

CENTRAL**RETAIL**



ELEVATING EXCELLENCE
SUSTAINABLE FUTURE

Annual Registration Statement | Annual Report 2023
(Form 56-1 One Report)

CONTENTS

Vision and Mission, Principles, and Purpose	4
Core Values	6
Central Retail Ecosystem	8
Financial Highlights	14
Message from the Board of Directors	16
Board of Directors	20
Managements	22
Awards and Recognitions	23
▲ PART 1 Business Overview and Performance	
1. Business Structure and Operations	35
2. Risk Management	175
3. Business Sustainability Development	195
4. Management Discussion and Analysis (MD&A)	221
5. General Information	245
▲ PART 2 Corporate Governance	
6. Corporate Governance Policy	283
7. Corporate Governance Structure and Key Data on the Board of Directors, Sub-Committees, Management, Employees, and Others	301
8. Report on Corporate Governance	341
9. Internal Control and Connected Transactions	377
▲ PART 3 Financial Statements	417
Glossary of Terms and Retailing Terms	504

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 and the representative for contract in case of foreign company	507
	1.2 The Company Secretary and agents scope of duties and responsibilities	544
	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 the aforementioned information on website same as it was disclosed in this report."

VISION AND MISSION PRINCIPLES AND PURPOSE

PRINCIPLES

Honesty, Diligence and
Commitment to Customers



VISION & MISSION

To be the best and most admired
customer-centric and comprehensive
omnichannel retail and wholesale platform,
committing to sustainable growth
wherever we operate



PURPOSE

Central to Life

▲ CORE VALUES BECAUSE WE CARE...I·CARE

The Company 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:



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.



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.



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.



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.

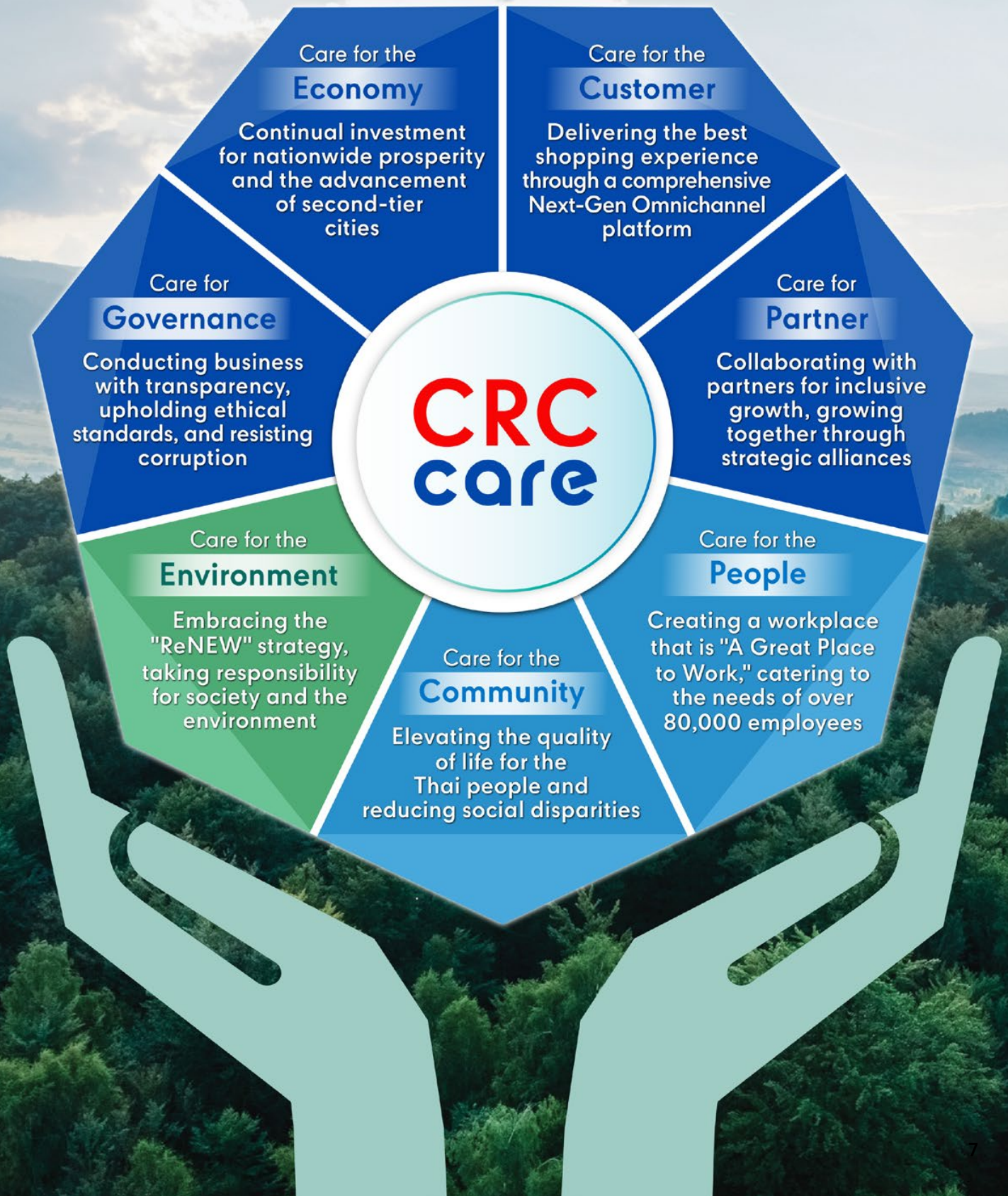


Respect of ethics in business operations

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.

Guided by the Business Philosophy "CRC Care,"

Central Retail has grown alongside the Thai people for over 80 years

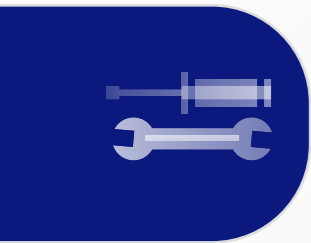


▲ MULTI CATEGORY



Food Central to Everyday Consumption

Provides a wide range of consumer products and products which could be found in mini supermarket and wholesale stores under various retail and wholesale brands, such as Tops, Tops Food Hall, Tops Fine Food, Tops Daily, GO Wholesale, Big C / GO!, Tops market Vietnam, go! Vietnam, and Lan Chi Mart Vietnam



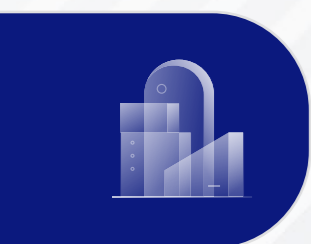
Hardline Central to Everyday Living

Consists of home decoration, home improvement, electronic products, stationery, office supplies, and e-Book under retail brands, such as Thaiwatsadu, Thaiwatsadu x BnB home, BnB home, Power Buy, OfficeMate, B2S, MEB, and Nguyen Kim Vietnam



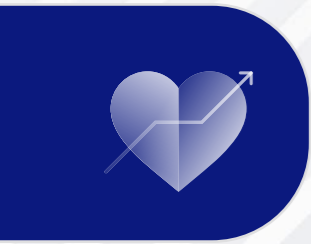
Fashion Central to Everyday Style

Offers apparel and accessories under retail brands, such as Central Department Store, Robinson Department Store, Rinascente Department Store, Supersports, and Brandshop



Property Central to Everyday Life

Provides rental space for stores under the Company, including stores and services for the public such as Robinson Lifestyle, Tops Plaza and Big C / GO! Vietnam



Health and Wellness Central to Everyday Health

Focuses on providing healthcare products, cosmeceuticals, and pet products under retail brands such as Tops Care, Tops Vita, and PET 'N ME



▲ MULTI FORMAT

Physical Platform



Department Store



Retail Plaza



Supermarket



Mini Supermarket



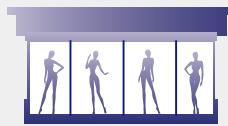
Wholesale Store



Hypermarket



Specialty Store



Brandshop



Sales Counter

Digital Platform



Webstore



Mobile Application



Quick Commerce



Marketplace



Personal Shopper



Call & Shop



Chat & Shop



Social Commerce



e-Ordering



Call Center

MULTI MARKET

As of 31 December 2023



Thailand

60 Provinces

1,755 Stores

Total Net Selling Space
3,142,994 sq.m.

33 Plazas

Total Net Leasable Space
531,162 sq.m.



Vietnam

42 Provinces

133 Stores

Total Net Selling Space
354,913 sq.m.

39 Plazas

Total Net Leasable Space
212,324 sq.m.



Italy

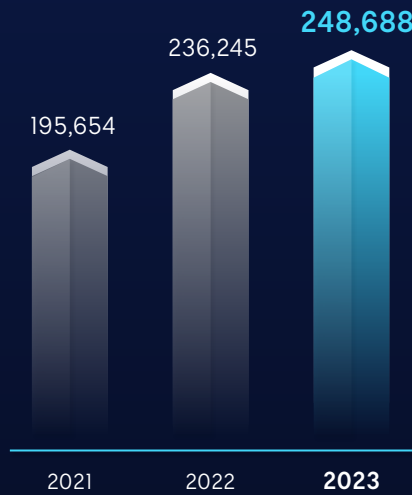
8 Cities

9 Stores

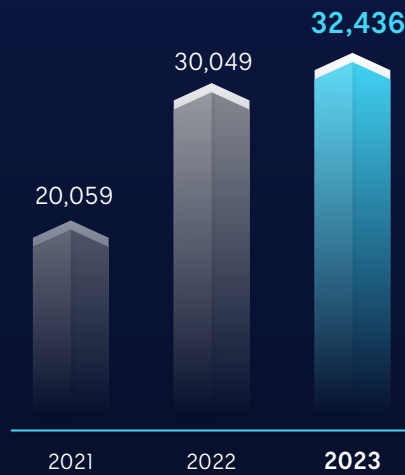
Total Net Selling Space
59,871 sq.m.

Financial Highlights

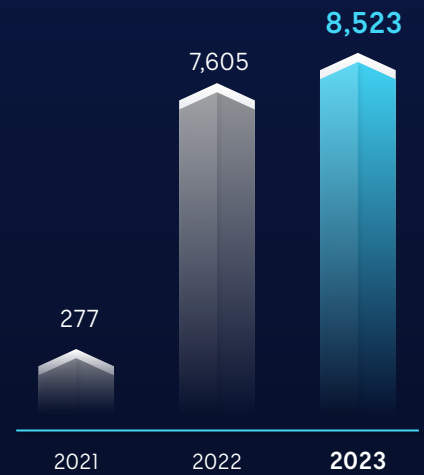
1. Total Revenue (THB million)



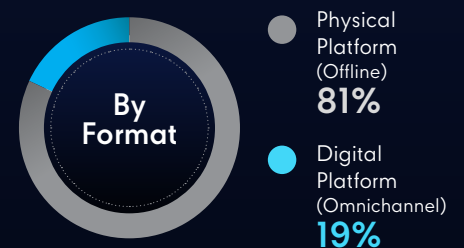
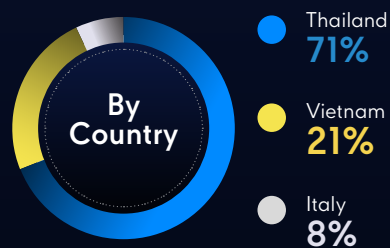
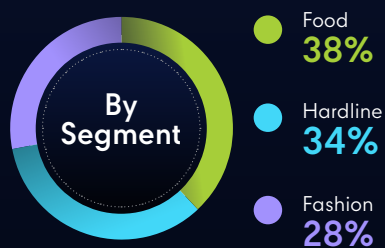
2. EBITDA (THB million)



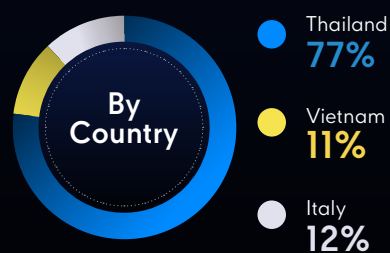
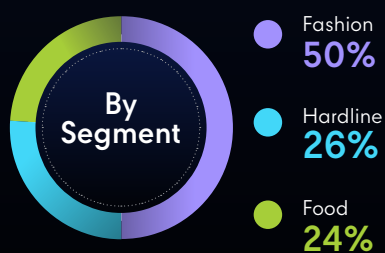
3. Net Profit (THB million)



Sales Contribution 2023



EBITDA Contribution 2023



Financial Highlights

	2021	2022	2023
Statement of Comprehensive Income (THB million)			
Total revenue	195,654	236,245	248,688
Total cost of sales of goods ⁽¹⁾	135,847	159,647	164,941
Gross profit ⁽²⁾	45,944	60,251	66,497
Selling and administrative expenses	57,068	64,540	70,023
EBITDA	20,059	30,049	32,436
Core EBITDA ⁽²⁾	20,126	29,602	32,626
Net profit	277	7,605	8,523
Core net profit ⁽²⁾	420	7,248	8,674
Profit attributable to owners of the parent	59	7,175	8,016
Statement of Financial Position (THB million)			
Total assets	263,228	275,984	287,097
Total liabilities	204,147	211,099	216,837
Total equity	59,081	64,885	70,260
Financial Ratios			
Gross profit margin ⁽³⁾ (%)	25.3	27.4	28.7
Core EBITDA margin (%)	10.3	12.5	13.1
Net profit margin (%)	0.1	3.2	3.4
Core net profit margin (%)	0.2	3.1	3.5
Return on assets (ROA) ⁽⁴⁾ (%)	0.1	2.8	3.0
Return on equity (ROE) ⁽⁵⁾ (%)	0.5	12.3	12.6
Net interest-bearing debt / Equity ⁽⁶⁾ (times)	1.0	1.0	1.0
Earnings per share (THB / share)	0.01	1.19	1.33

Notes:

⁽¹⁾ Cost of sales of goods and cost of rental and rendering of services

⁽²⁾ Non-operating items for adjustments are gain/loss on foreign exchange, gain/loss on disposal of assets and investments and gain/loss on derivatives (gain/loss on derivatives is firstly included in adjustment items in 2nd quarter of 2023 and adjusted in previous year for comparison purpose)

⁽³⁾ Gross profit and gross profit margin from sale of goods, rental services, and rendering of services

⁽⁴⁾ ROA = Net profit / Average total assets

⁽⁵⁾ ROE = Net profit / Average total equity

⁽⁶⁾ Net interest - bearing debt = Interest bearing debt (excluding lease liabilities) - cash and cash equivalents

Message from the Board of Directors



Dr. Prasarn Trairatvorakul
Chairman

Mr. Yol Phokasub
Chief Executive Officer

Dear Shareholders,

2023 was a year of challenges, both economic slowdown and other unforeseeable factors, for the retail, wholesale, and service sectors. The Company's Multi-Format and Multi-Category portfolio has strengthened our business to be resilient and agile amid all situations. When coupled with the efficiency in cost management and expense control, the Company concluded the year with a healthy growth with a recorded Total Revenue of 248,688 million baht and solidly uphold its financial stability resulting in a Net Profit of 8,523 million baht. This year, the Company has been rated "AA-", stable outlook, the highest rating in retail industry by TRIS Ratings. This reinforced the Company's leadership position in the retail and wholesale businesses in Thailand, Vietnam and Italy and signified the Company's focus on paralleling operational growth and upgrading all sectors to mutually grow sustainably.

Driving towards Security, Prosperity, and Sustainability alongside All Stakeholder Groups

The Company has reaffirmed its commitment to **Green & Sustainable Retail**, positioning itself as the Asia's exemplary retailer of sustainability. The Company upholds responsibility across three dimensions namely Environment, Social, and Governance (ESG) via its CRC "ReNEW" strategy. It places a strong emphasis on addressing the world's climate crisis and pursues the goal of achieving net zero greenhouse gas emissions by 2050. Its tangible operations include:

- 1. Reduce Greenhouse Gases:** Using renewable and clean energy, the Company has been utilising 142 solar panels systems and charging stations across its 62 department stores that can simulataneously support up to 793 vehicles. In addition, with 22 electric trucks for logistics and the use of energy-saving equipment such as refrigerators, chiller bulbs, and air conditioners already installed, the Company sets out to actively reduce greenhouse gas emissions, with the goal to achieve 50% emissions reduction by 2030.
- 2. Navigate Society Well-Being:** By enhancing livability and raising quality of life through creating jobs and supporting the community products made by more than 100,000 families. The Company also aims to increase the customers' satisfaction rate to 95% by 2030. In addition, it seeks to promote diversity, boost equality, and curb social inequalities by hiring over 1,000 elderly and physically disabled employees.

3. **Eco-Friendly Product and Packaging:** The Company promotes eco-friendly products and packaging through the distribution of its organic, vegan, health related, and eco-friendly products at over 76 green stores and health related stores. In addition, the Company also supports the use of recyclable and eco-friendly packaging, in which currently accounted for 28% of the total packaging usage. The Company targets to use 100% eco-friendly packaging by 2030.
4. **Waste Management:** The Company has managed waste with efficiency by integrating the Circular Economy principles. Food waste, in particular, has been managed throughout the value chain. Before becoming waste, food surplus that can still be consumed will be shared to vulnerable groups or put in “Surprise Bags” to sell at promotional prices. Meanwhile, food waste will be effectively turned into fertilizer. Some of excess food also goes to pet-snack manufacturing process, which provides insect-protein products. Used plastic bottles, on the other hand, are recycled into blankets for people in need. The Company, also encourages customers to bring their own fabric bags. It has also promoted proper waste segregation across all sectors in pursuit of the goal to reduce waste for landfill by 30% within 2030.

Thanks to its commitment to good corporate governance, The Company has won widespread recognition at both national and international levels. For example, it has won Sustainability of the Year from Retail Asia, a registered member of the Dow Jones Sustainability Indices - World Index (DJSI World) and Dow Jones Sustainability - Emerging Market Index (DJSI Emerging Market) and achieved “AAA” or the highest rating from SET ESG Rating 2023. Moreover, it has received Commended Sustainability Awards from SET Awards 2023. Importantly, the Company has earned the “excellent” recognition or “5-Star” on the Corporate Governance Report of Thai Listed Companies (CGR) Rating of 2023 for three consecutive years.

Pursuing New-High Business Growth, Proactively Entering Wholesale Market

In 2023, uncertainties prevailed to the point that the overall situation was not favorable to business operations. Yet, the Company’s DNA allowed it to adjust fast and grow its core businesses continuously, for example, the launched of Robinson Lifestyle Center’s Chalong branch in Phuket and Central Westville in western Bangkok. New records were also scored for two of its core businesses, Thaiwatsadu achieved its highest expansion of 14 new branches in the past year, underlining its status as Thailand’s DIY Home Retailer Leader, while Rinascente department stores in Italy, celebrated its historic record-breaking sales of EUR 1,000 million and continued to improve its branches to response to customers’ and tourists’ needs. In addition, the Company has spread its wing to new business by fully stepping

into wholesale industry with the launch of “GO Wholesale” or food wholesale business. In the fourth quarter of 2023, four GO Wholesale branches were launched. They were Srinakarin Branch, Chiang Mai Branch, Amata Nakorn Branch, and Pattaya Branch. Beyond our expectation, GO Wholesale has received positive feedback and warm welcomes from customers. With this, GO Wholesale is set to serve as the Company’s new growth engine. As for the businesses in Vietnam, the Company continued to pursue growth by strengthening GO! Hypermarket, GO! Mall, and go! supermarket to expand its Food businesses to cover the whole Vietnam. In this regards, Vietnam Report has recognised Central Retail Vietnam as Vietnam’s No. 1 retailer for three consecutive years. Such recognition underlines the Company’s strengths as Vietnam’s biggest foreign retailer. The Company has held the biggest market share in Vietnam’s Hypermarket and Family Mall. Aside from pursuing its business growth, the Company has consistently placed importance to employee care to ensure its staff can prosper alongside its businesses. The Company seeks to be ‘A Great Place to Work’, creates happy workplaces, and become an employer of choice. To date, it has already won international awards in the field such as Best Companies to Work for in Asia from HR Asia and Global Best Employer Brand Awards 2023 from the Employer Branding Institute and World HRD Congress for two consecutive years.

Boosting Growth to Fly High in Year of Dragon

In 2024, the Company aims to achieve leading excellence and advancing sustainability while embracing resilience. It will continue to be flexible, agile, and adaptive as it carefully operates its businesses in the face of opportunities and risks. It is determined to move ahead with stability despite economic turmoil. With the determination to strengthen its core businesses, the Company will continuously pursue business growth for example, the Company will renovate its Central Flagship Store, Central Chidlom into Southeast Asia’s New Luxury Landmark. In addition, the Company will move forward with the expansion of Thaiwatsadu and GO Wholesale. In addition, the Company is committed to operating its businesses in accordance with CRC Care philosophy. It will foster business growth while driving all sectors under its care across seven dimensions, economy, customers, partners, employees, communities, the environment and corporate governance for all to grow sustainably together.

On this occasion, on behalf of the Company’s Board of Directors, we would like to express our sincere gratitude to our shareholders, customers, suppliers and investors for their constant trust in and support for Central Retail. The Company will continue to strive to be the Platform of Trust for all sectors and mutual growth. We would like to also extend an appreciation to our employees of all levels for their dedication to delivering the best experience to customers and enabling the Company to achieve solid and sustainable success.

Board of Directors



**Dr. Prasarn
Trairatvorakul**

Chairman



**Mr. Suthikiati
Chirathivat**

Vice Chairman



**Mr. Sudhitham
Chirathivat**

Director



**Mr. Roongrote
Rangsiyopash**

Lead Independent Director
Chairman of the
Nomination and
Remuneration Committee



**Mrs. Pratana
Mongkolkul**

Independent Director
Chairman of the Audit
Committee
Member of the Corporate
Governance and
Sustainability Committee



**Mrs. Patareeya
Benjapolchai**

Independent Director
Chairman of the Corporate
Governance and
Sustainability Committee
Member of the Audit
Committee
Member of the Risk Policy
Committee



**Mr. Sompong
Tantapart**

Independent Director
Member of the Audit
Committee
Member of the Nomination
and Remuneration
Committee



**Mr. Kanchit
Bunajinda**

Independent Director
Chairman of the Risk Policy
Committee



Prof. Dr. Suthiphand Chirathivat

Director
Member of the Nomination and Remuneration Committee



Mr. Suthilaksh Chirathivat

Director



Mrs. Yuwadee Chirathivat

Director
Member of the Executive Committee



Mr. Prin Chirathivat

Director
Member of the Risk Policy Committee



Mr. Tos Chirathivat

Director
Chairman of the Executive Committee
Member of the Nomination and Remuneration Committee



Mr. Pichai Chirathivat

Director
Member of the Corporate Governance and Sustainability Committee



Mr. Yol Phokasub

Member of the Executive Committee
Member of the Risk Policy Committee
Member of the Corporate Governance and Sustainability Committee
Chief Executive Officer

Managements



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



Mr. Panet Mahankanurak
Member of the Executive Committee
Chief Financial Officer



Mr. Olivier Langlet
Chief Executive
Central Retail Vietnam



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



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

▲ Awards and Recognition

1. Corporate Excellence

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. 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 for the second consecutive year.



