 9/9
- The Corporate Governance and Sustainability Committee meeting 5/5

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Yol Phokasub

Age 61 years
Authorized Director
Director / Member of the Executive Committee / Member of the Risk Policy Committee / Member of the Corporate Governance and Sustainability Committee / Chief Executive Officer
Date of Appointment as a Director 6 September 2019 – Present

Education
- Bachelor of Engineering (Honors) in Computer Science and Software Engineering, Imperial College, University of London, UK

Training organized by Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) 120/2015
- Ethical Leadership Program (ELP) 21/2021
- Directors Certification Program (DCP) 313/2021
- IOD National Director Conference 2022 - Wisdom for Future: Harmonizing the Diverse Boards

Other Training
- Executive Program Class 13/2021, Capital Market Academy
- The Executive Program in Energy Literacy for a Sustainable Future Class 7/2016, Thailand Energy Academy
- Mastercard Economics Institute's Global Outlook for the year, Economy 2022, Mastercard
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group

Board Member / Management in Other Listed Company

2017 - Present	Chairman, Synergetic Auto Performance Public Company Limited

Position in Other Company / Organization/Institution
13 Companies

Experiences

2009 - 2015	Chairman, SCB Asset Management Ltd.
2011 - 2015	Vice Chairman of the Board, SCB Life Assurance Public Company Limited
2013 - 2016	Member of the Advisor Board, Master Card Asia Public Company Limited
2015 - 2016	Director, Mrigadayavan Palace Foundation
2015 - 2016	Director, Siam Commercial Foundation
2015 - 2016	President, Siam Commercial Bank Public Company Limited

GICS Industry Experience: Retailing

1992 - 2006	Vice Chairman and Director of Unilever Thailand Co., Ltd. Managing Director of Unilever Thai Trading Co., Ltd Managing Director of Unifoods Thailand Co., Ltd.
2006 - 2007	Chief Operating Officer of Dutch Mill Group

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.0068%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

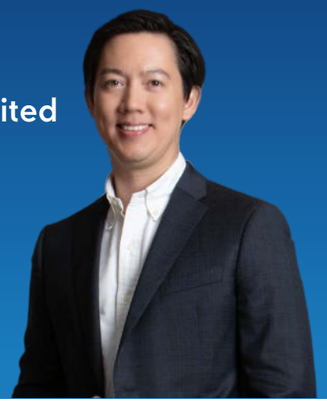
Meeting attendance in 2022

Annual General Meeting of Shareholders 2022	1/1
The Board of Directors Meeting	9/9
The Risk Policy Committee Meeting	5/5
The Executive Committee Meeting	19/19
The Corporate Governance and Sustainability Committee meeting	5/5

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Managements
Central Retail Corporation Public Company Limited

Mr. Ty Chirathivat



Age 45 years
Being person in charge of Finance and Accounting
Member of the Executive Committee, Chief Financial Officer
Date of Appointment 1 March 2022 – Present

Education
- Bachelor's Degree - Economics and Accounting, Claremont McKenna College, USA

Training organized by Thai Institute of Directors Association (IOD)
-None-

Other Training
- CFO's Refresher Course 2022

Board Member / Management on Other Listed Company
-None-

Position in Other Company / Organization / Institution
- 18 Companies

Experiences

AUG 2020 - JAN 2022	Deputy CFO, Central Retail Corporation Public Company Limited
DEC 2019	Head of Strategy & Growth, Central Retail Corporation Public Company Limited
DEC 2018 - NOV 2019	Head of Leasing (Fashion), Central Pattana Public Company Limited
OCT 2014 - MAR 2017	SVP Commercial Management & Business Development , Central Marketing Group
MAR 2011 - JUN 2018	Vice President, Central Department Store Company Limited Branch in China

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.3038%
- Held by spouse or minor children : 0.0017%

Family Relationship among Directors and Executives
- Nephew of (1) Mr. Suthikiati Chirathivat (2) Mr. Sudhitham Chirathivat (3) Prof.Dr. Suthiphand Chirathivat and (4) Mr. Suthilaksh Chirathivat
- Cousin of (1) Mrs. Yuwadee Chirathivat (2) Mr. Prin Chirathivat (3) Mr. Tos Chirathivat and (4) Mr. Pichai Chirathivat

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Olivier Langlet

Age 53 years
Chief Executive Officer – Vietnam
Date of Appointment 1 June 2021 – Present

Education
- Bachelor Degree, Major in Economics, University of Jemeppe, Belgium
- Master Degree, Major in Foreign Trade and International Relations, University of Liege, Belgium

Training Program
- Culture Workshop 2021, Central Retail Vietnam
- Leader as a Coach Executive Class (LAC) 2022, Central Retail Academy - Central Retail Vietnam

Board Member / Management in Other Listed Company
-None-

Position in Other Company / Organization / Institution
-None-

Experiences

2021 - Present	Group Chief Executive Officer, Central Retail Vietnam/Retail Business
2019 - 2021	Chief Executive Officer, Marko Cash & Carry Czech Republic/Retail Business
2018 - 2019	Chief Executive Officer, Marko Cash & Carry Ukraine/Retail Business

Shareholding (Ordinary shares) (as at 31 January 2023)
- Held personally : -None-
- Held by Spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Pierluigi Cocchini

Age 54 years
Chief Executive Officer – Rinascente
Date of Appointment 6 September 2019 – Present

Education
- Scientific High School - Galileo Galilei Institute - Ciriè - (Torino), Italy

Training Program
-None-

Board Member / Management in Other Listed Company
-None-

Position in Other Company / Organization / Institution
-None-

Experiences

2017 - Present	Chief Executive Officer, La Rinascente S.p.A.
2014 - 2017	Sales Director, La Rinascente S.p.A