Asia's Best CEO, Best CFO, Best CSR, Best Corporate Communications Team and Best Investor Relations Company

The Company has been honored by the Asian Excellence Awards 2023, the Asian grand awards stage, receiving 5 prestigious awards for the third year including Asia's Best CEO awarded to Mr. Yol Phokasub for his insightful vision and ability to foresee business opportunities which help strengthen the Company to reach impressive success, securing profitable revenues that exceed last year's performance, Asia's Best CFO awarded to Mr. Ty Chirathivat for an expertise in generating and maintaining key financial competencies, effectively managing risk, coupled with productive investment strategies to maximise business growth and reinforce financial stabilities, Asia's Best CSR, Best Investor Relations Company, and Best Corporate Communications Team as a reflection of its highest standard in its compliance in good corporate governance, uplift the social, community, and employee's standard of living, and for its presentation of transparent, correct, and complete data that allows the company to establish and secure investors' confidence.



Voted Award Winner from Asia's Outstanding Companies Poll

The Company was voted No.1 in Asia's Outstanding Companies Poll 2023, organized by Asiamoney, in the group of The Most Outstanding Company in Consumer Discretionary category, for the third consecutive year.





Best Company in Thailand – Bronze and Best Investor Relations in Thailand – Gold Awards

The Company was awarded Best Company in Thailand – Bronze and Best Investor Relations in Thailand – Gold in 2023 for its outstanding agility in enhancing the overall Thai retail industry, marching ahead to an outperforming growth with the fundamental 5-year roadmap of CRC Retail Intelligence strategy.



Corporate Excellence Award

The Company was awarded the Corporate Excellence Award from Asia Pacific Enterprise Awards (APEA) 2023, a forum for global competition, to reward companies from the Asia Pacific region with excellent and fair management, outstanding innovation, clear growth, and social responsibility, truly contributing to economic stimulus over the entire continent of Asia. This is chosen according to efficient management in line with the organization’s visions and goals, which leads to consistently positive business results.



Top 10 most reputable companies in the Food – Beverage – Retail industry in 2023

Central Retail Vietnam was ranked No. 1 in the “Top 10 reputable companies in the retail industry” for the third consecutive years. This ranking is conducted by Vietnam Report (VNR), a leading company specializing in reporting, evaluating, and ranking businesses, products, and services in Vietnam. The recognition of Central Retail Vietnam as the best retail company is attributed to Central Retail Vietnam’s robust financial standing and its enduring positive reputation among media and the Vietnamese people. This award reflected on being Platform of Trust, earning the trust of Vietnamese’s consumers and business partners alike through product and service quality with a mission to enhance the quality of life for the local communities.

Excellence in Data Governance

The Company received Excellence in Data Governance Award from Collibra, a data intelligence company that protects and safely collects data on Data Governance Platform, reflecting Central Retail's excellence in managing customer data privacy and emphasizing the Company's position as a regional leader who operates in accordance with the Personal Data Protection Act (PDPA).



Digital Capability of The Year

Central Retail Digital, under the Company, was recognized as “Digital Capability Builder” at the Thailand Digital Excellence Awards 2023, proving the Company's commitment to advancing workforce in digital era. This recognition reinforced a large-scale development of comprehensive Omnichannel platform blending online and offline channels together to better serves our customers' shopping needs.



5-Star or an Excellent Rating of Corporate Governance Report of Thai Listed Companies (CGR) 2023

The Company received an “Excellent” CG scoring (5-Star Rating) from the 2023 Corporate Governance Report of Thai Listed Companies (CGR), conducted by the Thai Institute of Directors (IOD) for the third consecutive year.



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. In 2023, the Company declared its intention to join the CAC Change Agent program, initiated by the Thai Private Sector Collective Action Against Corruption (CAC) with the aim is to expand the network of transparent business practices to the Company's business partners by encouraging their participation in the CAC.





Best CFO in Thailand, Strongest Adherence to Corporate Governance and Most Consistent Dividend Policy Awards

The Company received 3 awards from 13th Institutional Investor Corporate Awards 2023, hosted by Alpha Southeast Asia, a leading financial and investment magazine in the region. Best CFO was awarded to Mr. Ty Chirathivat, and the Company also received the Strongest Adherence to Corporate Governance, and Most Consistent Dividend Policy Awards. The award was based on ratings from 586 analysts, investors, and fund managers in Southeast Asia, signifying the Company’s confidence and international recognition in the areas of financial management, corporate governance, investor relations, and social responsibility.



Best CEO, Best CFO and Best IR

The Company received 3 awards from the IAA Awards for Listed Companies 2022 – 2023, hosted by the Investment Analysts Association (IAA) to honor executives of listed companies with outstanding management. This award reflects the success of the Company for its effective business management, finance, and investment, which led the Company towards sustainable growth while creating added value for shareholders, customers, business partners, and employees in accordance with the Company’s vision and mission of being the best and most admired customer-centric and comprehensive omnichannel retail and wholesale platform, committing to sustainable growth wherever we operate.



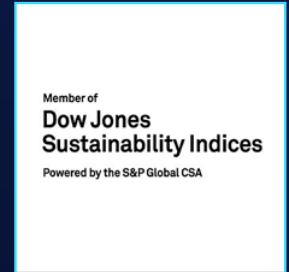
Best Overall Investor Relations (mid-cap) and Best Investor Relations Officer (mid-cap)

The Company received the Best Overall Investor Relations (mid-cap) award and the Best Investor Relations Officer (mid-cap) award from IR Magazine, a world-leading investor relations magazine. The award is the result of a survey of fund managers and securities analysts from all countries in Southeast Asia, reflecting the trust and confidence that have continually been given to the Company.

2. Sustainability Excellence

Dow Jones Sustainability Indices (DJSI) 2023

The Company was selected into Dow Jones Sustainability Indices: DJSI 2023. In 2023, the Company was selected as a member of DJSI Emerging Markets Index for the third consecutive years and the first time to be selected as a member of DJSI World Index from increasing ESG score. This international recognition reflected the Company's strong adherence to conducting business in line with sustainable development.



SET ESG Rating 2023

The Company was rated AAA, highest score, from the SET Award for its ESG, reflecting its leadership in Green and Sustainable Retail from the 2023 SET ESG rating of sustainable stock evaluation by the Stock Exchange of Thailand. This recognition also emphasized the Company's readiness to move forward with carbon reduction, being aware and cautious of the severity and impact of its business operations on environment as well as navigating society wellbeing to create a sustainable growth for all.



Commended Sustainability Excellence Award

The Company was honored Commended Sustainability Excellence Award from SET Award 2023. This award was given to listed companies with outstanding sustainability practices through good corporate governance and concern for all stakeholders. There is economic growth along with participation in creating positive impacts on society and the environment. This approach has driven the companies to grow economically while also focusing on social and environmental development.



Sustainability Initiative of the Year Award

Sustainability Initiative of the Year Award from Retail Asia Awards was given to the Company's 'Na Muen Sri Project', an establishment of Weaving Community Learning Centre aimed to preserve ancient weaving culture of Trang province, protecting local wisdom, elevating community enterprise, and turning it into a tourist destination.





Top Community Centric Companies in Asia

The Company received Top Community Centric Companies in Asia award from The Asia Corporate Excellence & Sustainability Awards 2023 (ACES Awards 2023), an award given to companies that create value for communities through various projects and promote the well-being of society as a whole, reflecting the Company’s to create value for the community through various initiatives and in line with the Company’s mission and values.



Best Environmental Excellence Awards

The Company won the Best Environmental Excellence Award from The Global CSR & ESG Awards 2023 for the second year in a row from its Samui model, a model that promotes and maximise the benefits from the processing of organic waste to become animal food, fertilizer, or cooking gas, to reduce waste and expenses, and generate income to community.



Excellence Award for Sustainability in Support Disability People

The Company received excellent award for being a model organization for sustainability in support disability people from Ministry of Labor, Department of Skill Development, Department of Employment, Department of Empowerment of Persons with Disabilities, Thai Listed Companies Association and Disabilities Thailand, reflecting the Company’s commitment to give opportunities to the disability people to work with the Company and put effort in knowledge sharing to develop all employees’ skill equally.



Top 50 Corporate Sustainability Awards

Central Retail Vietnam was honored at the “Top 50 Corporate Sustainability Awards 2023” for its outstanding CSR activities focused on sustainable and environmental protection.

Enterprise for the Community 2023

Central Retail Vietnam received the 2023 Enterprise for the Community Award from The Saigon Times newspaper. This recognition acknowledged the company’s strong contributions across various sectors, including environmental protection, nature conservation, wellbeing for the underprivileged, educational sponsorship, women’s empowerment, human resources development, and support for disadvantaged households.



AMCHAM Corporate Social Impact Awards

Tops, Food Business, received the Platinum Status in the “AMCHAM Corporate Social Impact Award 2023”, hosted by The American Chamber of Commerce in Thailand, for the 13th consecutive year. This reflected Tops’ commitment in driving sustainable business growth, especially in efficiently managing its natural resources to the utmost benefits, to reducing operational impacts towards environment, which was internationally recognized.



Convenience Retail Sustainability Award

Tops, food business, won a Convenience Retail Sustainability Award from the 2023 NACS Convenience Retail Award ASIA-PACIFIC, which was given to retailers whose business focused on sustainability and created shared value with people, communities, and the environment. This reaffirmed Tops’ social responsibility and its commitment to drive its business to improve the quality of life and reduce the gap in our society through four areas: social engagement, circular economy, sustainable energy, and product improvement for health and the environment.



3. Business Excellence



Retail App of The Year Award

Power Buy won the prestigious ‘Retail Asia Award 2023’ in the ‘Retail App of the Year 2023’. The application serves as a platform that provides the most seamless shopping experience and perfectly fulfills the needs of all consumers in the digital age.



Service and Retail Franchise Popular Vote

OfficeMate Plus, a franchise store for office supplies and business products, under the Company received the “Service and Retail Franchise Popular Vote” award or the most popular service and retail franchise 2023” for the second year in a row from the Thailand Franchise & Business Opportunities (TFBO) event, reinforcing its status as the number one store franchise in the franchise investor’ views.



Outstanding Innovative Company Awards

MEB Corporation Public Company Limited received the Outstanding Innovative Company Awards from SET Awards 2023 in the category of innovation or creation from Hibrary, under the management of Hi-Tex Interactive Company Limited, a digital library system platform service for organizations that provide services to over 100 organizations covering schools, universities, government agencies, private companies, hospitals, and public libraries.



Gold Award in the Pet Product Store Category

PET ‘N ME, Health and Wellness business, received the Gold Award in the pet product store category from the Thailand International Dog Show 2023, reinforcing its leadership in pet product retailers, and the first omni-channel pet care specialist focused on wellness and wellbeing of pets and pet parents that offers a variety of pet products and pet services and creating communities for pet friendly environment within department stores.



Top-10 finalists at the Most Innovative Department Store in the World 2023 competition

Rinascente was awarded Top-10 finalists at the Most Innovative Department Store in the World 2023 competition. Of 36 entries received from around the world, only 18 qualified for the jury’s analysis, out of which Rinascente’s entry stood-out among the best.

4. People Excellence

Global Best Employer Brand Awards 2023

The Company was awarded The Global Best Employer Brand Awards 2023 from The Employer Branding Institute and World HRD Congress for the second consecutive year 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.



Best Companies to Work for in Asia 2023

The Company and Tops, Food Business, both won the “Best Company to Work for in Asia 2023” award from HR Asia, a leading media outlet specializing in human resource management in Asia. This prestigious international award reflects the Company and its group excellence in efficient HR management



Human Rights Award 2023

The Company was honored with the Outstanding Achievement of Human Rights Award 2023 (Large Corporation Category), demonstrating its commitment to social equality, governance, and sustainability.



Best Company to Work for in Asia and Diversity Equity and Inclusion Awards

Central Retail in Vietnam was awarded the “Best Companies to Work for in Asia 2023” and “DEI – Diversity, Equity & Inclusion”, hosted by HR Asia Magazine, Asia’s leading publication for HR professionals. The two prestigious awards are a testament to Central Retail Vietnam’s exemplary human resource management practices and the creation of a highly cohesive and inclusive working environment. The Company is also evaluated by its own employees as one of the best companies to work for in Asia and one of Asia’s selected excellent employers.





**HR Leader of the Year (Gold),
Leadership Development (Gold),
Graduate Recruitment and Development (Gold),
Learning and Development (Bronze),
Best HR Team (MNC) (Bronze),
and Employer of the Year (Bronze) Award**

The Company received 6 awards from HR Excellence Awards, hosted by Human Resources Online, Singapore. These prestigious awards signified the passion, innovation, and resilience of everyone in the Company to collectively develop and put effort in making the Company ‘A Great Place to Work’.



Best in Future of Work

The Company has elevated Thailand on the global stage by winning both the Country and Regional Awards at the IDC Future Enterprise Summit & Awards 2023 from ‘Central Career Metaverse’ project, a platform which helped employees’ recruitment and application process more convenient through a virtual world platform that is accessible and easy to use under safe data supervision according to PDPA standards.



Kincentric Best Employer Thailand Award

B2S and Central Marketing Group received the Thailand Best Employer Award 2023 for the 2nd and 5th consecutive years, respectively. In addition, in 2023, Super Sports and Tops Daily also received this prestigious award. This recognition highlights the Company and its group leadership for their empathy, genuine approachability, and unwavering commitment to employee well-being and engagement, which have been instrumental in the sustainable success of their diverse organization.

5. Marketing Excellence

Thailand's Most Admired Brand Award and Brand Maker Award

Central Department Store has been named Thailand's Most Admired Brand 2023, No. 1 department store that customers trust and win the hearts of Thai people for the 17th 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 2023 from the Central Very Very Midnight Sale – Girls in White campaign. The award promotes and celebrates outstanding advertising campaigns under the category All Action Hero (SEA). The outstanding Central Very Very Midnight Sale - Girls in White campaign stood out through creativity in media planning, story telling and applying various Youtube tools to reach the target audiences, which resulted in marketing and business success.



Brand of the Year 2023 – 2024 Awards

Tops, Food Business, received the Brand of the Year Awards 2023 in the supermarket category from World Branding Awards 2023 – 2024, pinning the Thai supermarket brand on the international level signifying its vision of Food Experience for All.





Part 1

**Business Overview
and Performance**



01 | Business Structure and Operations

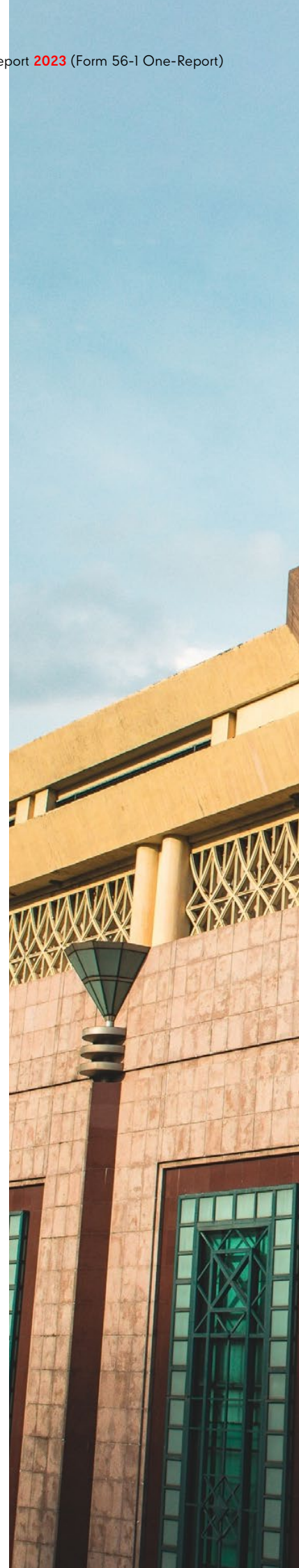
1.1 Business Overview

Central Retail Corporation Public Company Limited (“the Company” or “Central Retail”) is the leading multi-format and multi-category retailing platform in Thailand. The Company is also growing internationally, securing leadership status in Italy, and becoming one of the leaders in Vietnam. The Company 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 76 years in Thailand, unifying and supporting diverse retail brands to have a leading market position as well as covering a variety of retail categories. The Company uses “Central” (both in Thai and English) in trademarks, service marks, and tradenames in business operations under certain licensing agreements. The Company 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, mini supermarket and retail plazas.

As of 31 December 2023, The Company operated its business under its key retail and wholesale brands across multiple formats in Thailand, Vietnam, and Italy as follow:



With over 76 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, The Company believes it is well-positioned to grow into one of the most successful multi-format retailers in Southeast Asia and beyond. The Company 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.







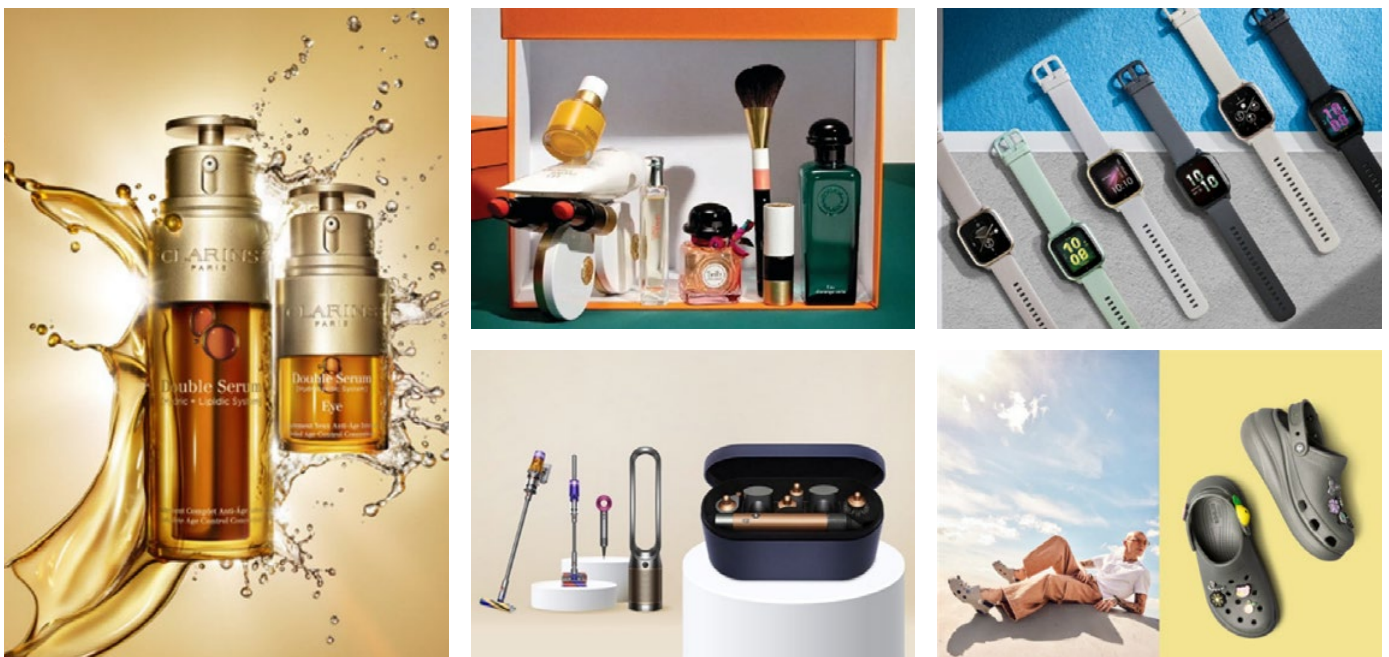
Understanding the changes in customers' preferences has always been the key driving force in Company's growth from the start as a small shop house in Bangkok in 1947. Later, the Company introduced Thailand's first full-scale department store with a wide range of products to enhance shopping experiences to serve customers' needs. When Thailand's household income increased, the Company 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 76 stores across Thailand (As of 31 December 2023). The Company 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. The Company introduced the new retail format including go!, and Tops Standalone outside shopping center. Moreover, in 2023, the Company launched GO Wholesale which is food wholesale business to complete and strengthen CRC's food business to serve retailers and wholesales across all customer segments. In addition, the Company has continued its success through the expansion of multi-format retailing business with the customer centric strategy to Vietnam. The Company 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 the Company's business in Italy, the Company 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 and tourists. Furthermore, the Company operated 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, the Company has become a pioneer of Omnichannel retailing in the countries mentioned above, emphasizing its strong ambition to offer services through the customer focused approach.

The Company believes it has provided customers' satisfaction to the fullest through comprehensive merchandise offerings and its diversified portfolio of retail brands. The Company'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, the Company has broadened its customer base to encompass all income levels and age groups. With continual expansion of stores,

given opportunities for the Company to get closer to where customers live, work and where they go for entertainment, resulting in improved shopping experiences. The Company operates under diverse retail and wholesale brands categories which can be divided into 5 segments based on business units, including

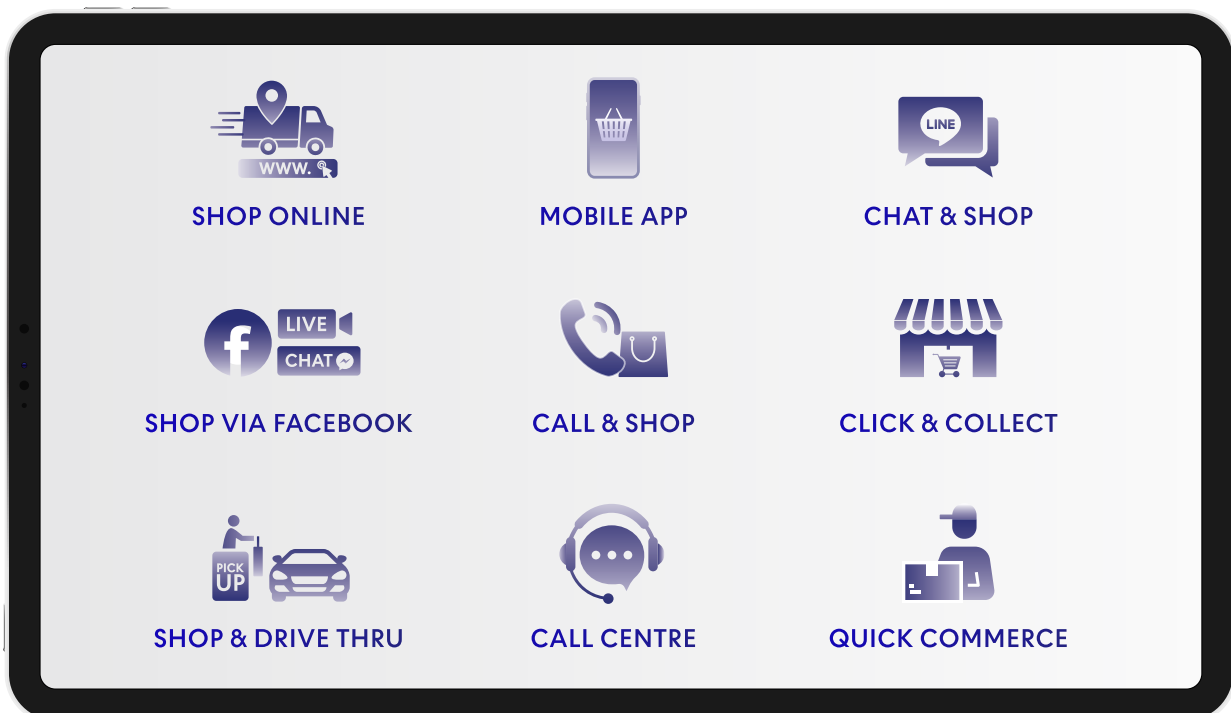
- (1) Food segment provides a wide range of consumer products and products which could be found in mini supermarket and wholesale stores under various retail and wholesale brands, such as Tops, Tops Food Hall, Tops Fine Food, Tops Daily (all stores under Family Mart were converted to “Tops Daily”), GO Wholesale, Big C / GO!, and Tops market Vietnam, go! Vietnam, and Lan Chi Mart Vietnam.
- (2) Hardline segment which consists of home decoration, home improvement, electronic products, stationery, office supplies, and e-Book under retail brands, such as Thaiwatsadu, Thaiwatsadu x BnB home, BnB home, Power Buy, OfficeMate, B2S, MEB, and Nguyen Kim 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 the Company as well as stores and services from external parties such as Robinson Lifestyle, Tops Plaza and Big C / GO! Vietnam
- (5) Health and Wellness segment focuses on providing healthcare products and cosmeceuticals, and pet products under retail brands such as Tops Care, Tops Vita, and PET ‘N ME

In addition, the Company is the partner of choice for global brands like Moschino, Kenzo, 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. The Company is one of the customers’ first choices in each consumer expenditure category.



Although there is an increasing demand in online shopping in response to customers' needs, the Company expects that in-store shopping will remain the customers' main 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

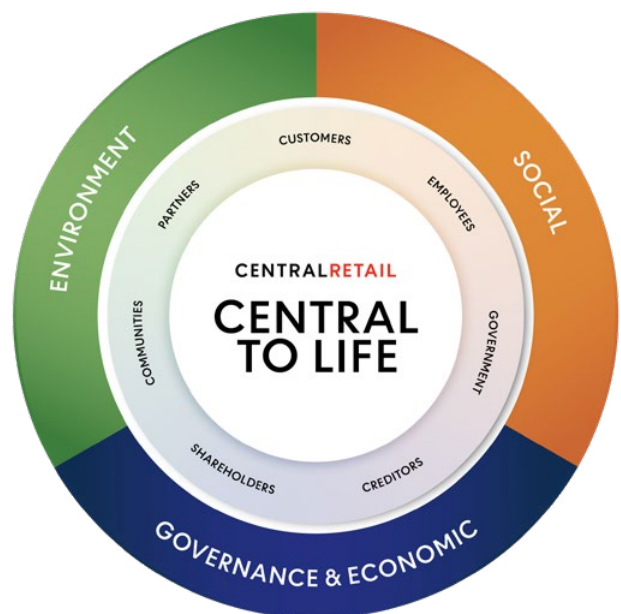
- **Click & Collect service** allows customers to shop online before picking up their products in-store, enabling sales representatives to provide any value-added services to customers and increase the opportunity to sell additional products. The service includes the Reserve & Collect option, which allows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

The Company 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. The Company has conducted its business by recognizing the impact and creating value with all stakeholders based on good governance for the next generation. The Company 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. The Company has operated its business with ReNEW strategy to drive business for sustainability





The Company has implemented various projects to support sustainability in all dimensions terms. For example reduce its greenhouse gas emissions by increasing the use of clean energy by installing solar panels in Robinson Lifestyle, Thaiwatsadu, warehouses in Bangna, and GO! in Vietnam and the use of electric vehicles to transport goods in many departments such as Thaiwatsadu, Central and Robinson Department Store etc. The Company also promoted the society well-being through Jingjai Farmers' Market project which aims to support local farmers as well as activities to encourage the diversity, equity, and inclusion. It is also the first retailer to support the reduction of plastic bag since 2018 as part of environmental protection. Continously, the Company has increased the use of eco-friendly products and packaging, including a more effective waste management system.

1.1.1 Competitive Strengths

The Company has several core competitive strengths to achieve its strategic objectives as follows:

1



Leading Multi-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 and Wholesale Industry and the Chirathivat Family

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



The Company is the leading multi-format retail platform in Thailand, offering leading retail brands across various prominent retail categories. The Company’s 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, The Company had the opportunity to provide diversification in merchandise and shopping experiences for customers and able to adapt to customers’ changing preferences. The Company 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, the Company has prepared the foundation for Omnichannel platforms since 2012. The Company 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 the Company to gain higher market share than other competitors. At present, the Company has provided various channels and services for customers, such as

1. Digital Channels:

- Webstores under the Company's various retail brands
- Mobile applications which the Company 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, GO Wholesale Application, Thaiwatsadu Application, Power Buy Application, OfficeMate Application for customers in Thailand and GO! Application for customers in Vietnam.
- Quick Commerce which collaborates with partners such as Robinhood, LINE MAN and Grab to provide services based on customer needs starting from food ordering service and Tops Grocery service through the application, which has been well accepted and has expanded to other products to meet the needs of customers in all product categories across the country.
- Marketplace, an online market service in collaboration with partners such as 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, Tik Tok, e-Ordering and Personal Shopper where customers will be serviced by a personal assistant while shopping.

The Company is the leading multi-format retailer in Thailand. As of 31 December 2023, the Company's retail and wholesale stores in Thailand comprised of approximately 1,755 stores nationwide, including department stores and 589 specialty stores, 357 brandshops, 683 supermarkets, 4 GO Wholesale stores, 122 stores of Tops Care Tops Vita PET N' ME stores with a total net selling space of 3,142,994 square meters. The Company also operates 1,912 sales counters which are in its retail stores, leading department stores, and other retail outlets operated by third parties.

The Company 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 the Company's space, whereby Robinson Lifestyle is the retail lessor with over 494,107 square meters of net leasable space as of 31 December 2023 across 28 locations. As a long-term tenant, the Company 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, the Company 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 the Company also consists of other types of stores which can be selected as appropriate. With its diverse retail category business model, the Company 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, the Company can also expand its network through Omnichannel platform to cover the Company's affiliated businesses and distribute to other provinces that a physical store is not available for certain retail brands. The Company 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 the Company has built for more than 76 years.

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

Leveraging the Company's successful retail experience and ability to adapt to the local market, the Company has also established leadership positions in multiple retail categories in Vietnam which has 133 branches. The Company also operates Rinascente Department Store in Italy with stores located in major cities such as Rome, Milan, and Florence which has 9 branches.

With a strategy that the Company pioneered where customers can access the Company's retail and wholesale 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 the Company'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. The Company 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 the Company 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 the Company's "last mile" delivery options for customers.





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

The Company has always been Thailand's pioneer of innovation for consumers in retail business, as the Company 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, the Company 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, the Company has launched new formats under various brands of all business types under the Company, such as Tops Fine Food, Tops Standalone format, go!, go! WOW, go! Power, Tops Care, Tops Vita, PET 'N ME, and GO Wholesale.

Having various retail brands and store formats can provide different shopping experiences and reach customers' satisfaction in each area where the Company's stores are located. For example, the Company 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, the Company 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. The Company 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 and Tops Fine Food. In 2023, the Company launched GO Wholesale, a wholesale food business focusing on fresh food, dry grocery, frozen food, bakery, ingredient, beverages, home appliance, big pack of product and products for business operators in which targeting HoReCa, food lover, and food operators in factory and office.

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

The Company 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 The Company currently has 18 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 Wholesale Application, Power Buy Application, Thaiwatsadu Application, and GO! Vietnam Application to better facilitate their customers. There are also 10 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 We Chat, and can connect customers with sales representatives from anywhere. This helps to drive sales through targeted promotions and accessibility. In 2021, The Company 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 etc, to provide Quick Commerce services, including Marketplace platform providers, such as 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, We Chat 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 5 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. The Company’s sales staff have innumerable interactions with customers in-store, online and across Omnichannel platforms. The Company has total 29 million members from The1 in Thailand, Big Xu Card in Vietnam⁽¹⁾, and Rinascente card in Italy. (Please find additional details in “Nature of Business - Loyalty Programs) These loyalty programs allow the Company 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. Diverse Ecosystem Attracts Prominent Brands for Synergies and Customer Engagement

Notes: ⁽¹⁾ Big Xu Card in Vietnam is in the process of reorganization its program for members.

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



The Company believes that its portfolio of diverse retail and wholesale brands, together with its vast retail and wholesale 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 the Company's brand partners and merchandise suppliers, while achieving synergies and efficiencies through integration into the Company's operations. The Company 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, Kenzo, and Paul Smith. In addition, the Company has exclusive retailing rights in Thailand for brands such as Polo Ralph Lauren, Marks & Spencer, Crocs, Fila, Calvin Klein, etc.

As of 31 December 2023, the Company operated its business with more than 20,000 suppliers. None of the suppliers provide products to the Company exceeding 10% of the total purchase value. The Company 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 the Company flexibility in how the Company work with its merchandise suppliers, whether it be through exclusive distribution and licensing arrangements, such as our licensing arrangement with Lee and Smiggle, or joint venture

arrangements with Muji and Samsonite. Additionally, some suppliers provide the Company with exclusive promotions and product lines, further differentiating the Company's merchandise selection from other domestic or foreign competitors.

The vast retail network and business scale of the Company provide significant operational advantages in merchandising, which drives lower unit costs in procurement and distribution and helps bolster margins. The Company 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. 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. The Company also believes in its business scale which helps attract and retain talented and experienced managers and employees in the retail industry, while also making The Company as an attractive business partner for large suppliers and other vendors. In addition, the Company's strong position allows it to negotiate with suppliers and other counterparties. The Company 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 the Company's competitive position in the retailing and wholesaling industry, delivering numerous benefits to the customer, partner and overall business.

Customer Relationships

The Company participates in Central Group's The1 loyalty program in Thailand, which grew from 13 million members in 2017 to approximately 21 million members as of 31 December 2023, representing approximately 30% of the total Thai population. The Company 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

The Company 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. The Company 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, the Company 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 the Company 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 the Company 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, the Company's major shareholder, and its subsidiaries. HCDS has given the Company the Rights of First Refusal and call options, allowing the Company 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 the Company with certain Rights of First Refusal with respect to the JD Central JV, subject to certain limitations. HCDS has designated the Company 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 the Company's business and may compete with the Company's business, except where the Company's Board of Directors has resolved that The Company 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 the Company's global relationships, can help to further support rapid growth and scale business to another level. In addition, Rights of First Refusal included JD Central which operated Pure play E-commerce platform since 2017. However, JD Central ceased its business operation, effective on 3 March 2023. Hence, Rights of First Refusal of JD Central also terminated.

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

The Company has replicated the success of its retail story in Thailand in other global markets by adopting local know-how and approaching each new location. The Company has a strong track record of international expansion, primarily through acquisitions and joint ventures in Italy and Vietnam. International revenue represented 28%, 31%, and 29% of the Company's total revenue in the years ended 31 December 2021, 2022, and 2023, 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, the Company 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 2023 rose by 12% when compared to 2022. The proven execution track record has increased confidence in being able to apply operational excellence and adapt to other markets all around the world.

The Company 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, the Company 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 the Company to offer customers better value while ensuring the freshness of food items. Additionally, the Company upgraded its software and set internal limits to provide customers with a speedy shopping experience. The Company also acquired and invested in an experienced team of devoted individuals to operate each store independently. As a result, the Company successfully turned around Big C / GO! Vietnam, achieving an increase in revenue every year.



As of November 2018, the Company opened its first Big C branch, and as a result of its strong performance, local authorities from around the country have contacted the Company to discuss opening GO! stores in their respective provinces, which the Company expects will help to expedite its land procurement processes in the future. The Company 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.

The Company entered Italy in 2011 with the acquisition of Rinascente Department Store. The success of Rinascente from acquisition to date 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 the Company has successfully applied its valuable experience with Chinese tourists shopping in Thailand to capture the similar market in Italy.



For instance, the Company 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 the Company deliver a differentiated experience for the customer while also attracting luxury and affordable luxury brands. In addition, the Company has also adjusted strategies to respond to changing customer groups according to market conditions. In 2023, Chinese tourists have not fully returned. The Company 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.

The Company 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, the Company acquired an additional 49% interest in Central FamilyMart Co., Ltd., increasing its ownership interest from 51% to 100%. In addition, the Company made a tender offer for all COL Public Company Limited (COL) (Completed acquisition in February 2021), bringing in the strengths of the Company’s retail portfolio as a leader of office supplies, stationaries, lifestyle products, books, and e-books to expand the Company’s leading Omnichannel retailing platform in hardline segment and expand customer base to corporate customers, creating added value from synergy between the Company’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 the Company, including collaborating with Grab to help improve the service to better meet the needs of customers.

In 2022, Thaiwatsadu established a joint venture company with Gulf Energy Development Public Company Limited (GULF) to operate electricity generation through solar panels on Thaiwatsadu 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 the Company, 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.

The Company believes the success of the partnership and above acquisitions and overseas business expansions has enhanced the Company to grow significantly at both national and international levels. Moreover, the Company has skillful personnel and capability of acquiring and integrating retail brands into its retail business network. Therefore, the Company 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 and Wholesale 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.

The Company has an experienced and dedicated professional management team consisting of retail and wholesale 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, the Company has consistently attracted the most talented employees locally and globally that also align with its customer-centric operating model. The Company 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 mini supermarket, and brand shops) requires specialized management and execution skills, in which the Company believes there are only a few other retailers having similar standard.

1.1.2 Business Strategies

In 2023, Board of Directors reconsidered its business strategies to be in accordance with its competitive strengths to drive the Company’s performance. The strategies are as follows:



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

The Company'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.

The Company 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 the Company'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 5 times more than single-channel customers. Moreover, interaction with salespersons at pick-up 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-store). The Company plans to scale up Omnichannel capabilities to achieve retail stores network and increase efficiencies in other areas which helps accelere business growth. The Company 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. The Company continues to leverage its physical network, such as through store clustering, to lower fulfillment costs for online orders. The Company heads forward to continue developing Omnichannel platforms so customers can reach out to its retail and Wholesale stores from anywhere. The Company employed technical expert to specifically develop its Omnichannel platform. Moreover, the Company also took advantage of its retail brands network, such as clustering to reduce the cost of delivery that customers placed orders online. The Company 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 the Company 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 mini supermarket to specialty stores. Therefore, the Company'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, the Company has noticed the growing volume of customer spending in such areas than that in greater Bangkok. For this reason, the Company aims to increase its market share significantly in those areas through organic growth.



The Company 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, the Company has offered the management at the local level more opportunities to get involved, give opinions and make business decisions. The Company 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 2023, the Company strategically expanded business as follows:

- **Food segment:** The Company opened new food wholesale business under brand GO Wholesale in which focused on fresh food, dry grocery, frozen food, bakery, ingredient, beverages, home appliance, big pack of product and products for HoReCa. The Company launched GO Wholesale 4 stores at Srinakarin, Chiang Mai, Amata and Pattaya and continued to open Tops Food Hall and Tops Supermarket.
- **Hardline segment:** The Company launched 14 stores Thaiwatsadu x BnB nationwide, namely Rangsit Klong 4 branch, Chalong Phuket branch, Maung-Ek Samutprakarn branch, Sansai Chiang Mai branch, Bang Yai branch, Nakornin branch, Korat branch, Kampaengphet branch, Chainat branch, Loei branch, Sisaket branch, Nakornsawan branch and Yasotorn branch including expand electronic store, stationery and office supplier.



- **Fashion segment:** The Company launched 2 Department Store namely Central Department Store Westville, Bangkok and Robinson Department Store Chalong, Phuket and renovated 3 Central and Robinson Department Store which were Chidlom, Ramintra and Mega Bangna and also opened Robinson Lifestyle at Chalong Phuket which was the second branch in Phuket. In addition, Central Marketing Group launched Hermes Beauty, French cosmetics and skincare brand and also launched Armani Exchange.

Vietnam is a market that is strategically important for the Company'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 2023 continued to expand by 5.1% compared to last year. The population and the growth of middle-income consumers is the main driver of retail business in Vietnam.

The Company 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. The Company believes that the hypermarket model combined with the plaza can enhance the potential of its business growth in Vietnam. Also, the Company 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, the Company used the success of Big C / GO! Vietnam and Nguyen Kim to introduce the Company's new and creative specialty retail brands in the same way as when the Company responded to the changes in consumer preferences in Thailand. The Company has launched go! in the secondary provinces of Vietnam and opened Tops market Vietnam which is located in major cities. In addition, the Company 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. The Company 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. The Company aims to open stores under all its retail brands throughout 57 provinces in Vietnam in the next 5 years. In addition, the Company 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, the Company also has a plan for internal structure improvement and work procedures for more operational efficiency

For Vietnam, in 2023, the Company opened a branch of 6 go! which is Tan Uyen branch, Nhon Trach branch, Dien Ban branch, Hao Thanh branch, Rach Gia branch and Hong Ngu branch along with other specialty products stores. Additionally, the Company also changed the image of “Big C” brand to “GO!”, which consists of 7 shopping centers and 6 hypermarkets.

For Italy, Italy’s economy has been recovered especially in manufacturing and retail sectors. ISTAT reported gross domestic product (GDP) which expanded 0.7% compared to the previous year. However, Italy’s economy remains challenging from Russia-Ukraine war and energy crisis in Europe which led to high inflation.

The Company is the leading department store operator in the country, with 9 Rinascente Department Stores in 8 cities across the country, as of 31 December 2023. 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, the Company 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 the Company’s continuous business growth in Italy and is also essential to its business growth in Thailand. Hence, the Company 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. The Company therefore has turned its attention to domestic customers while preparing for the tourism sector expected to be recovered. The Company 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 2023, the Company had completed the renovation for Roma Fiume branch in June 2023 into a mini-flagship store as well as partly completed renovation 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 the Company. In 2023, Rinasecente’s sales has already surpassed COVID-19 and hit the highest record at EUR 1,000 million which resulted in store renovation and product assortment.

3. Build New Growth Pillar

The Company 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.

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 2023.



For Tops Vita, customers could find both domestic and international brands of vitamins and dietary supplements. The Company opened 61 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 5 branches were opened in 2023.



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

The Company 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 the Company to be strengthened as well as create competitive advantages.

In the past, the Company's domestic and international acquisitions have been one of the key strategies for expanding its business to new markets. The Company 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. The Company 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. The Company pays close attention to investment in businesses that the Company can utilize its operational expertise to synergize with targeted enterprises. In this regard, the Company 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, the Company has acquired various businesses to expand its retail brands, including fashion segment such as Robinson Department Store, food segment such as Tops and Tops Daily. 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, the Company 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, the Company 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 the Company 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 the Company'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 Thaiwatsadu, which is a clean energy production for sustainable business operations of the Central Group.

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

Key Development

Central Retail Corporation Public Company Limited (“the Company” or “CentralRetail”) is the leading multi-format and multi-category retailing platform in Thailand. The Company is also growing internationally, securing leadership status in Italy.

1990

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



1995

The Company acquired majority stake of Robinson Department Store



1956

The first Central Department Store opened in Wang Burapha district.



1947

Mr. Tiang Chirathivat opened small shophouse in Bangkok



1974

The now iconic Central Chidlom flagship store opened.

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.



1950

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



1996 - 2005

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

Key Development



2005

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



2010

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



2011

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



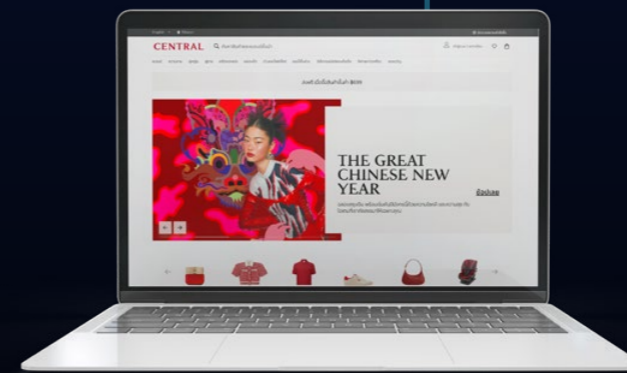
2010 - 2013

Introduced the first large standalones specialty store formats including Thaiwatsadu (in 2010) and Baan & Beyond (in 2013).



2013

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



2015

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



2016

The Company acquired Big C in Vietnam.



Key Development



2017

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).

2019

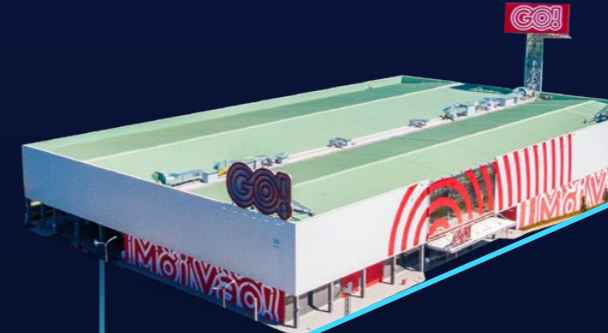
The Company was converted into a public company limited and made a tender offer for all securities of Robinson Public Company Limited (ROBINS) as well as delisted the securities of ROBINS from the SET. Moreover, the Company acquired the remaining shares of Nguyen Kim in Vietnam. In Italy, the Company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



2021

The Company completed a tender offer for all securities of COL Public Company Limited to strengthen its Hardline Segment, as well as expanding the business to the corporate market and investing 40% in GrabTaxi Holdings (Thailand) Co., Ltd. For Thailand.

The Company opened 5 Thaiwatsadu stores 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 products.



2018

The Company launched the first “GO!” retail banner which is a hypermarket in Vietnam and 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 Thaiwatsadu were opened in Thailand. In Vietnam, 4 GO! stores and the first go! were opened. In Italy, it also launched Rinascente’s e-commerce website (www.rinascente.it).

2022

The Company 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. The Company opened 3 Robinson Lifestyle, 5 stores of Thaiwatsadu and Tops supermarket standalone format and Tops fine food. In addition, opened 1 GO! mall in Lao Cai, Vietnam. Additionally introduced an EV truck, a clean electric vehicle and Tops Green shop. CRC Thaiwatsadu 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 Thaiwatsadu, which is a clean energy production for sustainable business operations of the Central Group.

Key Development 2023



January

- Central department store unveiled the fresh new look of "Central Ramindra".
- Store expansion: Tops supermarket standalone in Sathupradit.



March

- Store expansion:
 - 2 Thaiwatsadu in Phuket and Kampangetch.
 - 1 Tops Food Halls at Marche Thonglor (Bangkok).

February

- The Company focus on driving its business under 'The Next sustainable Growth' strategy. Rising as Asia No #1 Next-Gen Omni Retailer.
- MEB Corporation listed in MAI market.
- Store expansion;
 - 2 Thaiwatsadu in Korat and Rangsit Klong 4.
 - 1 go! in Tan Uyen, Vietnam.



May

- Store expansion:
 - 2 Thaiwatsadu in Mueng Ek (Patumthani) and Chainat.
 - 1 Tops supermarket in On-nut, Bangkok.
 - 1 B2S x Mercular, new gadget store in Thailand with O2O experience.
- Celebrated 1St anniversary of GO! mall Lao Cai, Vietnam.