Shareholding (Ordinary shares) (as at 31 January 2023)
- Held personally : -None-
- Held by Spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Philippe Jean Broianigo

Age 62 years
Chief Executive Officer – Property and Business Development
Date of Appointment 6 September 2019 – Present

Education
- Post-graduate Diploma, Sales and Marketing Techniques, University of Nice, France
- Master's Degree - Management, University of Nice, France

Training Programs
-None-

Board Member / Management in Other Listed Company
-None-

Position in Other Company / Organization / Institution
12 Companies

Experiences

2021 - Present	Chief Executive Officer, Property & Business Development - Central Group Vietnam
2014 - 2021	Vietnam Chief Executive Officer - Central Group Vietnam

Shareholding (Ordinary shares) (as at 31 January 2023)
- Held personally : 0.0012%
- Held by Spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mr. Yingyai Eumkhrong

Age 38 years
Person in charge of accounting
Vice President - Finance and Accounting
Date of Appointment 6 September 2019 – Present

Education
- Bachelor of Accounting (First-class Honor), Thammasat University
- Master of Accountancy (Academic Excellence), Chulalongkorn University

Training Programs
- Professional Accountant Certificate (PAC) Program of TFAC
- Management Acceleration Program by Central Group x SEAC x RISE
- Management 2 Development Program by Central Group x ACCOMM x SEAC
- Completed Continuing Professional Development (CPD) courses of Year 2022, according to the requirement

Board Member / Management in Other Listed Company
-None-

Position in Other Company / Organization / Institution
-None-

Experiences

2011 - 2015	AVP – Accounting Policy Specialist, TMB Bank Public Company Limited
2015	AVP – Accounting, Sumitomo Mitsui Trust Bank (Thai) Public Company Limited
2016 - 2018	GM – International Finance and Accounting Support, Central Group (Thailand)
2018 - Present	Head of Finance and Accounting, Central Retail Corporation Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.0001%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives
-None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

Mrs. Ngamchit Kiattanavith

Age 54 years
Vice President - Company Secretary Office
as the Company Secretary
Date of Appointment 21 May 2019 – Present

Education
- Bachelor of Science (Economics), Kasetsart University
- MBA (Finance) Sasin Graduate Institute of Business Administration of Chulalongkorn University

Training organized by Thai Institute of Directors Association (IOD)
- Company Secretary Program (CSP) 92/2018
- Company Reporting Program (CRP) 22/2018
- Effective Minutes Taking (EMT) 42/2018
- Anti-Corruption the Practical Guide (ACPG) 46/2018
- Road to Certified 2020
- Road to Join CAC 3/2020
- Company Secretary Refresh Program (RFP) 4/2021
- Company Secretary Forum 1/2022: Company Secretary Challenges in Building Trust in the Boardroom

Other Training
- Certificate of Good Governance for Middle-Level Executive (Class 19), King Prajadhipok's Institute
- CGR Workshop 2020 "Enhancing Good Corporate Governance based on CGR Scorecard, The Stock Exchange of Thailand
- THSI 2021
- Mastercard Economics Institute's Global Outlook for the year, Economy 2022, Mastercard
- Thailand Economic Outlook (2H2022 & 2023) and implications to the retail sector, Kiatnakin Phatra Financial Group
- Insight in SET - Class 1/2022, The Stock Exchange of Thailand

Board Member / Management in Other Listed Company -None-

Position in Other Company 1 Company 1 Organization

Experiences

2012 - 2016	Manager, Stock Exchange Compliance Department, Thai Airways International Public Company Limited
2017 - 2019	Director, Corporate Compliance and Governance Department, Thai Airways International Public Company Limited

Shareholdings (Ordinary Shares) (as at 31 January 2023)
- Held personally : 0.0005%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives -None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)
-None-

1.2 The Company Secretary and agents scope of duties and responsibilities

1.2.1 The Company Secretary's scope of duties and responsibilities

To comply with Section 89/15 of the Securities and Exchange Act, the Board of Directors' meeting of the Company No. 6/2019 on 13 May 2019 had a resolution to appoint Mrs. Ngamchit Kiattanavith as the company secretary of the Company which shall have scope of duties and responsibilities as follows:

(1) Prepare and maintain all documents relating to the Company's statutory register of directors, the Board of Directors' meeting invitations, meeting minutes and supporting documents, Annual Reports, shareholders' meeting invitation, meeting minutes and supporting documents.

(2) Send conflict of interest reports prepared by directors and executives as per Section 89/14 of the Securities and Exchange Act to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven (7) days of the receipt of each report and maintain and keep record of conflict-of-interest reports submitted by directors and executives.

(3) Provide initial advices regarding to regulations, laws and Company's rules to the Board of Directors and executives and regular follow up, as well as report the significant changes in regulations and/or laws to the Board of Directors and executives.

(4) Coordinate and follow up the Company's compliance with laws, regulations, rules, the Board of Directors' resolutions and shareholders' meeting resolutions and the good corporate governance policy.

(5) Organize the Board of Directors meetings and shareholders' meeting according to applicable laws, the Company's rules and practices.

(6) Ensure that appropriate information disclosure and information reports are submitted to the related regulators as required.

(7) Ensure that the Board of Directors activities and any actions are in line with the laws and or the regulations of the Thai Capital Market Supervisory Board or as assigned by the Board of Directors.

In addition, the company secretary of the Company has a responsibility to oversee, promote, and encourage the implementation of good corporate governance practices and compliance with various regulations and guidelines set by regulatory and assessment bodies.

1.2.2 Responsibility of agents (overseas)

-None-

CENTRALRETAIL

Central Retail Corporation Public Company Limited
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