April

- Store expansion: 1 go! in Nhon Trach, Vietnam.
- Exclusive distributor of new brand "L:A BRUKET" organic beauty brand from Sweden

June

- Store expansion: 1 Thaiwatsadu in Loei.



Key Development 2023

September

- The Company launched new business “GO Wholesale”, serving all segments via a comprehensive ecosystem of wholesale and retail solutions.
- The Company achieved Company rating at AA- with “Stable” Outlook from Tris Rating
- Store expansion:
 - 2 Thaiwatsadu in Chiangmai Sansai and Bangyai Nontaburi.
 - 2 Tops supermarket at Chalong in Phuket and 89 Plaza in Chaingmai.



November

- The Company issued its first debentures worth THB 7,000 million, receiving the Company’s credit rating at the level “AA-” with a “stable” outlook from TRIS Ratings Company Limited.
- Store expansion:
 - 2 Central Department store at Rachapruerk and Westville.
 - 1 GO Wholesale in Chiangmai
 - 1 Tops supermarket at Bangbuathong.
 - 1 go! at Rach Gia, Vietnam.



December

- Rinascente hit record breaking sales of 1,000,000,000 Euros in 2023 and above pre-Covid level.
- Store expansion:
 - 2 GO Wholesale in Amata (Chonburi) and South Pattaya.
 - 3 Thaiwatsadu in Nakorn In (Nontaburi), Nakorsawan and Yasothorn.
 - 2 Tops supermarket at Foodie farm, Bangyai and Rawayana (Phuket).
 - 1 go! in Hong Ngu, Vietnam.



July

- Store expansion: 1 go! in Dien Ban, Vietnam.



October

- Introduced the first GO wholesale in SiraNakarin, Bangkok as a wholesale Store to cater entrepreneurs and retailers.
- Store expansion:
 - 2nd Robinson Lifestyle at Chalong, Phuket
 - 1 Thaiwatsadu in Srisaket.
 - 1 go! in Hao Thanh, Vietnam.

August

- Store expansion: 1 Thaiwatsadu in Samutprakarn
- Organized “Vietnamese week in Thailand 2023” to connect trade and investment between Thailand and Vietnam for the 6th year.



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 and wholesale business operations with Multi-Format and Multi-Category Platform through shares held in subsidiaries and associated companies.
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 2023	:	THB 6,320,000,000 (Six Thousand Three Hundred Twenty Million Baht)
Paid-up Capital As of 31 December 2023	:	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

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

- (1) Food segment provides a wide range of consumer products and products which could be found in mini supermarket and wholesale stores under various retail and wholesale brands, such as Tops, Tops Food Hall, Tops Fine Food, Tops Daily (all stores under Family Mart were converted to "Tops Daily"), GO Wholesale, Big C / GO!, Tops market Vietnam, go! Vietnam, and Lan Chi Mart Vietnam.
- (2) Hardline segment which consists of home decoration, home improvement, electronic products, stationery, office supplies, and e-Book under retail brands, such as Thaiwatsadu, Thaiwatsadu x BnB home, BnB home, Power Buy, OfficeMate, B2S, MEB, and Nguyen Kim Vietnam.
- (3) Fashion segment offers apparel and accessories under retail brands such as Central Department Store, Robinson Department Store, Rinascente Department Store, Supersports, and other Brandshops.
- (4) Property segment provides rental spaces for stores under the Company as well as stores and services from external parties such as Robinson Lifestyle, Tops Plaza, and Big C / GO! Vietnam.
- (5) Health and Wellness segment focuses on providing healthcare products, cosmeceuticals, and pet products under retail brands namely Tops Care, Tops Vita, and PET 'N ME.

Each segment hosts a portfolio of retail and wholesale banners which sells a wide range of merchandise, and each of its retail and wholesale 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 and wholesale banners such as Central Department Store have been operating for decades but the Company continues to introduce new banners and alters or removes some existing banners to respond to the changing retail and wholesale market conditions.

Based on the financial statement, the Company's business is categorized into 3 segments: (1) Food, (2) Hardline, and (3) Fashion. The revenues from property segment Robinson Lifestyle is recorded in Fashion segment while revenues from property segment of Tops Plaza and Big C / GO! Vietnam, as well as revenues from Health and Wellness segment are recorded in the Food segment. The table below shows the Company's revenue structure, classified into 3 business segments within a specified period.

Total Revenue	Year Ended 31 December					
	2021		2022		2023	
	THB Million	%	THB Million	%	THB Million	%
Food segment	78,271	40.0	93,784	39.7	96,072	38.6
Hardline segment	67,950	34.7	78,218	33.1	79,844	32.1
Fashion segment	49,432	25.3	64,243	27.2	72,772	29.3
Total revenue	195,654	100.0	236,245	100.0	248,688	100.0

Key Retail Banners of the Company

(as of December 31, 2023)

Food Segment

Supermarket, Hypermarket, and Wholesale 767⁽¹⁾ Stores and Omnichannel Platform



Tops, Tops Food Hall, Tops Fine Food, and Tops Daily (Thailand) 683 Stores



Tops is a flagship supermarket, providing wide selection of consumer products, with a variety of store formats.

www.tops.co.th



Tops Daily is a mini supermarket concept, offering daily, consumable, and other products to meet the needs of customers.



Tops Fine Food is a luxury destination for imported selection of premium food ingredients and exclusive selections sourced from the finest producers.



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.



GO Wholesale (Thailand) 4 Stores

GO Wholesale is a food wholesale, offering a comprehensive selection of large-scale fresh foods, dry foods, and consumer goods, including appliances for food businesses.

www.centralfoodwholesale.co.th



Matsumoto Kiyoshi (Thailand) 26 Stores

Matsumoto Kiyoshi is the largest drugstore chain in Japan.

www.matsumotokiyoshi.com



Big C/GO! (Vietnam) 38 Stores

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

<https://go-vietnam.vn/>



go! (Vietnam) 9 Stores

go! is an integrated small-scale shopping destination focuses on providing the best value for money products, quality of fresh and fashion, and modern lifestyle to inhabitants in provincial areas in Vietnam.



Tops market (Vietnam) 9 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

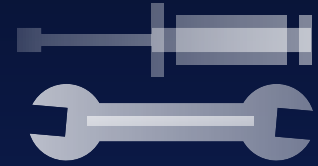
Lan Chi Mart is a medium-to-large supermarket in rural and suburban northern Vietnam that emphasizes on sourcing locally produced and high-quality products.

www.lanchi.vn

⁽¹⁾ Excluding Matsumoto Kiyoshi.

Hardline Segment

Specialty Store 471⁽¹⁾ Stores and Omnichannel Platforms



Thaiwatsadu and Thaiwatsadu x BnB home (Thailand) **77** Stores



Thaiwatsadu is a one-stop shopping retailer meeting everyday needs in building and construction materials, including home furnishings.

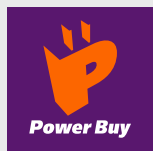
www.thaiwatsadu.com

BnB home (Thailand) **4** Stores



BnB home is a home decoration furnishings retailer.

www.bnbhome.com



Power Buy (Thailand) **118** Stores

Power Buy is a leading electronics and appliances specialty store in Thailand.

www.powerbuy.co.th



B2S (Thailand) **141** Stores

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

www.b2s.co.th



Nguyen Kim (Vietnam)
53 Stores

Nguyen Kim is a specialty electronics store in Vietnam with emphasis on product quality, providing top-notch electronic appliances to customers.

www.nguyenkim.com

OfficeMate (Thailand) **78** Stores



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

www.officemate.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 10.6 million users.

www.meb.co.th

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

Fashion Segment

Department Store 85 Stores, Specialty Store 95 Stores,
Brandshop 357 Stores, 1,912 Sales Counters
and Omnichannel Platforms



CENTRAL

Central Department Store (Thailand) **26** Stores

Central Department Store is a flagship retail banner that showcases a broad range of products cater to various customers, coupled with quality customer services

www.central.co.th

ROBINSON

Robinson Department Store (Thailand) **50** 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 has the largest number of branches covering all parts of Thailand.

www.robinson.co.th



Supersports (Thailand) **114** Stores

Supersports is a medium-to-large specialty store, which is a leading sporting apparel and equipment responding to all exercise trends.

www.supersports.co.th

Central Marketing Group (Thailand)

338 Stores⁽¹⁾



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

Rinascente Department Store (Italy)

9 Stores

RINASCENTE

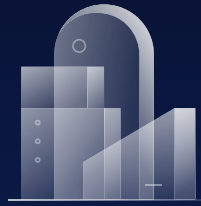
Rinascente Department Store is a 150-year-old high-end Italian department store, one of Europe's leading retailers which has branches in major cities across Italy.

www.rinascente.it

Note: ⁽¹⁾ Store count for CMG excludes sales counters.

Property Segment

Plaza 72 Stores



Health and Wellness Segment

122 Stores

and Omnichannel Platforms



Robinson Lifestyle (Thailand) 28 Stores



Robinson Lifestyle is a retail plaza with nationwide coverage, mainly targeting customers in secondary cities who enjoy shopping lifestyle under 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 the Company, with stores and services of third-party tenants to respond to the diverse needs of customers.

www.tops.co.th

Big C/GO! (Vietnam) 39 Stores



A large-scale retail plaza that focuses on catering to various lifestyles of customers, aiming to become an all-in-one destination with rental spaces for third-party stores and services.

www.bigc.vn

Tops Care (Thailand) 24 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 the customers’ lifestyles.

Tops Vita (Thailand) 90 Stores



Tops Vita is a supplement exploration and curation platform with a mission to create a simple and inspiring journey that navigates the customers to discover their best supplement options.

www.topsvita.com

PET 'N ME (Thailand) 8 Stores



PET 'N ME is the first omnichannel pet care specialist focused on wellness and wellbeing of pets.

www.petnme.co.th

1.2.1.1 Retail Store Network and Omnichannel Platforms

The Company's retail and wholesale network reach all the major regions of Thailand as well as the major regions of Vietnam and Italy. As of 31 December 2023, the Company operated 1,755 stores under its key retail and wholesale banners across 60 provinces in Thailand, 133 stores across 42 provinces in Vietnam, and 9 department stores in 8 cities in Italy. As of 31 December 2023, retail and wholesale stores had a total net selling space of 3,557,778 sq.m. and retail plazas had a total net leasable space of 743,487 sq.m.

Store Numbers and Geographic Reach

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

	As of 31 December		
	2021	2022	2023
Total number of stores⁽¹⁾			
Food segment ⁽²⁾	1,158	832	889
Hardline segment	466	474	471
Fashion segment	559	580	537
Total	2,183	1,886	1,897
Total net selling space (sq.m.)⁽³⁾			
Food segment ⁽²⁾	661,869	640,923	667,922
Hardline segment	1,346,359	1,422,985	1,647,710
Fashion segment	1,247,918	1,228,045	1,242,146
Total	3,256,145	3,291,953	3,557,778
Total number of retail plazas			
Food segment ⁽²⁾	45	44	44
Fashion segment	24	27	28
Total	69	71	72
Total net leasable space (sq.m.)⁽⁴⁾			
Food segment ⁽²⁾	236,614	246,150	249,379
Fashion segment	422,937	488,829	494,107
Total	659,550	734,978	743,487

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

⁽²⁾ Food segment includes Health and Wellness stores.

⁽³⁾ Net selling space is attributable only to store locations.

⁽⁴⁾ Net leasable space is attributable only to retail plaza locations.

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

Location	As of 31 December					
	2021	2022	2023	2023		
	Store Count			Population ⁽¹⁾	Area covered	Total Net Selling Space
	(Store)			(Million people)		(sq.m.)
Thailand	2,054	1,750	1,755	70.3	60 Provinces	3,142,994
<i>Bangkok Metropolitan Region</i>	1,000	910	921	-	6 Provinces	1,285,859
<i>Upcountry</i>	1,054	840	834	-	54 Provinces	1,857,135
Vietnam	120	127	133	101.3	42 Provinces	354,913
Italy	9	9	9	58.7	8 Cities	59,871
Total	2,183	1,886	1,897	230.3	110	3,557,778

⁽¹⁾ 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					
	2021		2022		2023	
	THB Million	%	THB Million	%	THB Million	%
Thailand ⁽¹⁾	126,425	71.8	146,406	69.1	158,319	71.3
Vietnam	38,592	21.9	51,577	24.3	47,255	21.3
Italy	10,937	6.2	13,920	6.6	16,353	7.4
Others	21	0.0	-	-	-	-
Total	175,975	100.0	211,903	100.0	221,926	100.0

⁽¹⁾ Sales from the Bangkok Metropolitan Region accounted for 54%, 54%, and 53% of sales in Thailand and sales from upcountry Thailand accounted for 46%, 46%, and 47% for the year 2021, 2022, and 2023, respectively.

Multi-Format Retailing Model

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

The term “Multi-Format” refers to having a variety of styles and types of retail and wholesale outlets, enabling the Company 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 mini supermarket, or fully equipped stores in the lifestyle center of the community or plaza. Moreover, these “Multi-Format” of retail and wholesale businesses help the Company to adapt to the changing customers’ preferences and needs with a wide range of products selected to respond to current and future trends. The “Multi-Format” concept 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 and wholesale trends. The Company utilizes the clustering method, combining different types of stores in the same area, allowing customers to be drawn from one store to another, resulting in higher efficiency which increases the Company’s ability to enhance their logistics and marketing.

(1) Stores

These different retail and wholesale store formats are designed to cater to various customer preferences in different areas across the Company’s network and business segments each retail and wholesale 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 13,000 - 20,000 9,000 - 13,000 100 - 1,000 2,000 - 14,000 250 - 600 300 - 600 30 - 50 25 - 35 200 - 500	Supersports Power Buy Thaiwatsadu / Thaiwatsadu x BnB home BnB home OfficeMate / B2S Nguyen Kim go! WOW go! Power Tops Care Tops Vita PET ‘N ME
Brandshop	Shops dedicated to specific brands that the Company 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 and wholesale 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 5,000 - 8,500 3,000 - 3,500 2,000 - 5,000	Tops Food Hall Tops Tops Fine Food GO Wholesale 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	Big C / GO! Tops Superstore
Mini Supermarket	Small retail business which sells daily use products, such as consumer goods, snacks, confectionery, and other goods.	200 - 300	Tops Daily
Sales counters ⁽¹⁾	Sales counters or Shop-in-Shop type of stores located in the retail area, mainly selling a particular brand belonging to the Company.	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 the Company's store format in terms of overall number of stores under its key retail and wholesale banners as of the dates indicated.

As of 31 December			
	2021	2022	2023
Total Number of Stores			
Department stores	83	84	85
Specialty stores	564	575	566
Brandshop	378	395	357
Supermarkets and Hypermarkets	1,155	788	763
Health and Wellness	3	44	122
Wholesale	-	-	4
Total	2,183	1,886	1,897
Total Number of Sales Counters	1,419	1,682	1,912

(2) Retail Plazas

The Company leases retail property to third parties and its own stores in retail plazas such as Robinson Lifestyle, Tops Plaza, and Big C / GO! Vietnam. The following table presents information about the Company's retail plazas as of the dates indicated.

	As of 31 December		
	2021	2022	2023
Retail Plazas			
Total number	69	71	72
Total gross floor area (sq.m.)	1,583,354	1,729,061	1,739,067
Total net leasable space (sq.m.)	659,550	734,978	743,487
Total occupancy rate (%)⁽¹⁾	88	87	88

⁽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 and wholesaling, 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 the Company to take advantage of these trends to deliver a new and increasingly popular shopping experience to its customers.

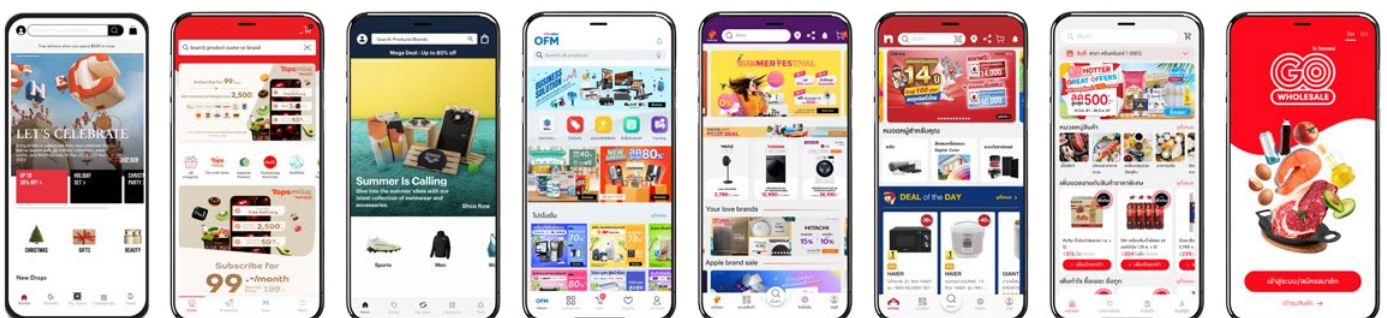
Key Omnichannel platforms include the following features as of 31 December 2023:

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, the Company has webstores for Central Department Store, Robinson Department Store, Supersports, Power Buy, Thaiwatsadu, BnB home, OfficeMate, B2S, MEB, Tops, GO Wholesale, Tops Vita, PET 'N ME, including other brands under the Company. In addition, there are websites of overseas business units in Italy and Vietnam, including Rinascente Department Store and Nguyen Kim. Several business units of the Company also offer online marketplace services on their webstores, which enable the Company's suppliers and third-party sellers to offer additional selections to those available in-store. Not only do those products help increase choices of products that are well-known in the market, but also help the Company promotes new product categories which will better fulfill the Company's retail business.

- **Click & Delivery** is a service where customers make online purchases and have the products delivered to their home or enjoy an express delivery within 3 hours, whereby various payment options such as online payment, cash on delivery, or installment are available. Moreover, the Company provides free delivery for purchases exceeding the required minimum amount when order through the Omnichannel platform as well as offers express delivery service through its collaboration with Grab (Thailand). This Click & Delivery service is available for 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, the Company aims to prepare the order within 1 hour (1 Hour Pick Up) and hold the items 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. The Company 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 the Company'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. The Company provides Click & Collect service for Central Department Store, Robinson Department Store, Rinascente Department Store, Supersports, Thaiwatsadu, 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 the Company to develop applications to increase sales channels for customers in the current era.



- **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 the Company towards being the full-scale Omnichannel service provider. Central application is like bringing the whole department store into the mobile as it offers premium products including exclusive brands available only at Central Department Store. Customers can ensure the authenticity of the products, check sales promotions of both physical and online stores as well as real-time activities held in each store. In addition, customers can also choose to buy products from Robinson Department Store, Supersports, Power Buy, and OfficeMate. Central Application supports both cash on delivery and online credit card payment.
- **Tops Application** is an online sales channel developed for customers to make a purchase through the application of Tops. The application offers more than 15,000 items of consumer goods with daily home delivery service, either instant delivery via Grab or scheduled delivery. The customers can also schedule the delivery up to 7 days in advance. Customers can choose to pay by cash on delivery or credit card through the application.
- **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.
- **Thaiwatsadu 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 same day delivery service. It supports both cash on delivery and online payment.
- **GO Wholesale Application** is an online sales channel for HoReCa, food services, and retail customers to purchase fresh food, dry food, frozen food, bakery, condiments and ingredients, beverages, household items, and personal items in large-pack sizes. Free delivery service is offered for orders through the application.

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. The Company has expanded its business in Food segment through the quick commerce channel, e.g., Tops, Tops Daily, and Big C / GO! Vietnam. Hardline segment, namely OfficeMate, B2S, and Power Buy are also available on GrabMart, Lineman and Robinhood.



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

2) O2O Channels

O2O Channels are supplementary channels to the main channel to offer customers greater convenience.

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, a 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 reaches the minimum spending amount or pick up at the preferred store. Payment can be made via bank transfer, credit card, or cash on delivery. The Company also provides the Call & Shop service in other business units such as Supersports, Thaiwatsadu, BnB home, Power Buy, OfficeMate, etc.



Moreover, there are service channels available for sales representatives or beauty assistants to contact their regular customers to present various sales promotions or call their exclusive-member customers to facilitate them. 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.

2.2 Social Commerce

- **Chat & Shop and Rinascente ON DEMAND** are instant messaging services (serviced by LINE and WhatsApp applications) 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, the Company plans to use this instant messaging system to notify customers of new product arrivals based on their personal preferences, interests, and purchase history as well as to provide an online concierge that can assist them as to how and where purchases can be made. The Company 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, Thaiwatsadu, 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. The customers can make purchases through this channel as well as being presented with real-time sales promotions from the store. 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. The Company provides Brand LINE and Store LINE services in many business units such as Central Department Store, Robinson Department Store, Supersport, Thaiwatsadu, BnB home, Power Buy, B2S, OfficeMate and, Brandshops under CMG.



CENTRALRETAIL

CENTRAL | ROBINSON

ANYTIME ANYWHERE

อยู่ที่ไหนก็ซื้อได้

5 ช่องทางซื้อ... ตอบครบทุกความต้องการ

- 1 ซื้อปลอดภัย บั่นใจทุกสาขา

CENTRAL EVERY CENTRAL STORE	R ROBINSON EVERY ROBINSON STORE
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- 2 ซื้อสะดวกตลอด 24 ชม.

CENTRAL APP CENTRAL.CO.TH	ROBINSON ONLINE ROBINSON.CO.TH
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- 3 ซื้อง่ายผ่านไลน์ ทักแชตแล้วซื้อเลย

LINE CHAT & SHOP CENTRALOFFICIAL ROBINSON	1425 PERSONAL SHOPPER ON DEMAND	5 ซื้อง่ายๆ ที่เฟซบุ๊ก LIVE CENTRAL ROBINSON
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- **Facebook Live and Facebook Inbox** are sales channels 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 customers' preferences. The Company 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 Brandshops 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 the Company's retail and wholesale 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, Thaiwatsadu, BnB home, Power Buy, B2S, and OfficeMate.

Omnichannel sales and performance according to The1 loyalty program’s data, Omnichannel customers’ average spending was 5 times higher than the single channel customers and they purchase more variety of product categories. Omnichannel sales grew in all the Company’s business segments, and it is summarized as follows:

Omnichannel Sales	2021	2022	2023
% Growth YoY	109	15	12
Omnichannel Sales to Total Gross Sales (%)	20	18	19

1.2.2 Business Structure of The Company

1.2.2.1 Merchandising and Sales

The Company strives to provide customers with a wide variety of fashionable and high-quality merchandise at various prices, housed in an attractive and modern store environment with a focus on delivering premium customer service. The Company continuously diversifies its merchandise selection in order to appeal 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 and wholesale banners operating under specialty store format, and its merchandise mix primarily includes construction materials, DIY



products, household items, consumer electronics, stationery, books, IT equipment, office furniture, etc. Food segment is comprised primarily of retail and wholesale banners operating under supermarket, hypermarket, wholesale stores, mini supermarket 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 the Company's business profits both directly and indirectly. However, the Company 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, and etc.

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

	Year ended 31 December					
	2021		2022		2023	
	THB Million	%	THB Million	%	THB Million	%
Total sales of goods						
Food segment	69,600	39.6	83,556	39.4	85,155	38.4
Hardline segment	63,565	36.1	72,852	34.4	74,192	33.4
Fashion segment	42,810	24.3	55,496	26.2	62,579	28.2
Total	175,975	100.0	211,903	100.0	221,926	100
EBITDA						
Food segment	5,296	26.4	7,932	26.4	7,651	23.6
Hardline segment	7,683	38.3	8,551	28.5	8,633	26.6
Fashion segment	7,080	35.3	13,566	45.1	16,152	49.8
Total	20,059	100.0	30,049	100.0	32,436	100
Same store sales growth (%)⁽¹⁾						
Food segment	-12	-	+15	-	-0.2	-
Hardline segment ⁽²⁾	+3	-	+5	-	-4	-
Fashion segment	-5	-	+38	-	+12	-

⁽¹⁾ 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.

⁽²⁾ COL is excluded for the year 2021.

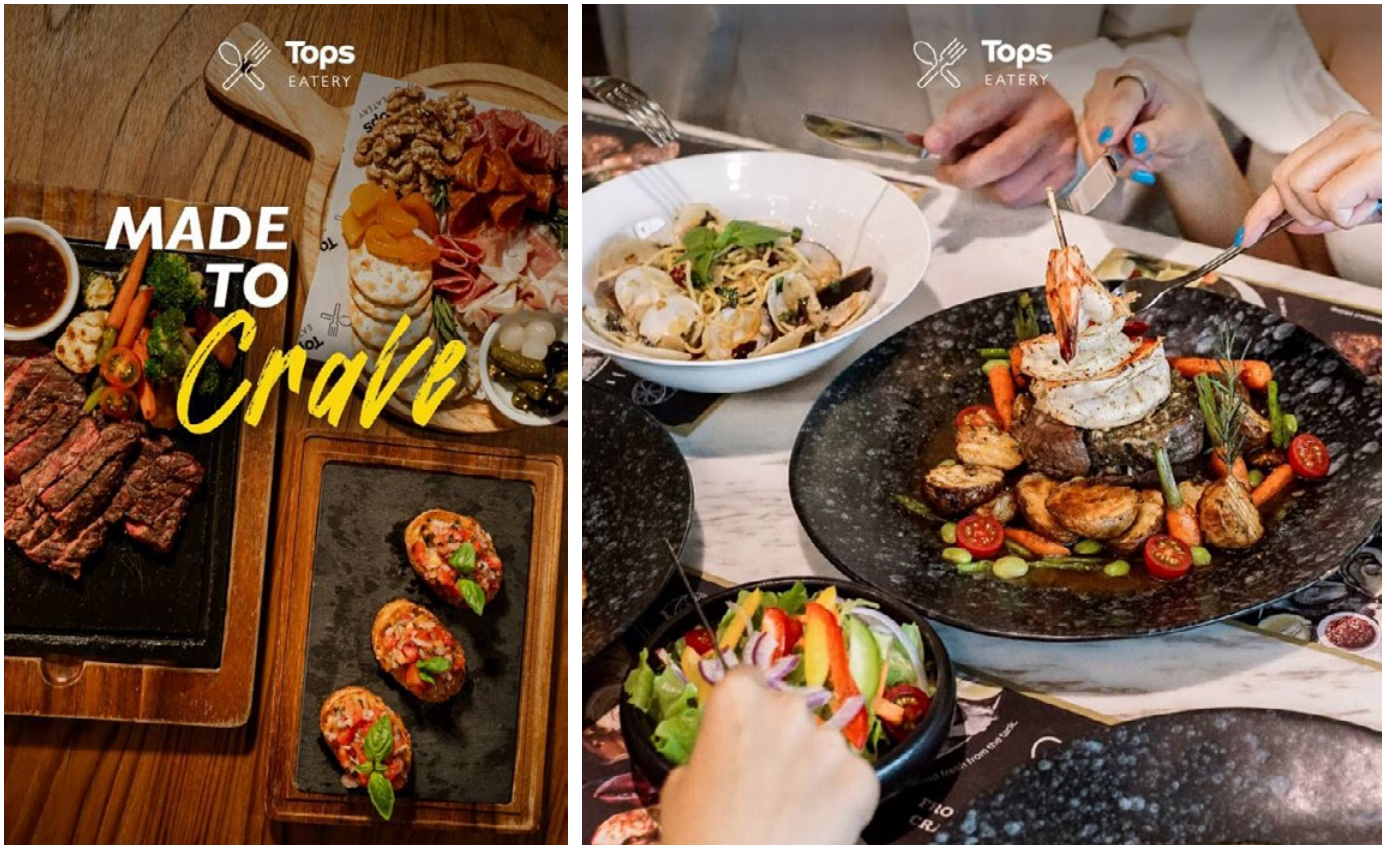
(1) Food Segment

The Company's Food segment focuses on providing various quality fresh and dried food, organic products, healthy products, and other goods in supermarkets, hypermarkets, and mini supermarkets. In addition, the Company 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 the Company'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 the Company's stores can vary widely, reflecting the diversity of the customer base. In addition, the Company's in-store displays, store formats, and overall presentation can also vary based on location, in order to meet customers' expectations who live near the Company'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. The Company 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 the Company'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 the Company 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 labels 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. The Company's private label products are built around the principles of quality, consistency, credibility, reliance, traceability, and best of origin. The Company has developed a diverse range of high-quality outstanding products.

The Company'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. The Company's stores also provide ready-to-eat meals that customers can order for take away or enjoy 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 the Company's stores. For imported products, agreements with suppliers as their sole distributors allow the Company to fill in gaps in the local market and introduce rare items to customers. For certain items, such as wine, fresh fruits, and vegetables, the Company directly contacts vineyards and farmers for the supply. Moreover, bringing import goods together with sole distributor agreements also plays important roles in the establishment of new stores by allowing the Company to fill gaps in the local market.

Once a store has started operating for a period, the Company can generally increase its portion of locally sourced foods to serve a growing customer base. Where possible, the Company embraces "farm to table" merchandising concept and seeks to ensure freshness and quality of the products from local suppliers. The Company employs quality control guidelines and requirements. This is particularly important for the Company's businesses in Vietnam as more than 90% of its products are sourced locally. In addition, customer demands for health and beauty



merchandise continue to increase, the Company therefore responded by expanding its offerings of health and beauty products across all food segment formats. The introduction of LOOKS, a 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 Favourites – 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 Tops Daily, 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, the Company rejuvenated Tops and Tops Food Hall stores, as well as launched food wholesale business to further complement and strengthened of the food business group to provide a complete wholesale-retail services, covering all customer of all groups and to respond to the needs of customers. Under food segment, the business is categorized into 2 groups, food business in Thailand and food business in Vietnam.

In 2021, the Company launched the Health and Wellness business under 3 main banners: 1. Tops Care, currently with 24 branches, sells both pharmaceutical products, medical supplies, and health products. and beauty products. 2. Tops Vita, having 90 branches, offers a complete O2O vitamins and supplements selections. 3. Pet ‘N Me offers complete selection of pet merchandise, with a total of 8 branches. The sales from Health and Wellness business are recorded in the Food group.

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

	As of 31 December		
	2021	2022	2023
Total number of stores (stores)⁽¹⁾			
Food business in Thailand	1,089	757	809
Food business in Vietnam	69	75	80
Total net selling space (sq.m.)			
Food business in Thailand	405,924	370,321	385,105
Food business in Vietnam	255,945	270,602	282,817
Food Retailing in Thailand			
Tops Plaza			
Total number of stores (stores)	5	5	5
Total gross floor area (sq.m.)	78,493	76,946	76,946
Total net leasable space (sq.m.)	35,440	36,120	37,055
Total occupancy rate (%) ⁽²⁾	81	77	74
Food retailing in Vietnam			
Big C / GO!⁽³⁾			
Total number of stores (stores)	40	39 ⁽³⁾	39
Total gross floor area (sq.m.)	631,778	654,620	654,620
Total net leasable space (sq.m.)	201,173	210,030	212,324
Total occupancy rate (%) ⁽²⁾	71	73	83

⁽¹⁾ Number of stores include stores located at retail plazas, which include stores under Health and Wellness banners.

⁽²⁾ Average 12-month occupancy rate.

⁽³⁾ 2 branches of GO! Mall were converted to GO! Hypermarket.

Food Business in Thailand

The Company’s Food retailing and wholesaling in Thailand primarily comprises Tops Food Hall, Tops Fine Food, Tops, Tops Daily, and GO Wholesale. 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 for 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 4 retail and wholesale models as follows:



1. **Tops** - Tops Market, Tops Daily, and Tops Online, the Company has strengthened the segment by unifying all the brands to be under “Tops” – a supermarket offering extensive assortment of quality products for every family member.
2. **Tops Food Hall and Tops Fine Food** - Central Food Hall was rebranded to “Tops Food Hall” and upgraded its food store to offer a complete range of products from the best manufacturers nationwide and around the world 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 Daily** - Mini supermarket with the concept of “complete and good quality daily use products at best value for money”, especially for ready-to-eat food and beverages, and health and beauty products categories. Tops Daily focuses on convenience, proximity, and good value for customers in each area.
4. **GO Wholesale** - Food wholesale store offering a comprehensive selection of over 20,000 SKUs covering fresh foods, dry foods, and consumer goods, including appliances for food businesses, along with a loyalty membership program to support entrepreneurs to grow sustainably. The first GO Wholesale was launched in 2023.

As of 31 December 2023, Tops stores network has grown to reach 44 provinces across Thailand. The Company also sources organic products locally to support the community where the Company has launched “Jing Jai Farmers’ Market” in Udon Thani, Thailand as a new retail concept, which sources products directly from local farmers, removing intermediaries, resulted in farmers getting higher income. In addition, the Company is able to provide customers with high quality, organic and chemical-free products at good prices. As of 31 December 2023, the Company has expanded Jing Jai Farmers’ Market to cover over 30 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, the Company also offers shopping assistant service. The Company also launched Tops Standalone, a standalone model with retail rental space for tenants at Pattanakarn 30, Sukhumvit 39, and Sathu Pradit.

Tops Fine Food is committed to serve an amusing experience as a premium food store that gathers the best ingredients from all over the world stored 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. There are a total of 2 branches at Sukhumvit 49 and Ekamai.

GO Wholesale, a new food wholesale destination for business entrepreneurs, is a large-scale food ingredients center, with its first store opened on 27 October 2023 at Srinakarin. In 2023, GO Wholesale opened a total of 4 stores.



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

	As of 31 December			Retail and Wholesale brands
	2021	2022	2023	
Total number of stores (stores)				
Supermarket	155	168	168	Tops Food Hall / Tops Fine food / Tops / Tops Superstore
Wholesale store	-	-	4	GO Wholesale
Mini Supermarket	931	545	515	Tops Daily ⁽¹⁾
Health and Wellness	3	44	122	Tops Care / Tops Vita / Pet N' Me
Total net selling space (sq.m.)				
Supermarket	304,047	327,104	316,301	Tops Food Hall / Tops Fine food / Tops / Tops Superstore
Wholesale store	-	-	27,583	GO Wholesale
Mini Supermarket	101,527	41,627	37,843	Tops Daily
Health and Wellness	350	1,590	3,378	Tops Care / Tops Vita / Pet N' Me

⁽¹⁾ All Family Mart stores have been converted into Tops Daily in 2023.

The first FamilyMart store in Bangkok opened in 1993. The Company acquired FamilyMart in Thailand through a joint venture in 2012. FamilyMart stores are strategically located and are operated pursuant to the agreement with the Company's joint venture partners, where the Company 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 the Company believes it has a competitive advantage. The Company'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. In May 2020, The Company acquired an additional 49% shares in Central FamilyMart Co., Ltd, increasing its ownership interest from 51% to 100%. In 2023, the Company has converted all Family Mart stores to be Tops Daily.





Food Business in Vietnam

The Company'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 the Company in 2016 and has expanded to 42 provinces throughout Vietnam as of 31 December 2023. 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, the Company 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. The Company also believes its successful operational experience with Big C establishment in Thailand, has helped make its business in Vietnam much more successful. The Company is actively using Big C / GO! as a foundation for the introduction of new retail banners such as Dyson and other specialty sales counters. As a result, Big C / GO! 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. The Company 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 the Company 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 2023. The Company has rebranded 24 branches of Go! Mall and hypermarket as well as 7 Tops market branches. This rebranding project has included reformatting outlets and has been part of the Company's strategy since the Company acquired Big C, and the Company expects the brand transition to be completed in 1 to 2 years.



go! is a small-sized supermarket 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 continued to expand 6 additional stores in 2023. As of 31 December 2023, there are a total of 9 go! stores.

Tops market Vietnam is a medium-sized supermarket, 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, 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. In 2023, the Company opened 1 Tops Market store in Hanoi, marking the first launch of the supermarket model in northern Vietnam. which was the ninth stores of Tops Market in Vietnam.

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. The Company 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 outskirts of Hanoi in 1995, which later developed into supermarket in 2007, and was acquired by the Company in 2015. Currently, Lan Chi Mart has expanded to 24 provinces throughout Vietnam as of 31 December 2023.



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

	As of 31 December			Retail brands
	2021	2022	2023	
Total number of stores (stores)				
Supermarket	32	37	42	Lan Chi Mart / go! / Tops market
Hypermarket ⁽¹⁾	37	38	38	Big C / GO!
Total net selling space (sq.m.)				
Supermarket	61,683	68,304	78,969	Lan Chi Mart / go! / Tops market
Hypermarket	194,262	202,298	203,847	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		
	2021	2022	2023
Total sales of goods (THB million)⁽¹⁾			
Food business in Thailand ⁽²⁾	40,053	42,943	45,392
Food business in Vietnam	29,547	40,613	39,764
Total	69,600	83,556	85,155
Same store sales growth (%)⁽³⁾			
Food business in Thailand	-16	+5	+4
Food business in Vietnam	-6	+30	-5
Rental Income (THB million)			
Tops Plaza (Thailand)	123	126	127
Big C / GO! (Vietnam)	811	1,393	1,592

⁽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 The Company's retail banners.

Sales of goods under Food segment are primarily from in-store sales, with additional sales generated through online channel. Omnichannel sales accounted for 7%, 9%, and 11% of total sales for the year 2021, 2022, and 2023, respectively. The Company opened its first distribution center dedicated to serving online orders in 2017 with the goal of becoming the “best in fresh” food delivery provider for local community residents.



The Company offers numerous private labels which contributed 11%, 10%, and 14% of total sales of Food Segment in Thailand as of 31 December 2021, 2022, and 2023 respectively.

EBITDA of the food segment of the Company amounted to THB 5,296 million, THB 7,932 million, and THB 7,651 million in 2021, 2022, and 2023 respectively.

The Company has a good relationship with international and local suppliers, which is particularly important in Food segment in order to obtain fresh ingredients to serve customers. The Company 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 the Company. In all cases, the Company expects its suppliers to understand its business direction and to be committed to driving growth together with the Company. The Company normally consults them as its partner and share with them certain plans and strategies for its business.

All of Food segment suppliers must follow the Company’s standards in relation to costs, product specifications, marketing plans, production capacity, replenishment, and logistics. The Company 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. The Company constantly monitors market prices to ensure its own prices are competitive. The Company seeks to match pricing for generic or national third-party brands but generally targets lower price points for its private label products. The Company may charge higher prices



as a result of higher logistic costs and premium market positioning for certain items or retail and wholesale banners, such as Tops Food Hall. The Company also frequently uses promotions to drive customer traffic. For Big C / GO!, go! and Lan Chi Mart business in Vietnam, the Company aims to provide its customers with great value for their money on groceries by emphasizing local sourcing.

(2) Hardline Segment

Hardline segment focuses on specialty merchandise offerings, including construction materials, home decorations, DIY products, consumer electronics and appliances, stationery, e-Books, IT equipment, and office furniture. The Company 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 for the Company's DIY home decoration and maintenance products selling through Thaiwatsadu 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. The Company 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. The Company 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, the Company 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, the Company therefore devote much attention to merchandise mix for this business unit which is also tailored to the brand preferences in each area. The Company provides a variety of popular international brands alongside generic merchandise at affordable prices, which the Company can often achieve through direct import, given the Company's operational





scale. Apart from construction materials, decorations, and electronics. The Company also offers stationery, office equipment, and furniture for individual and corporate customers which is 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, the Company offers various types of products that can truly meet diverse needs of customers.

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

	As of 31 December		
	2021	2022	2023
Total number of stores (stores)⁽¹⁾			
Hardline business in Thailand	415	422	418
Hardline business in Vietnam	51	52	53
Total net selling space (sq.m.)			
Hardline business in Thailand	1,272,742	1,351,851	1,575,614
Hardline business in Vietnam	73,617	71,135	72,097

⁽¹⁾ Store counts include stores located at retail plazas.

Hardline Business in Thailand

The Company's Hardline retailing and wholesaling in Thailand consists of Thaiwatsadu, Thaiwatsadu x BnB home, BnB home, Power Buy, OfficeMate, B2S, and MEB. Thaiwatsadu comprises of 3 store formats, large format, small format, which is known as "Thaiwatsadu: Building, Hardware, Sanitaryware", by focusing on the main strategies – "Enhance employee performance, integrate technology in sales, and optimize spaces", and hybrid format, which is a combination of Thaiwatsadu and BnB home to become the center of home decorations. The first hybrid store was opened in Sri Saman in 2021. Currently, there are a total of 81 Thaiwatsadu stores (all formats) by the end of 2023. Thaiwatsadu 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. Thaiwatsadu opened its first store in Bang Bua Thong district, Nonthaburi in 2010 and has currently expanded to 47 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 4 provinces throughout Thailand. Additionally, the Company 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, the Company has introduced go! WOW, a convenience home and lifestyle products shop, 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 48 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 and wholesaler, which provides office supplies, equipment, and furniture for corporate clients. OfficeMate launched its first store at Seacon Square Srinakarin in 1995, and currently has stores across 30 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 52 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 10.6 million users.

Hardline Business in Vietnam

The Company'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 provinces throughout Vietnam. The Company's partnership, alliance, and subsequent success with Nguyen Kim helped establish its credibility in Vietnam. In June 2019, the Company 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 the Company'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		
	2021	2022	2023
Total sales of goods (THB million)⁽¹⁾			
Hardline business in Thailand	54,576	62,009	66,782
Hardline business in Vietnam	8,990	10,843	7,410
Total	63,565	72,852	74,192
Same store sales growth (%)⁽²⁾			
Hardline business in Thailand ⁽³⁾	+8	+2	+1
Hardline business in Vietnam	-17	+22	-31

⁽¹⁾ Includes both in-store and online sales.

⁽²⁾ SSSG, the change of total gross sales between two periods of relevant stores according to the key retail banners.

⁽³⁾ COL is excluded for 2021 because the Company acquired COL in 2021.



Sales of goods under hardline segment are primarily from in-store channel, with additional sales generated through Omnichannel. Omnichannel sales accounted for 22%, 25%, and 30% of total sales for the year 2021, 2022, and 2023, 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 13%, 13%, and 14% of total sales of Hardline segment in Thailand in 2021, 2022 and 2023, respectively. This has been a strong growth driving force in Hardline segment in recent years.

Hardline segment's EBITDA amounted to THB 7,683 million, THB 8,551 million, and THB 8,633 million for 2021, 2022, and 2023 respectively.

In Hardline segment, retail prices are generally set by suppliers even though the Company may be able to barter popular brands at higher prices than other brands. The Company earns highest margins from its private label brands, therefore boosting overall margins. Moreover, the Company 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 the Company believes this helps increase its bargaining power and ability to manage margins more efficiently. While electronics segment tends to include higher priced merchandise including leading brands. The Company believes that Power Buy and Nguyen Kim' reputations for reliability help increase customer's peace of mind after their purchase, thereby driving sales. Thaiwatsadu and BnB home also generate revenue through leasable space to third party vendors in their stores.

3) Fashion Segment

The Company's Fashion segment focuses on apparel, shoes and accessories, cosmetics, and household items, sold primarily through department stores and specialty stores formats. The Company also leases retail space and generate rental income in this segment through department stores and retail plazas, which the Company 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 the Company'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. The Company 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, Mini Mono, Angel Baby, Central Home, Cuizimate, Haven, Easy clean, Journal,



Pacific Union, and F.O.F (Freedom of Fashion), etc. which the Company developed in-house. The Company 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. The Company also engages third party brands for licensing rights, which allows the Company to market products that the Company 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, the Company 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, the Company 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 include 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			
	2021	2022	2023
Total number of stores (stores)⁽¹⁾			
Department stores and specialty retail in Thailand ⁽²⁾	550	571	528
Department stores in Italy	9	9	9
Total net selling space (sq.m.)			
Department stores and specialty retail in Thailand ⁽³⁾	1,186,882	1,167,768	1,182,275
Department stores in Italy	61,036	60,277	59,871
Plazas Department Stores in Thailand			
Robinson Lifestyle			
Total number of stores	24	27	28
Total gross floor area (sq.m.)	874,202	997,496	1,007,501
Total net leasable space (sq.m.)	422,937	488,829	494,107
Total occupancy rate (%) ⁽³⁾	95	94	91

⁽¹⁾ Store count includes stores located at retail plazas.

⁽²⁾ Includes department stores and CMG brandshops.

⁽³⁾ Average 12-month occupancy rate

Department Stores in Thailand

The Company'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. The Company 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 the Company's plaza.

Since 2020, the Company 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 2023, the Company has completed the transformation of 3 stores, which are Mega Bangna, Udonthani, and Khon Kaen.



Specialty Retail in Thailand

The Company's Thailand specialty retail highlights sports apparel and sports equipment business. The Company 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, Speedo, K Swiss, Fila, and Liverpool FC. Other than specialty retail, the Company also operates wholesale business. In addition, the Company 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 Clarins, Dyson, MLB, Guess, Casio Watch, Polo Ralph Lauren, Calvin Klein Jeans, Lee, Wrangler, Garmin, Clarks, KIKO Milano, and a lot more. In 2023, 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 the Company’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 over 1,900 points of sale and strategic position within the Company’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 the Company’s other retail banners.

Department Stores in Italy

The Company'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. In 2023, Rinascente department store generated sales of 1 Billion Euros or a growth of 17%, the highest sales since the acquisition in 2011, or the highest sales in 12 years. As of 31 December 2023, the Company 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		
	2021	2022	2023
Total sales of goods (THB million)⁽¹⁾			
Department stores and specialty retail in Thailand ⁽²⁾	31,873	41,576	46,226
Department stores in Italy	10,937	13,920	16,353
Total	42,810	55,496	62,579
Same store sales growth (%)⁽³⁾			
Department stores and specialty retail in Thailand ⁽²⁾	-16	+36	+9
Department stores in Italy	+33	+42	+18
Rental income (THB million)			
Robinson Lifestyle	2,702	3,897	4,403

⁽¹⁾ Includes both in-store and online sales.

⁽²⁾ Includes department stores, CMG brandshops, Komonoya, and ROBINS Department Store in Vietnam.

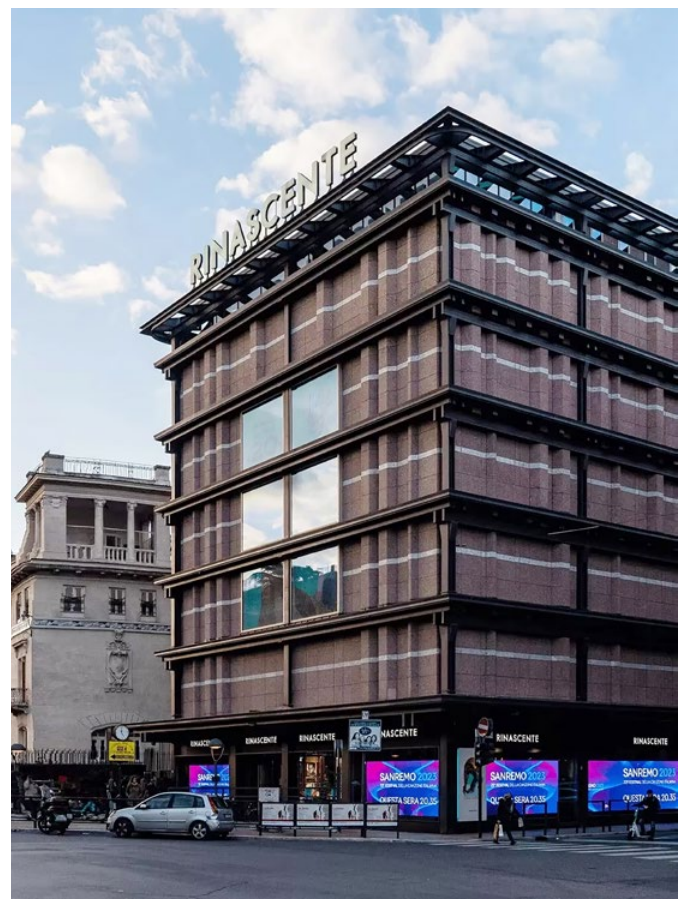
⁽³⁾ SSSG is the change in the contribution to total gross sales between two periods made by the relevant stores on a standalone basis under each of key retail banners.



Sales of goods under Fashion segment are primarily comprised of in-store sales, with additional sales generated through Omnichannel. Omnichannel sales accounted for 28%, 20%, and 18% of total sales for the year 2021, 2022, and 2023, respectively.

The Company offers numerous private labels under Fashion segment, which primarily comprise credit sales. Private labels accounted for 5%, 5%, and 5% of Fashion segment's total sales revenue for 2021, 2022, and 2023 respectively.

EBITDA of the Company's Fashion segment amounted to THB 7,080 million, and THB 13,566 million, and THB 16,152 for 2021, 2022, and 2023 respectively.



1.2.3 Marketing and Competition

1.2.3.1 Customers and Marketing

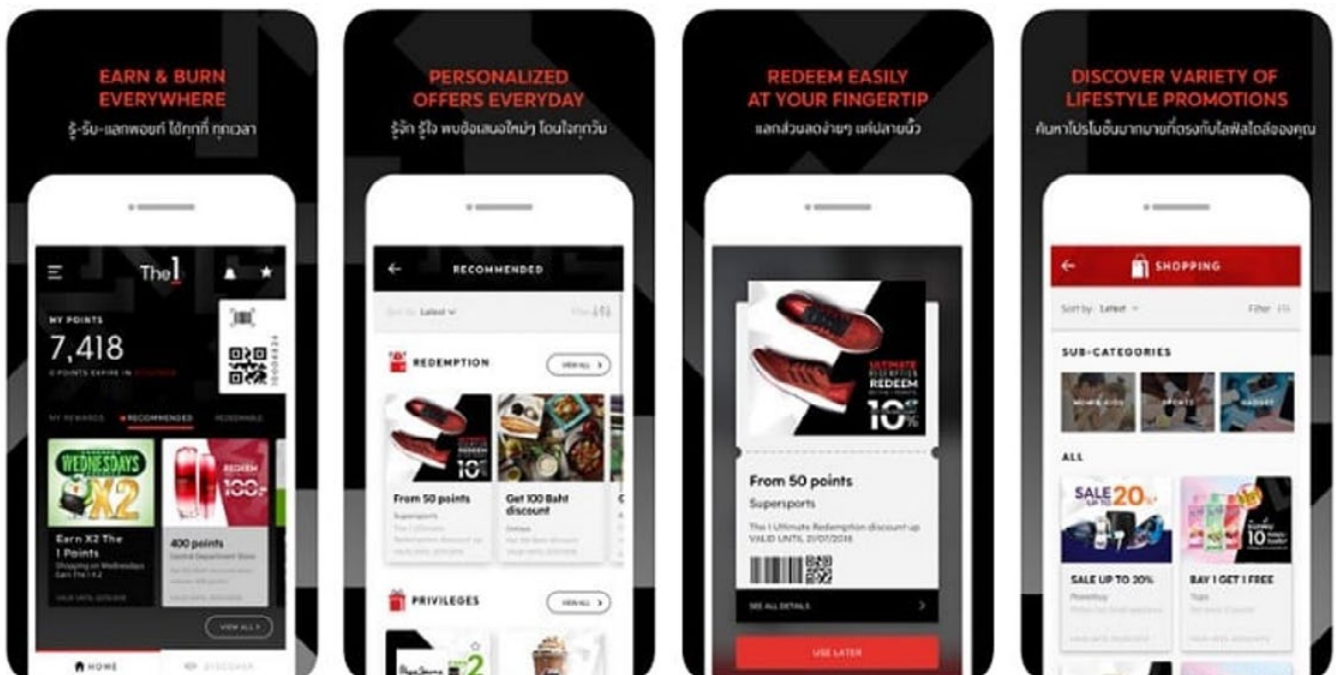
(1) Customer Base

The Company aims to reach the full spectrum of customer cohorts in Thailand, Vietnam and Italy. The Company’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 the Company’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 the Company and The1 loyalty program, the Company had approximately 21 million loyalty member customers in Thailand as of 31 December 2023. Although the Company’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 the Company’s key growth strategies. The Company also had approximately 4.5 million loyalty member customers in Vietnam and approximately 3.5 million loyalty member customers in Italy as of 31 December 2023.

Loyalty Programs

The Company’s principal loyalty programs comprise of The1 loyalty program in Thailand, the Big Xu Card in Vietnam (which is in the process of transforming the loyalty program scheme) and the Rinascente card in Italy. The Company believes that having strong loyalty programs offering valuable benefits helps to improve customer loyalty and drive repeat visits within The Company’s retail ecosystem. Under The1 loyalty program, the customer retention rate for active users was approximately 80% for the years ended 31 December 2021, 2022, and 2023, respectively.



- **The1 Loyalty Program**

The Company 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 the Company's business units. Points may be redeemed for vouchers or discounts on future purchases at participating retailers, including the Company'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.

The Company joins the privilege program for The1 membership, the number one Digital Lifestyle & Loyalty Platform in Thailand under The1 points management contract between the Company 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. The Company has a duty to pay for the service according to the conditions specified in the membership card service agreement. The Company'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 database 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 the Company with access to this information and analytical tools that help the Company to deliver a better customer experience, particularly with respect to Omnichannel platforms. See "Nature of Business - Omnichannel platforms". As of 31 December 2023, there were more than 21 million The1 loyalty program members (as compared to 20 million members as of 31 December 2022).

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 2023, The1 has developed The1 application to be version 5.0 under the concept "Your Everyday Lifestyle Application" that members can access daily. It consists of new features that are more than collecting, redeeming, and checking points. 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. 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, 2023, there were approximately 11 million downloads with active users of over 1.3 million per month.

- **Other Loyalty Programs**

The Company 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. Currently, to support the growth of the Company's online business in Vietnam, the Company is undergoing the process of adjusting the loyalty program for Big Xu Card. Exclusively for Rinascente Card members, Rinascente Card grants privileges for every Rinascente department store 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, 2023, the Company has more than 4.5 million and 3.5 million of Big Xu Card and Rinascente Card.

(2) Data Analytics

The Company 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. The Company 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 the Company 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

The Company 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 the Company's customers to measure customer expectation and satisfaction levels and customer needs. In addition, the Company 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 the Company can respond to the needs of existing and new customers as thoroughly as possible.

The Company conducted the 2023 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 The Company, namely Central Department Store, Robinson Department Store, Supersports, Thaiwatsadu, BnB home, Power Buy, and Tops, In addition, in 2023, the Company has expanded its survey target to cover more functions, namely Central Marketing Group (CMG) and Property in Thailand. A total of 438,323 samples were included, an increase of 85% from last year.

The summary of customer satisfaction and loyalty is as follows:

Customer Satisfaction and Loyalty (%)	2022	2023	% Change
Overall satisfaction towards offline shopping experience	89.8	90.8	1.0

Source: Satisfaction and Competitiveness Survey in 2022 and 2023

The results of the survey found that customers were satisfied with their purchases at the store. The Company achieved a slight increase in growth. Throughout the time, the Company 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. The Company added a satisfaction survey toward Omnichannel platforms (Online and New Sales Channel) since 2021 so as to cover services in every of its channels. In this regard, The Company 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

The Company 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 the Company. It is believed that this creates excitement and draw customers' interest to the brand of the Company. Although each business unit is responsible for its promotional strategies and activities, the coordination occurs at the Company 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 the Company 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	4 th Quarter 2023	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> More than 1 million users/ month on The1 APP

Activities and Promotions	Duration	Offering	Results
The1 Exclusive	Throughout 2023 (officially launched in July 2020)	<ul style="list-style-type: none"> • Develop another privilege program for loyalty customers who have cumulative spending at the Company 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 the Company 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 	<ul style="list-style-type: none"> • 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

The Company utilizes a variety of media in advertising and promotional activities, including social media, online ads, SMS, direct mail, billboards, newspapers, and magazines. Each 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

The Company's competitors comprise traditional store-based retailers and wholesalers, store-based retailers and wholesalers moving online and pure online or e-commerce players. For in-store sales, the Company competes with competitors in each region that operates retail and wholesale business in the same or similar retail categories or formats as its business units. For online sales, over the past several years, the Company 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 the Company. The Company intends to utilize significant resources to develop and expand the Omnichannel platform as a response to all forms of competition. The Company 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”.

The Company 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 the Company’s thorough understanding of fashion trend and the retail industry dynamic. In this regard, the Company does not have any competitors in Thailand or Vietnam that can compete with the Company 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. The Company’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, the Company also competes with global fashion retailers such as Uniqlo, Zara and H&M.

(1) Business and Network Expansion

The Company 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. The Company’s earliest retail banners, such as Central Department Store, expanded largely through the opening of new stores. However, the Company also has a strong record of successful joint ventures and acquisitions, which the Company 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. The Company has the flexibility to increase and decrease its selling space continuously based primarily on sales performance. Where performance is declining, the Company can choose to swap in new stores or new concepts, sublease, or close a location, and where sales are strong, the Company 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.

The Company 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. The Company 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 Daily, 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 hosts a population of 20,000 households within a three to five kilometer radius.

For Thailand, the period during which new stores of the Company 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, the Company 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 The Company's stores always have the modern store ambience. For example, in 2023, the Company has rebranded "Big C" to "GO!", a shopping mall of 6 stores and 7 stores of hypermarkets. In the past, store refurbishment may take from 2 - 3 weeks to 18 months to complete, depending on the store format. The Company generally does not close its stores during refurbishment and, where necessary, refurbishment activities are planned out to minimize service disruption. Moreover, the Company believes that the refurbishment activities are key to ensure the continuing productivity of its existing stores.

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

The Company has an institutionalized approach to mergers and acquisitions with dedicated in-house business development teams focusing on them. Many senior executives have conducted multiple mergers and acquisitions and understand their importance in growing business. The Company seeks opportunities to acquire businesses when the Company 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 Mode
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	2011	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 the Company'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

Retail Banner or Brand	Year	Business Mode
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.
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 Thaiwatsadu branches to install solar panels and produce clean energy for sustainability's business operation in Central Group

(c) Expansion Pipeline

The Company plans to continuously open new stores in all segments and expects to open approximately 200-300 stores per year within the next 5 years in Thailand and Vietnam. At the same time, the Company will continue to survey the area suitable for stores opening according to the Company's business expansion plan both in the area where the Company 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, the Company has continuously refurbished the Rinascente Department Store 2-3 stores per year to increase sales volume.

Regarding new store expansion for the fashion segment, the Company has set a goal to expand stores in Thailand, namely, 2-3 department stores per year, and 40-50 stores specialty stores and brandshops per year. For hardline segment, the Company plans to expand 15-20 stores per year in Thailand, which include electronics equipment store and specialty stores for home and DIY products, excluding the brands of small-sized stores. In addition, for the food segment, the Company aims to expand 15-20 stores of supermarkets and wholesale stores in Thailand per year and expand 15-20 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 subject to change depending on the situation in any given period.

1.2.3.3 Industry

The overall picture of the Thai economy in 2023 has continued to recover after the COVID-19 outbreaks subsided, resulting in a noticeable improvement in economic activities, especially the strong rebound of the private consumption as well as improvement from the tourism sector despite the incoming tourists are below expectation and the ease of inflationary pressures. Thailand's retail and wholesale 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 and Wholesale Industry

The retail and wholesale 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 2023 that it expanded by 1.9%, below that of 2022 at 2.5%, with the key factors being the delayed government spending on consumption and investments, the increase in trade deficits. Additionally, according to the survey of the Thai Retailers Association that revealed that in 2023, the retail and service sectors recovered unevenly. The businesses that are recovering better than others include department stores, fashion, beauty, lifestyle, convenience stores, and supermarkets. On the other hand, the businesses that have yet to recover are hypermarkets, provincial wholesale, and retail. In addition, the business group that is considerably stable is the construction materials, decoration and maintenance, smart phones, and IT products. Moreover, when classified by region, it is revealed that Bangkok and Metropolitans, and tourist cities recovered better than other regions, especially the Northeast region, which still see weak purchasing power. This is despite the Retail Sentiment Index of December 2023 rose slightly by 9.5 points due to temporary drivers such as stores promotion campaigns and the end-of-year celebration atmosphere.

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		Makro Lotus Hybrid	Hybrid Wholesale
The Mall	Department store	Lotus's go fresh	Convenience store / Supermarket
Siam Paragon	Department store/ shopping mall	Lotus's	Hypermarket
The Emporium	Department store/ shopping mall	Land & House	
The EmQuartier	Department store/ shopping mall	HomePro	Specialty stores
Gourmet Market	Supermarket	Mega Home	Specialty stores
Home Fresh Mart	Supermarket	Saha Pathanapibul	
BeTrend	Specialty stores	Lawson 108 (include 108 shop)	Convenience Store
AEON Group		Other Groups	
MaxValu	Supermarket	Villa Market	Supermarket
MaxValu Tanjai	Supermarket	Foodland	Supermarket
Siam Future Development		CJ Express	Convenience store
The Market Place	Hypermarket	Daiso	Specialty store
Siam Future Center	Hypermarket		
Power Center	Hypermarket		

Source: Krungsri Research

The Company believes the potential and substantial opportunities of the Thai retail and wholesale 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 and wholesaling platform, the Company can satisfy the full spectrum of its customers' shopping needs through comprehensive merchandise offerings and its diversified portfolio of retail and wholesale banners. The Company believes that the comprehensive services and privilege programs for The1 members of the Central Group is also another factor that helps the Company gain better understanding of the consumer behaviors and turning it into a strategy to differentiate itself from other retail operators. The Company 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. The Company 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 campaigns (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 2023 gross domestic product growth rate from the Vietnam Statistics Bureau (GSO), the country's gross domestic product (GDP) in 2023 expanded 5.1 percent. 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 The Company are as follows

- Food business (Hypermarket, Supermarket and Convenience Store): Masan Group, Mobile World (BHX), Saigon Co.op, Lotte, AEON, MM Mega market, and Emart
- Electronic business: Mobile World, JSC, Cho Lon and Media Mart
- Retail Plaza: Vingroup and AEON

The Company 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. The Company intends to apply a similar concept in rural areas anchored by go! supermarket, with a modified retail category mix catering specifically to rural consumers. The Company believes that the hypermarket and supermarket model combined with retail plaza will become a powerful force multiplier that drives business growth.

The Company believes that as incomes increase, Vietnamese consumers will demand increasingly more sophisticated and specialized retailing experiences. In anticipation of such changes, The Company continues to introduce variety of merchandise. The Company has introduced a new retail brand to Vietnam, such as Dyson, an electrical appliance store. The Company will rely on the success of Big C / GO! Vietnam as a way to introduce innovative niche retail brands in a similar manner of The Company 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 0.7% in 2023 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.

The Company 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. The Company 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, The Company 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, The Company 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 2023, the Company had more than 20,000 supplier networks, of which the first 20 networks provide products to business units of the Company, thereby leading to sufficient variety of products and reducing concentration risks. As of the year ended 31 December 2023, none of the suppliers distributed products to the Company, accounting for 10 percent of the total purchase volume of the Company. The Company 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

The Company is highly selective in choosing suppliers and typically receives substantially more requests from suppliers and brands than the Company can accommodate. In selecting suppliers, the Company 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. The Company generally receives indemnity from suppliers for merchandise, under standard terms and conditions. The Company 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 the Company. Relationships with suppliers are generally managed at the business unit level. Large scale of operations provides the Company 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, the Company 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

The Company works with suppliers on either a credit sales or consignment sales basis, though some suppliers may use both models. For credit sales, the Company is fully responsible for merchandise mix and inventory management, and the Company determines retail prices and conducts market research on pricing to ensure the prices that the

Company sets are competitive. For consignment sales, the Company and the supplier must negotiate aspects such as merchandise mix, pricing, and promotions. For both credit and consignment sales, the Company 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, the Company sources and sells its own directly purchased merchandise, either under third party brands or private labels that are sold exclusively in its stores, and the Company tends to stock essential, repeats items that are competitively priced and has long life cycles with high stock turnover. The Company also uses credit sales for top brands when agreements require them, as well as to ensure that the Company has enough stock of certain brands. In addition, the Company 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. The Company is therefore exposed to risks of obsolescence, which the Company can mitigate by offering discounts or increasing marketing activities.

The Company 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 the Company. In addition, consignment suppliers are also responsible for repairing and maintaining their sales areas. The Company 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, the Company does not record the value of consignment goods as inventory on balance sheet. The Company is therefore not exposed to risks of obsolescence with respect to consignment inventory. Credit sales, by contrast, provide the Company with more freedom in deploying its merchandise to sell.

(3) Logistics and distribution

In 2023, the distribution center under the Non-Food Supply Chain unit of the Company has started providing Central Retail Logistics business services, which is a complete supply chain and logistics service, from import-export, inventory management, delivering services, after-sales customer relationship management for third-party small retail companies. This concept is the efficient use of resources and manpower of the organization, to share benefits and grow together (Sharing Economy), which will help reduce operating costs in the supply chain and logistics while increasing business opportunities for small retail businesses and give the opportunity for small businesses to grow efficiently together. In addition, the Company has organized the Central Retail Logistics for SME and Sustainability project at the distribution center of the Non-Food Supply Chain business group in order to provide opportunities for business partners, customers, and students and those who are interested in supply chain and logistics processes in retail businesses to discuss and exchange ideas and work methods as well as develop knowledge and logistics capabilities. Those interested can on the website www.centralretaillogistics.com for more details.

In 2023, the Company continued to focus on managing logistics activities income and costs, whereby the Company implemented a mechanism for adjusting service rates and transportation operating expenses to vary in line with changes in oil prices in order to achieve and maintain mutual benefits among the Company and its partners,

transportation operators, and customers. This resulted in the Company being able to conduct business at appropriate costs according to the situation. Currently, there are more than 95% of the Company's business partners and transportation operators whose price mechanism have already been adjusted to reflect to be fluctuation of oil prices.

The following table provides an overview of distribution center network as of 31 December 2023.

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	Thaiwatsadu BnB home	149,600	Single facility
Group 4	Power Buy, OfficeMate	82,000	5 distribution centers
Group 5	Central Food Retail Tops Daily	76,478	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	Food and Hardline Segment in Vietnam	60,000	13 distribution centers
Group 7	Rinascente Department Store	35,000	Single facility

The Company 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, the Company 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 the Company's stores. In this regard, the Company is responsible for the management of the distribution centers dedicated to Central Department Store, Robinson Department Store, Thaiwatsadu, Power Buy, B2S, OfficeMate, CMG, and fresh food distribution centers of Central Food Retail while third parties manage distribution centers dedicated to Tops Daily FamilyMart and non-fresh food distribution centers for Central Food Retail. Furthermore, all business functions have outsourced distribution services (except Thaiwatsadu 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 the Company 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. The Company 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 forecasts. The Company generally places small quantities of orders for appropriate and flexible product management. The Company utilizes computer system to control the inventories management for the entire stores network, which enables the Company 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. The Company 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.

The Company controls slow-moving merchandise in store and through its systems and act 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 found. Apart from that, the Company 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

The Company believes that success in retailing is primarily driven by local factors and familiarity with the local community, so the Company strives to delegate management to individual business units and local stores rather than centralizing management at the group level. The Company'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, the Company strives to focus on local decision-making. The Company also believes that the Company 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 the Company level.

Function	Description
Logistics	The Company uses centralized logistics centers for fashion segment and hardline segment. Otherwise, logistics is generally handled at the business unit level, though the Company 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, the Company can achieve strong bargaining positions with suppliers to lower costs and improve margins.

Function	Description
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 the Company by RIS Company Limited pursuant to certain shared service agreements, while Omnichannel platforms’ services are in-house.

(2) Business Unit Management

The Company 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, the Company 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 centralized.

(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, the Company 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. The Company prioritizes cybersecurity readiness and the protection of customer data as its first priority and the Company believes that cybersecurity infrastructure is sufficient

for such purposes. The Company engages third party consultants to provide cybersecurity monitoring for its IT systems and prepare documents including monthly reporting. Most of the Company'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. The Company'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 database 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 the Company operates. This analysis can also assist the Company in responding to any issues that may arise in a timely manner, so that the Company can take the necessary measures or formulate strategies to improve the overall performance of online and offline stores.

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

(5) Cash Management

The Company accepted merchandise's settlement at stores by using cash, credit card or other money substitutes, such as debit card, e-wallet, gift voucher, gift card, coupons, and sales on credit. In the case of sales on credit, the Company 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 routinely 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. The Company 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, the Company 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 products 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 the Company product quality assurance. In addition, all product liability in respect of any products supplied to the Company by any supplier and sold at stores is borne by such supplier. The Company believe that carefully selecting suppliers, can also reduce the risks arising from quality problems.

(7) Corporate Services

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

The Company 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 the Company'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 the Company will invest to hold director positions in subsidiaries and associates to oversee their operations in the direction that is proper and beneficial to the Company 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. 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

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

1.2.9 Innovative business development

The Company 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. The Company has joined forces with the Central Innovation and TI 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 TI 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, the Company 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, the Company 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, the Company 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.

The Company 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, the Company has invested over 9 million baht and 12 million baht and 64 million baht in 2021, 2022 and 2023, 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.

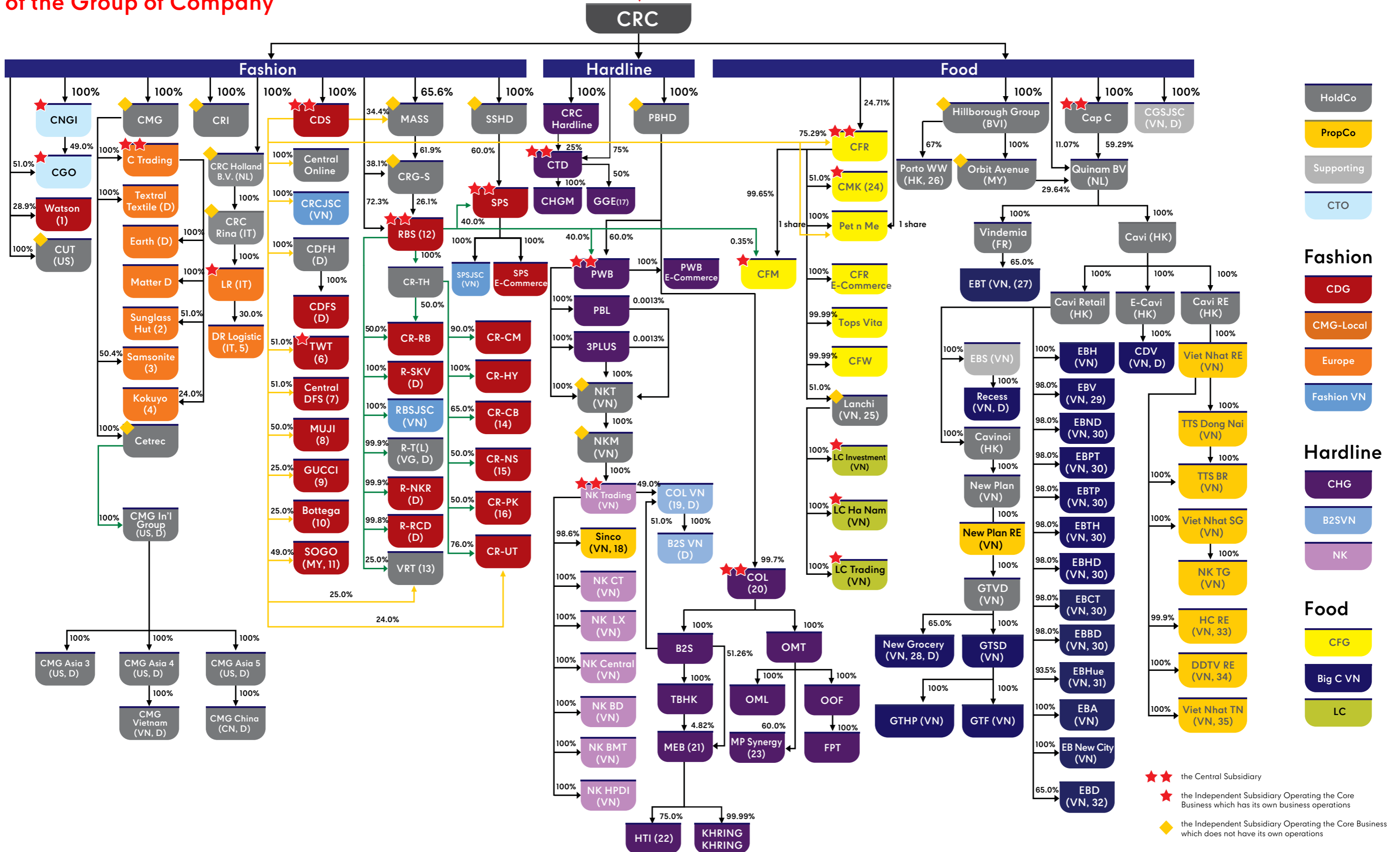
The Company retails and wholesales a variety of products over multi-format and multi-category platforms by holding shares of subsidiaries / associates. Such business operations can be divided into three groups:

- (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 x BnB home, Power Buy, OfficeMate, B2S, MEB, and Nguyen Kim Vietnam.
- (3) Food segment provides a wide range of consumer products and products which found in convenience stores, food wholesale under various retail brands, such as Tops, Tops Food Hall, Tops Fine Food and Tops Daily, including Family Mart outlets, which have already been renamed as Tops Daily, Go Wholesale Big C, GO! and Tops Market Vietnam, go! Vietnam, and Lanchi Mart Vietnam.

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

Shareholding Structure of the Group of Company

HCDS 35.06% Other 64.94%



Country Abbreviations:

BVI = 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 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. Center Town Co., Ltd. holds the remaining 35.0% shares in CR-CB.
15. Nakornsriathamrat Ocean Group Co., Ltd. holds the remaining 50.0% shares in CR-NS.
16. Phuket Ocean Group Co., Ltd. holds the remaining 50.0% shares in CR-PK.
17. GULFI Company Limited holds the remaining 50.0% shares in GGE.
18. The Vietnamese who are not related to the Company holds the remaining 1.4% shares in Sinco.
19. B2S Company Limited holds the remaining 51.0% shares in COLVJSC.
20. The remaining of COL' shares are held by public shareholders.
21. Mr. Kittipong Saelim holds the remaining 9.38 shares, Mr. Rawiwon Mahasit holds the remaining 9.38 shares in MEB
22. Mr. Phatthana Philuekruedet holds the remaining 25.0% shares in HTI.
23. Mr. Phonrasit Chitsaardkul holds the remaining 40.0% shares in MP Synergy.
24. Matsumoto Kiyoshi Holding Co., Ltd., a company established in Japan, holds the remaining 49.0% shares in CMK.
25. Ms. Nguyen Thi Lan holds the remaining 49.0% shares in Lanchi.
26. 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.
27. Thanglong GTC JSC, a company established in Vietnam, holds the remaining 35.0% shares in EBT.

28. Fresh Foods and Useful Goods Distribution Company Limited, a company established in Vietnam, holds the remaining 35.0% shares in New Grocery.
29. Vindemia holds 1.0% shares and Cavi RE holds the remaining 1.0% shares in EBV.
30. Cavi holds 1.0% shares and Cavi RE holds the remaining 1.0% shares in that company.
31. Cavi holds 0.6% shares and Cavi RE holds the remaining 5.9% shares in EBHue.
32. Dong Nai Food Industry Corporation, a company established in Vietnam, holds the remaining 35.0% shares in EBD.
33. 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).
34. 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).
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 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 142 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 million	100	1027 Central Chidlom Department Store, 7 th Fl., Ploenchit Road, Lumpini, 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, 14 th 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, Lumpini, 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, 14 th -17 th Fl., Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok
6.	CR (Thailand) Co., Ltd. (“CR-TH”)	Holding Company for Robinson Department Store in 7 provinces	THB 3,201 million	98.4	
7.	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
8.	CR Chiangmai (Thailand) Co., Ltd. (“CR-CM”)	Operating Robinson Department Store in Chiang Mai	THB 220.0 million	98.4	9 Moo 3 Suthep, Muang Chiang Mai, Chiang Mai
9.	CR Hatyai (Thailand) Co., Ltd. (“CR-HY”)	Operating Robinson Department Store in Songkhla	THB 202.0 million	98.4	9 Thammanoonvithi Road, Hat Yai, Songkhla
10.	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
11.	CR Chantaburi (Thailand) Co., Ltd. (“CR-CB”)	Operating Robinson Lifestyle in Chanthaburi	THB 130.0 million	63.9	22/107 Moo 7, Chanthanimit, Muang Chanthaburi, Chanthaburi
12.	CR Nakhon Si Thammarat (Thailand) Co., Ltd. (“CR-NS”)	Operating Robinson Department Store and Robinson Lifestyle in Nakhon Si Thammarat	THB 560.0 million	49.2	89/201 Pattanakarn Kookwang Road, Klang, Muang Nakhon Si Thammarat
13.	CR Phuket (Thailand) Co., Ltd. (“CR-PK”)	Operating Robinson Department Store in Phuket	THB 177.0 million	49.2	177 Room 4107,4207 G Fl., 2 Rat Utit 200 Years Road, Pa Tong, Krathu, Phuket
14.	Robinson Sukhumvit Co., Ltd (“R-SKV”)	Dormant	THB 100 million	98.4	259 Sukhumvit Road, Khlong Toei, Vadhana, Bangkok
15.	R-Trading (L) BHD. (“R-T(L)”)	Dormant	THB 50,000 million	98.3	P.O. Box 2208, Road Town, Tortola, British Virgin Islands
16.	Robinson Nakarin Co., Ltd. (“R-NKR”)	Dormant	THB 105.0 million	98.2	9/9 Central Plaza Rama 9, 14 th Fl., Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok

No.	Company name	Type of business	Paid up capital	Shareholding proportion (%)	Head office
17.	Robinson Ratchada Co., Ltd. (“R-RCD”)	Dormant	THB 75.0 million	98.2	9/9 14 th -17 th Fl., Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok
18.	Robinson Department Store (Vietnam) JSC (“RBSJSC”)	Operating Robinson Department Store – Hanoi branch	VND 216,750.0 million	98.4	Basement B1, Mega Mall, Royal City Complex, No. 72A Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi, Vietnam
19.	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					
20.	CRC Holland B.V. (“CRC Holland”)	Holding Company for Rinascente Department Store	EUR 100	100	Herikerbergweg 238, Amsterdam, 1101 CM, the Netherlands
21.	CRC Rinascente S.p.A. (“CRC Rina”)	Holding Company for Rinascente Department Store	EUR 120,000.0	100	Via Washington, 70- 20146 Milano (Italy)
22.	La Rinascente S.p.A. (“LR”)	Holding Company for Rinascente Department Store in Italy	EUR 5.1 million	100	
Super Sports					
23.	SSH D Co., Ltd. (“SSH D”)	Holding Company for Super Sports	THB 255.0 million	100	306 Si Lom Road, Suriyawong, Bang Rak, Bangkok
24.	CRC Sports Co., Ltd. (“SPS”)	Selling clothes and sport equipment under Super Sports Thailand	THB 370.0 million	99.4	919/555 South Tower, 13 th Fl., Room 1-6, 10, Si Lom Road, Si Lom, Bang Rak, Bangkok
25.	CRC Sport E-Commerce Co., Ltd. (“SPS E-Commerce”)	Selling goods via online channel	THB 1.0 million	99.3	
26.	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					
27.	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 9 th -11 th Fl., Rama 4 Road, Khlong Ton, Khlong Toei, Bangkok
28.	Central Trading Co., Ltd. (“C Trading”)	Manufacturing and importing goods for selling in Thailand for Central Marketing Group	THB 2,500.0 million	100	3388/25-37 Sirinrat Tower 8 th -11 th Fl., Rama 4 Road, Khlong Ton, Khlong Toei, Bangkok
29.	Earth Care Co., Ltd. (“Earth Care”)	Dormant	THB 55.0 million	100	3388/34 Sirinrat Tower 11 th Fl., Rama 4 Road, Khlong Ton, Khlong Toei, Bangkok
30.	Matter D Co., Ltd. (“Matter D”)	Selling goods via online channel	THB 2.0 million	100	3388/30 Sirinrat Tower 10 th Fl., Rama 4 Road, Khlong Ton, Khlong Toei, Bangkok
31.	Textral Textile Co., Ltd. (“Textral Textile”)	Dormant	THB 34.5 million	100	3388/34 Sirinrat Tower 11 th Fl., Rama 4 Road, Khlong Ton, Khlong Toei, Bangkok
32.	Cetrec Sakol Co., Ltd. (“Cetrec”)	Holding Company for Malaysian companies	THB 1,400.7 million	100	3388/42-45 Sirinrat Tower 13 th Fl., Rama 4 Road, Khlong Ton, Khlong Toei, Bangkok
33.	CMG International Group Ltd. (“CMG In’l Group”)	Dormant	USD 8.3 million	100	112 NORTH CURRY STREET, Carson City, NV 89703 - 4934, USA

No.	Company name	Type of business	Paid up capital	Shareholding proportion (%)	Head office
34.	CMG Asia Three Ltd. ("CMG Asia 3")	Dormant	USD 0.8 million	100	112 NORTH CURRY STREET, Carson City, NV 89703 - 4934, USA
35.	CMG Asia Four Ltd. ("CMG Asia 4")	Dormant	USD 1.0 million	100	
36.	CMG Asia Five Co., Ltd. ("CMG Asia 5")	Dormant	HKD 5.8 million	100	UNIT 03, 8/F., Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, KLN, Hongkong
37.	CMG Vietnam Limited Liability Company ("CMG Vietnam")	Dormant	USD 0.5 million	100	163 Phan Dang Luu Street, Ward 01, Phu Nhuan District, Ho Chi Minh City, S.R. Vietnam
38.	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					
39.	Thai Watts Co., Ltd. ("TWT")	Selling goods under Komonoya	THB 200.0 million	51.0	9/9 Central Plaza Rama 9, 17 th Fl., Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok

(2) Hardline

No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
Thaiwatsadu and Baan & Beyond					
40.	CRC Hardline Co., Ltd. ("CRC Hardline")	Holding Company for CRC Thaiwatsadu	THB 4,420.0 million	100	22 Soi Somkid, Ploenchit Road, Lumpini, Pathum Wan, Bangkok
41.	CRC Thaiwatsadu Co., Ltd. ("CTD")	Selling construction material and home decoration under Thaiwatsadu and Baan & Beyond	THB 5,430.0 million	100	88/88 Moo 13, Bang Kaew, Bang Phli, Samut Prakan
42.	CHG Marketing Co., Ltd. ("CHGM")	Selling goods via online channel	THB 1.0 million	100	
Power Buy					
43.	PBHD Co., Ltd. ("PBHD")	Holding Company for Power Buy	THB 19,750.0 million	100	306 Si Lom Road, Suriyawong, Bang Rak, Bangkok
44.	Power Buy Co., Ltd. ("PWB")	Selling electronic gadgets under Power Buy	THB 12,560.0 million	99.4	919/555 South Tower, 11 th Fl., Si Lom Road, Si Lom, Bang Rak, Bangkok
45.	PB Logistic Co., Ltd. ("PBL")	Importing and selling electronic gadgets	THB 675.0 million	99.4	
46.	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, 12 th Fl., (Room 5) Si Lom Road, Si Lom, Bang Rak, Bangkok
47.	Powerbuy e-Commerce Co., Ltd. ("PWB E-Commerce")	Selling goods via online channel	THB 1.0 million	99.3	919/555 South Tower, 11 th Fl., Room No. 5, Si Lom Road, Si Lom, Bang Rak, Bangkok



No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
COL					
48.	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
49.	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, 14 th Fl., Room 2-6 and 9, Si Lom Road, Si Lom, Bang Rak, Bangkok
50.	Officemate Logistics Company Limited (“OML”)	Warehouse management and distribution center	THB 200.0 million	99.7	
51.	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, 16 th Fl., Si Lom Road, Si Lom, Bang Rak, Bangkok
52.	Future Plus Company Limited (“FPT”)	Franchise management of OfficeMate business	THB 5 million	99.7	919/555 South Tower Building, 16 th Fl., Si Lom Road, Si Lom, Bang Rak, Bangkok
53.	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
54.	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, 16 th , 17 th Fl., Si Lom Road, Si Lom, Bang Rak, Bangkok
55.	Two Bees (HK) Limited (“TBHK”)	Holding/Investment Company	USD 0.01 million	99.7	2503 Bank of America Tower 12 Harcourt Rd Central, Hong Kong
56.	MEB Corporation Public Company Limited (“MEB”)	Selling E-Books and consulting on the preparation of E-Books	THB 150 million	74.8	99/27 Software Park Building, 8 th Fl., Moo 4, Chaeng Watthana Road, Khlong Kluea, Pak Kret, Nonthaburi
57.	Khring Khring Co., Ltd (“KHRING KHRING”)	Enterprise Software and/or Digital Content	THB 10 million	55.94	99/27 Software Park Building, 8 th Fl., Moo 4, Chaeng Watthana Road, Khlong Kluea, Pak Kret, Nonthaburi
58.	Hytex Interactive Company Limited (“HTI”)	Selling E-Books and electronic reading devices	THB 3.6 million	41.95	3 Promphan 3 Building, 7 th 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.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
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
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 2,030.74 million	100	99/9 Central Plaza Chaengwattana – Office Tower, 12 th , 15 th -18 th 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 1,800 million	100	177, 6 th Fl., Ramkhamhaeng Road, Huamark, Bang Kapi, Bangkok
Family Mart					
76.	Central FamilyMart Co., Ltd. (“CFM”)	Operating Convenience Store under FamilyMart Thailand	THB 3,875.0 million	100	99/9 Central Plaza Chaengwattana – Office Tower, 21 st Fl., Moo 2, Chaengwattana Road, Bangtalad, Pakred, Nonthaburi

No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
Matsumo Kiyoshi					
77.	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, 18 th Fl., Moo 2, Chaengwattana Road, Bangtalad, Pak Kret, Nonthaburi
Lanchi Mart					
78.	LCP Trading Services JSC (“Lanchi”)	Holding Company for Lanchi Mart	THB 167,736.5 million	51.0	Tran Hung Dao Street, Vinh Tru Town, Ly Nhan District, Ha Nam Province, Vietnam
79.	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
80.	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
81.	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 Vietnam					
82.	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
83.	Orbit Avenue Sdn. Bhd. (“Orbit Avenue”)	Holding Company for Big C Vietnam	USD 0.5	100	Suite 16-03, Level 16 Wisma Uoa li No.21, Jalan Pinang 50450 Kuala Lumpur W.P. Kuala Lumpur, Malaysia
84.	Capital C (“Cap C”)	Holding Company for Big C Vietnam	THB 26,800.0 million	100	22 Soi Somkid, Ploenchit Road, Lumpini, Pathum Wan, Bangkok
85.	Quinam B.V. (“Quinam B.V.”)	Holding Company for Big C Vietnam	EUR 20,240	100	1101 CM Amsterdam, Herikerbergweg 238
86.	Vindemia SAS (“Vindemia”)	Holding Company for Big C Vietnam	EUR 1.3 million	100	52 rue de la Victoire Tmf Pôle 75009 Paris
87.	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
88.	Cavi Ltd. (“Cavi”)	Holding Company for Big C Vietnam	HKD 2,670.5 million	100	14 th Floor, South China Building 1-3 Wyndham Street Central, Hong Kong
89.	Cavi Retail Ltd. (“Cavi Retail”)	Holding Company for Big C Vietnam	HKD 1.0	100	
90.	E-Cavi Ltd. (“E-Cavi”)	Dormant	HKD 74.0 million	100	
91.	Cavi Real Estate Ltd. (“Cavi RE”)	Holding Company for Big C Vietnam	HKD 1.0	100	
92.	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
93.	Recess Logistic and Retail Co., Ltd. (“Recess”)	Dormant	VND 85,711.5 million	100	
94.	Cavinoi Ltd. (“Cavinoi”)	Holding Company for Big C Vietnam	HKD 1.0	100	14 th Floor, South China Building 1-3 Wyndham Street Central, Hong Kong
95.	New Plan Co., Ltd. (“New Plan”)	Holding Company for Big C Vietnam	VND 1,491,950.5 million	100	Floor 5, No. 41A, Ly Thai To Street, Ly Thai To Ward, Hoan Kiem District, Hanoi City, Vietnam

No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
96.	New Plan Real Estate Investment Co., Ltd. (“New Plan RE”)	Holding real estate for Big C Vietnam	VND 1,470,354 million	100	No. 1/1, Truong Chinh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
97.	General Trading and Distribution Co., Ltd. (“GTVD”)	Holding Company for Big C Vietnam	VND 983,534 million	100	792 Nguyen Kiem Street, Ward3, Go Vap District, Ho Chi Minh City, Vietnam
98.	General Trading Service and Distribution Co., Ltd. (“GTSD”)	Operating hypermarket under Big C, totally 2 branches	VND 841,634 million	100	5 th Floor, No. 41A, Ly Thai To Street, Ly Thai To Ward, Hoan Kiem District, Hanoi City, Vietnam
99.	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
100.	General Trading of Household Products One Member Co., Ltd. (“GTHP”)	Operating ratalil under Big C (Shop-in-Shop) i.e. Look-Kool, Kubo, and Komonoya	VND 119,000 million	100	
101.	General Trading Fashions One Member Co., Ltd. (“GTF”)	Operating sport gadgets under Super Sport in Vietnam	VND 578,716 million	100	
102.	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 Urnan Area – Cat Bi Airport, Dang Giang Ward, Ngo Quyen District, Hai Phong City, Vietnam
103.	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
104.	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
105.	E.B Phu Thanh LLC (“EBPT”)	Operating hypermarket under Big C, totally 1 branch	VND 131,120.0 million	100	No. 53, Nguyen Son, Street, Phu Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
106.	EB Tan Phu LLC (“EBTP”)	Operating hypermarket under Big C, totally 4 branches	VND 316,927.8 million	100	No. 1/1, Truong Chinh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam
107.	EB Thanh Hoa LLC (“EBTH”)	Operating hypermarket under Big C, totally 2 branches	VND 130,528.6 million	100	Big C Thanh Hoa Commercial Center, Dong Le Street, Dong Hai Ward, Thanh Hoa City, Thanh Hoa Province, Vietnam
108.	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
109.	EB Can Tho LLC (“EBCT”)	Operating hypermarket under Big C, totally 1 branch	VND 66,565.0 million	100	Lot No. 1, Hung Phu 1 Residential Area, Hung Phu Ward, Cai Rang District, Can Tho City, Vietnam
110.	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
111.	Espace Business Hue JSC (“EBHue”)	Operating hypermarket under Big C, totally 5 branches	VND 281,483.0 million	100	Planing Area-Dong Da – Hung Vuong – Ba Trieu, Phu Hoi Ward, Hue City, Thua Thien Hue Province, Vietnam
112.	Espace Big C An Lac Co., Ltd. (“EBA”)	Operating hypermarket under Big C, totally 5 branches	VND 378,549.4 million	100	No. 1231, Quarter 5, National Highway 1A, Binh Tri Dong B Ward, Binh Tan District, Ho Chi Minh City, Vietnam

No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
113.	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
114.	Espace BIG C Dong Nai (“EBD”)	Operating hypermarket under Big C, totally 1 branch	VND 252,374.4 million	65.0	No. 833, Hanoi Avenue, Long Binh Tan Ward, Bien Hoa City, Dong Nai Province, Vietnam
115.	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
116.	Viet Nhat Real Estate JSC (“Viet Nhat RE”)	Holding real estate for Big C Vietnam	VND 4,216,653.1million	100	No. 222 Tran Duy Hung, Trung Hoa Ward, Cau Giay District, Hanoi City, Vietnam
117.	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
118.	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, Viet Nam
119.	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
120.	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
121.	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
122.	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
123.	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					
124.	Hillborough Group Ltd. (“Hillborough Group”) Holding Company	Holding Company for Big C Vietnam	USD 533 million	100	P.O. Box 2208 Road Town, Tortola, British Virgin Island
125.	CDF Holding Co., Ltd. (“CDFH”)	Holding Company for CDFS	THB 1.0 million	100	1027 Central Chidlom Department Store, 7 th Fl., Ploenchit Road, Lumpini, Pathum Wan, Bangkok
126.	Central Duty Free Shops Co., Ltd. (“CDFS”)	Dormant	THB 1.0 million	99.9	
127.	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					
128.	Cenergy Innovation Co., Ltd. (“CNGI”)	Providing information technology Omni-channel platform on program designing and website	THB 50.0 million	100	919/11 Jewelry Trade Center, 55 th Fl., Silom Road, SiLom, Bang Rak, Bangkok

No.	Company name	Type of Business	Paid up capital	Shareholding proportion (%)	Head Office
129.	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	919/111, 919/11 Jewelry Trade Center, 54 th -55 th Fl., Silom Road, SiLom, Bang Rak, Bangkok
130.	Central Retail Investment Limited (‘CRI’)	Providing loans to affiliated companies	EUR 130 million	100	112 North Curry Street, Carson City, Nevada
131.	Sunglass Hut (Thailand) Co., Ltd. (“Sunglass Hut”) ⁽¹⁾	Selling sunglasses under Sunglass Hut	THB 85.0 million	51.0	26/56 TPI Tower 25 th Fl., Zone 3 Room 1 Nang Linchi Road, Thung Maha Mek, Sa Thon, Bangkok
132.	Samsonite (Thailand) Co., Ltd. (“Samsonite”) ⁽²⁾	Selling goods under Samsonite and TUMI	THB 21.0 million	50.4	98 Sathorn Square Office Tower, 37 th Fl., Room 3705-3706 North Sathorn Road, Si Lom, Bang Rak, Bangkok
133.	MUJI Retail (Thailand) Co., Ltd. (“MUJI”)	Selling goods under Muji	THB 820.0 million	50.0	4, 4/5, 9 th Fl., Ratchadamri Road, Pathum Wan, Pathum Wan, Bangkok
134.	Luxury Goods (Thailand) Co., Ltd. (“GUCCI”)	Selling clothes under Gucci	THB 300.0 million	25.0	87/2 CRC Tower All Season Place, 35 th Fl., Unit 5 Wittayu Road, Lumpini, Pathum Wan, Bangkok
135.	Bottega Veneta (Thailand) Co., Ltd. (“Bottega”)	Selling clothes under Bottega Veneta	THB 100 million	25.0	689 Bhiraj Tower at Emquattier, 30 th Fl., Sukhumvit Road (Soi 35) Khlong Tan Nuea, Vadhana, Bangkok
136.	Central Watson Co., Ltd. (“Watson”) ⁽³⁾	Selling health and beauty product under Watson	THB 181.7 million	28.9	3388/23-24 Sirinrat Tower, 8 th Fl., Rama 4 Road, Khlong Tan, Khlong Toei, Bangkok
137.	Central DFS Co., Ltd. (“Central DFS”)	Selling, procuring, accepting, renting, lease purchasing, leasing, selling with right to redemption, holding ownership of, occupying, and managing assets	THB 71.0 million	51.0	22 Chidlom Tower, 14 th Fl., Room CCLT-14-RR-004 Soi Somkid, Ploenchit Road, Lumpini, Pathum Wan, Bangkok
138.	VAT Refund Center (Thailand) Co., Ltd. (“VRT”)	Providing tax refund services for travelers	THB 30 million	49.6	100/9, 12 th Fl., Vongwanich B, Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok
139.	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
140.	Kokuyo International (Thailand) Co., Ltd (“Kokuyo”)	Importing and selling office furniture under Kokuyo	THB 10.0 million	24.0	548 One City Centre 22 th Fl., Room 2201-2202 Phloenchit Road, Lum Phini, Patumwan, Bangkok
141.	Porto Worldwide Limited (“Porto WW”)	Holding Company	USD 199.0 million	67.0	2503 Bank of America Tower, 12 Harcourt Road, Central, Hong Kong
142.	Greengen Energy Co., Ltd. (“GGE”)	Production and sale of solar energy from rooftops	THB 90.0 million	50.0	87 M.Thai Tower All Seasons Place 11 th 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 The1 membership of The1 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) (Conditions must comply with relevant contracts.) to prevent any conflict of interest from arising in the future even though the overseas-based department store businesses in fact are not considered the Company's business competitors today. At present, Central Retail Group has not operated any department store in the aforementioned foreign countries.

The Right of First Refusal covers JD Central, which started Pure play E-commerce operations in 2017. However, JD Central stopped its operations from 3 March 2023. Therefore, the right related to JD Central has become invalid already.

Regarding future opportunities in retail businesses that are similar in nature to or may compete against the Company's businesses, HCDS shall allow Central Retail Group to be the first to claim the right to serve as the Flagship Company for multi-format and multi-channel retailing in Thailand and overseas under applicable contracts. HCDS also has the policy to not invest or co-invest in retail businesses that will in the future similar in nature to or may compete against Central Retail Group's businesses in Thailand and overseas except in events that the Company's Board of Directors has decided not to pursue opportunities in the said businesses. Aside, after investments / co-investments are made under the aforementioned condition, HCDS shall still give the Company the right to invest in these businesses if it becomes interested later. Such benefits and overseas business opportunities associated with this world-class partner, in all, promise to support Central Retail Group's rapid growth and bring Central Retail Group to the next 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, and (2) 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

The Company shall disclose exercising and refusing of rights for premium offshore department stores 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:

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.

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

In 2023, the Company did not conduct transactions in this kind.

1.3.4 Shareholders

(1) Major Shareholders

(1) Top 10 major shareholders as of 2 February 2024 which is the latest record date as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. Harn Central Department Store Limited (“HCDS”)	2,114,284,890	35.06
2. Deutsche Bank AG Singapore PWM	277,963,444	4.61
3. Thai NVDR Company Limited	210,917,274	3.50
4. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	110,855,974	1.84
5. Mr. Isareit Chirathivat	79,754,213	1.32
6. Social Security Office	79,475,566	1.32
7. UBS AG SINGAPORE BRANCH	75,795,880	1.26
8. Mr. Narongrit Chirathivat	73,394,279	1.22
9. Mr. Suthidech Chirathivat	55,789,915	0.93
10. Mr. Pichai Chirathivat	53,227,462	0.88
11. Other shareholders	2,899,541,103	48.06
Total	6,031,000,000	100.00

(2) The list of Shareholders in HCDS, a major shareholders of the Company as of 31 December 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. Tapida Norpanlop	7,317,755	2.15
9. Mrs. Natira Boonsri	7,317,755	2.15
10. Mr. Suthiphand Chirathivat	7,147,989	2.10

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
11. Mr. Suthilaksh Chirathivat	7,147,989	2.10
12. Mr. Suthipak Chirathivat	7,147,989	2.10
13. Mr. Suthisarn Chirathivat	7,147,989	2.10
14. Other shareholders ⁽¹⁾	222,003,717	65.34
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 2023, shareholding structure of CDS was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	333,499,979	100
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

2) ROBINS

As of 31 December 2023, 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	289,645,488	26.08
3. CACEIS BANK	8,193,894	0.74
4. Z RETAIL TECH LIMITED	1,383,400	0.12
5. STATE STREET EUROPE LIMITED	1,343,883	0.12
6. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	780,445	0.07
7. UBS AG, SINGAPORE BRANCH	430,500	0.04
8. STATE STREET BANK AND TRUST COMPANY	386,800	0.04
9. Mr. Napat Punjakunakorn	360,000	0.03
10. Mr. Charoonsit Kunanunthawisarn	348,102	0.03
11. Others	4,649,409	0.42
Total	1,110,661,133	100.00

3) TWT

As of 31 December 2023, 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⁾	980,000	49.0
Total	2,000,000	100.00

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

4) SPS

As of 31 December 2023, 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

5) PWB

As of 31 December 2023, shareholding structure of PWB was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. PBHD ⁽¹⁾	753,599,993	60.0
2. ROBINS	502,400,000	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	1,256,000,000	100.00

Remark: ⁽¹⁾ Subsidiaries of the Company which the Company hold 100.0% of shares

6) CFR

As of 31 December 2023, shareholding structure of CFR was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. CDS	15,289,995	75.29
2. The Company	5,017,411	24.71
3. Mr. Suthichart Chirathivat	1	0.0
4. Mr. Tos Chirathivat	1	0.0
5. Mr. Prin Chirathivat	1	0.0
6. Mr. Suthichai Chirathivat	1	0.0
7. Mr. Suthilaksh Chirathivat	1	0.0
8. Ms. Wallaya Chirathivat	1	0.0
Total	20,307,412	100.00

7) CFM

As of 31 December 2023, shareholding structure of CFM was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. CFR	38,615,117	99.65
2. ROBINS	134,883	0.35
Total	38,750,000	100.00

8) CMK

As of 31 December 2023, 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	100.00

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

9) CMG Group

As of 31 December 2023, 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	249,999,998	100.00
2. Mr. Pichai Chirathivat	1	0.0
3. Mr. Prin Chirathivat	1	0.0
Total	250,000,000	100.00

10) CTD

As of 31 December 2023, shareholding structure of CTD was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	407,175,000	75.00
2. CRC HARDLINE LIMITED	135,750,000	25.00
3. Mr. Suthichai Chirathivat	12,500	0.0
4. Mr. Suthilaksh Chirathivat	12,500	0.0
5. Mr. Sudhitham Chirathivat	12,500	0.0
6. Mr. Prin Chirathivat	12,500	0.0
7. Mr. Tos Chirathivat	12,500	0.0
8. Mr. Suthisarn Chirathivat	12,499	0.0
9. Ms. Sukulaya Uahwatanasakul	1	0.0
Total	543,000,000	100.00

11) CNGI

As of 31 December 2023, shareholding structure of CNGI was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. The Company	4,999,997	100.00
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	100.00

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	100.00

13) LR

As of 31 December 2023, shareholding structure of LR was as follows:

List of Shareholders	No. of shares (shares)	Shareholding Proportion (%)
1. CRC Rina ⁽¹⁾	5,115,996	100.00
Total	5,115,996	100.00

Remark: ⁽¹⁾ Subsidiaries of the Company which the Company hold 100.0% of shares

14) NK Group

As of 31 December 2023, 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	100.00
2. PBL	1,000	0.0
3. 3PLUS	1,000	0.0
Total⁽¹⁾	76,862,745	100.00

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 2023, 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	8,219,070	49.0
3. NK Trading	5	0.0
4. Phan Lan Chi	10	0.0
5. Pham Minh Tuan	10	0.0
Total	16,773,654	100

16) Big C / GO! Vietnam

As of 31 December 2023, 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	100.00
2. Mr. Prin Chirathivat	1	0.0
3. Ms. Sukulaya Uahwatanasakul	1	0.0
Total	2,680,000,000	100.00

(3) Shareholders' agreement

-None-

1.4 Capital Registration and Paid-Up Capital

As at 31 December 2023, 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

In 2023, the Company issued unsecured and unsubordinated debentures as follows:

Debenture	Credit Rating	Amount (THB million)	Issue Date	Term (Year)	Annual Interest Rate	Interest Payment Cycle	Principal Repayment	Maturity Date	Outstanding Amount as of 31 Dec 2023
CRC26NA	AA-	5,700	16 Nov 2023	3	3.26%	every 6 months	Maturity Date	16 Nov 2026	5,700
CRC28NA	AA-	1,000	16 Nov 2023	5	3.53%	every 6 months	Maturity Date	16 Nov 2028	1,000
CRC30NA	AA-	300	16 Nov 2023	7	3.84%	every 6 months	Maturity Date	16 Nov 2030	300

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 (Baht)	No. of shares (Million Shares)	Amount (THB Million)
2022					
Annual dividend	28 April 2023	May 2023	0.48	6,031	2,895
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
Interim 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.

02 | Risk Management

2. Risk Management

In 2023, the conflict between Russia and Ukraine affects the economic and trade conditions of numbers of countries whether trading/transporting goods and rising energy prices that have become a major cause of inflation and financial market volatility around the world. The Israeli-Palestinian unrest occurring at the beginning of the fourth quarter of 2023 results in economic and energy volatility. Consequently, the Company places its importance on conducting business with a continuous risk management system in accordance with the principles of good corporate governance and having appropriate internal controls, and adopting system of checks and balances throughout the operation. There is close monitoring of risk management by the Risk Management Committee (RMC) and the Risk Policy Committee (RPC) covering risk situations that significantly affect business operations, such as macroeconomic risks, new store formats/concept expansion risk, inventory and obsolescence risk, foreign exchange rate risk, product quality and services standard risk, and other factors that affect the Company's goals.

The Company's Board of Directors and executives remains committed to developing and enhancing the efficiency of the risk management system. The Company's risk management policy and framework are determined and reviewed to be up-to-date and consistent with business operations and the current situation that has changed, including analyzing and following up on important risks, and determining various measures to reduce the probability and impacts that may occur, allowing the company to cope with various challenging events effectively, and demonstrating risk management standards that are developed systematically that will help increase the competitiveness of the Company and be able to operate business sustainably.

2.1 Risk Management Policy and Plan

The Company has determined that enterprise risk management is an important tool to support and drive the Company's successful operations. There is an appropriate risk management system based on the international standards of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) or COSO ERM 2017, including principles of good corporate governance for listed companies and anti-corruption guidelines that are in line with the Thai Private Sector Collective Action Against Corruption (CAC), which the Company has been certified as an accredited member. In addition, the Company has pushed for integrated risk management connection covering Governance, Risk Management and Compliance (GRC) in order to prevent and mitigate the impacts that may occur from risk factors throughout the organization. Thus, promotes the organization to be effective and able to flexibly operate business. In order to be able to manage risks to a bearable level, the Company has established a risk management policy as follows:

- 1) The Company has established that risk management is the responsibility of employees at all levels to be discerning of the risks that affect the operations of their departments and the organization by concentrating on the mitigation and managing of various risks under systematic internal control to an adequate and appropriate level.
- 2) The Company has set an organizational risk management process that meets good standards according to international practices in efficiently achieving risk management that may affect the operations of the Company, consequently, promoting development and implementation of side-by-side risk management operations throughout the organization. The Company has adopted the risk management system as part of decision-making in strategies and plans outlining and the Company's operations including focusing on achieving the objectives, goals, vision, mission, strategies that are set in order to create operational excellence and build the confidence of those involved.

- 3) The Company has initiated guidelines for preventing and mitigating risks from the Company's operations are to avoid damage or loss that may occur including regular monitoring and evaluation of risk management results.
- 4) The Company promotes and adopts modern information technology systems in the Company's risk management process improvement. The Company supports personnel at all levels to gain access to comprehensive risk management information sources as well as organizing risk management reporting systems for the Risk Policy Committee to be comprehended effectively.

The Company has integrated strategy development, business objectives determination and performance measure with organizational risk management under interrelated principles. This promotes the creation of added value for the organization as follows:

- **Governance & Culture** The Company has structured the organization and clearly determined the duties and responsibilities in risk management as well as established a corporate culture that emphasizes awareness of risks which may affect its business operations.
- **Strategy & Objective-Setting** The Company has a strategic planning process that integrates risk management principles where strategies are developed and business objectives are set in line with acceptable risk levels.
- **Performance** The Company identifies and assesses risks that may affect the accomplishment of strategies and business objectives whereby the risks are prioritized according to the level of impact and the likelihood of events that can derive the risks as well as determines appropriate risk response methods.
- **Review & Revision** The Company regularly reviews its performance to determine the effectiveness of risk management which is reviewed periodically to ensure continuous improvements.
- **Information, Communication & Reporting** The Company implements an information system that promotes risk management to be carried out efficiently. Such system helps support risk information, performance data, and the development of risk management reports in order to facilitate the communication of the results of risk management to stakeholders continuously and appropriately.

2.2 Risk Factors Affecting the Company's Business Operations

2.2.1 Risks in the Business Operations of the Group of Companies

The Company has analyzed the business environment, internal factors and external factors related to the Company's business operations whether it is the political, economic, social, technological, environment, and relevant law sectors. The key risk factors that may affect the Company's goals, strategies, and objectives in 2023 are summarized as follows:

1. Macroeconomic Risks

The macroeconomic risks in 2023 contributing to the rise in the Company's management/business operations costs consist of the following details:

- **The increases in the inflation rates** which were pressured by the fluctuations in energy prices during the continuing Russia-Ukraine conflict. In addition, the Israeli-Palestinian war which began in the fourth quarter of the year is considered another driving force that directly affects energy prices and the purchasing power.
- **The increases in the policy rates** of central banks of leading economies such as the United States Federal Reserve (FED) which continue to rise during 2023 to combat inflation. Thus, affect the world economy and investment, tightened lending standards, slowdown in business operation, the fall of the rate of new hires as businesses delay investment, and thereupon affecting the stability of developing countries. However, the Company has taken various measures such as managing the capital structure from loans and interest rate structure management (fixed and floating rates) to manage such risks.
- **The appreciations of foreign exchange rates**, especially the US dollar that projects a lot of consequences from the raising interest rate announcement of FED in response to slow down inflation. On the other hand, countries that do not use the US dollar as their base currency will also face depreciation. The Company has been following the changes in the currency, making forward contracts, adopting natural hedge, and managing working capital to be sufficient for business operations to mitigate such risks.
- **The slow economic recovery in China** which has a significant impact on the tourism sector of Thailand that relies on tourism as one of the factors in contributing to the country's economic growth.
- **The contingency of government policy** occurring from the delay in the establishment of Thailand's coalition government during the second quarter creating uncertainty and unreliability in the investment of both domestic and foreign investors.
- **The trend of raising the minimum wage in the future according to government policy** which may be one of the factors that challenge the business sector and industries.

Responses to the Risks

Such risks are caused by external factors and are beyond the Company's control. The Company has prepared various measures to be consistent with the current situation at all time by considering important economic indicators, conducting uncertainty assessment and comprehensively analyzing risks that affect the Company's business operations, and also setting various strategies to be used as a guideline for reducing the severity of the risks, and increasing business potential as follows:

- **Stimulating sales and expanding customer base:** Planning effective sales promotions and marketing to attract customers including collaborating with partners and developing sales planning to be in line with the needs of customers in each group, etc.

- Increasing the ability to generate profits and yields by focusing on operations according to the 3Cs strategy, consisting efficient management of costs, capital expenditures, and cash flow.
- Considering the possibility of store expansions in various business formats that have been proven to effectively maintain the Company's market share.
- Tracking the movements of competitors in the retail business to use as a guideline for building the competitiveness.

In addition, the Company continues directing its operations to be in accordance to the strategy to present its position towards creating sustainable business growth in 2023, consisting of:

1. **Accelerate Core Leadership:** The Company focuses on accelerating the drive and creating growth in the Company's core business groups both domestically and internationally, and cooperating with business partners at the international levels.
2. **Reinvest Next-Gen Omni Retail:** Development of a new platform to become the Next-Gen Omni Retail, connecting the real world and the virtual world together in order to provide a good shopping experience in all business groups including food, fashion, hardline, property, and new business groups in Thailand, Vietnam and Italy starting with Central Application and then followed by Tops, Power Buy, SuperSport, and expand to other brands application.
3. **Build New Growth Pillar:** The Company strives in building a new business starting with the health and wellness group, and other business groups that are in line with world trends and consumer needs.
4. **Drive Partnership, Acquisition, Spin-Off:** The Company expands its business under the concept of 'Inclusive Growth', creating success together with business partners for sustainable growth.

2. Risks of Geopolitical Conflicts

From the issue of conflict and decoupling as well as issues regarding limitations of natural resources and political tensions in countries around the world, such as the conflict between the United States and China or Russia-Ukraine all have impacts on international trade causing trade barriers and economic boycott affecting the import-export sector which may spread to countries other than those directly in conflict. Therefore, causing various countries face with greater economic challenges. This may negatively influence the Company's business operations, such as uncertainty from investments, tax barriers, stagnation of supply chain system, financial fluctuations and increases in prices of consumer products.

Responses to the Risks

- Regularly monitor and analyze the situations, covering issues from wartime as well as other risk factors related to the Company's strategic plan.

- Create a financial foundation for the Company based on the 3Cs strategy.
- Establish evaluation of employee readiness on a regular basis to cover reskilling and upskilling, and creating a development plan for personnel with specific abilities to enhance the potential of employees to be able to work with continuous change.
- Implementation of supply chain management strategy which consists of 1) Responding to customer needs and providing the best transportation services; 2) Increasing the potential of the supply chain to adapt to changing market trends and; 3) Increasing operational efficiency in order to serve customers at reasonable prices.

3. Competition Risks

Competition risks are an inevitable risk since the retail industry is a free market that is subjected to fierce competition. Even though the Company 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 levels, 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 the Company 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, in 2023, the overall picture of the Thai economy is starting to show signs of recovery. This has a positive impact on the retail business group which is expanding, especially in the consumer products group. Along with the past April - May 2023, there have been political activities which is a catalyst for the consumer products group. The consumption will recover faster and from such supporting factors, it considerably has a positive impact on the Company to be able to operate business according to the CRC Retail Intelligence strategy to drive the organization to be ready for the changing business environment and build the CRC Ecosystem along with sustainable growth efficiently. In 2023, the Company has developed and increased operational potential according to business groups as follows:

1. Expand and renovate/ remodel covering department stores, Thaiwatsadu, Tops, Robinson Lifestyle Shopping Center and hypermarkets such as Big C/ GO!
2. The fashion business group: The Company empowers the fashion business and increases profitability with a fully-equipped omnichannel platform and being a leader in the fashion business through improving stores to be more modern, driving Central application to be the No. 1 premium omnichannel platform, and creating excellence in brand management and the synergy of luxury brands in the business group.
3. The hardline business group: The Company accelerates the expansion of Thaiwatsadu stores and Thaiwatsadu x BnB home.
4. The food business group: The Company creates growth for existing and new businesses with various stores covering consumer products group such as Tops, Tops Fine Food, Tops Vita, Tops Care and PET 'N ME .

5. The property business group: The Company continues to expand the highest footprint of shopping centers with the concept of being the leader in “Lifestyle and experiential Community” throughout the country.
6. Business operations in Vietnam continue to expand including businesses in the food group, non-food business group, and property group.

Responses to the Risks

Although the Company is one of the major retail business operators in Thailand, but the Company is always aware of the risks of competitions by positioning the business operations and continuously seeking opportunities to expand the business to be consistent with the current environment as follows:

- Tourism & Economic Rebound Globally: The Company focuses on being the center of tourism and economic recovery in Thailand, Vietnam and Italy.
- Government Stimulus Measures: The Company is a part in helping to support measures and stimulate the economy of the public sector in the countries that the Company is operating in which are Thailand, Vietnam and Italy.
- Leverage Affluent Customer High Spending Power: The Company places its position to be a center for attracting customers with high purchasing power, especially in Thailand and Italy.
- Upcoming Election: The Company operates its business as a part of supporting policies from elections in Thailand.
- Vietnam with the Highest GDP growth in SEA: The Company is regarded as one of the drivers of Vietnam’s economic growth.
- Strong FDI Inflows: The Company creates movement and increases investment rates of foreign investors.

4. Cybersecurity Risks and Personal Data Protection

From the current trend of business operations that rely more on information technology to support business operations, such as communication within the organization, coordination between trading partners, selling products and services as well as consumer behavior that has shifted from offline to online. Consequently, organizations need to increase the use of information technology systems. This is one of the causes that lead to the increasing numbers of cyber threats and/or result in the insecurity of business data and/or personal data. Cyber threats include but not limited to malware, ransomware, phishing or distributed denial-of-service: DDoS, etc. In addition, the rate of theft abroad has begun to tend to increase. For this reason, the Company therefore, continue to cautiously conduct its business by operating according to the cybersecurity governance structure and personal data protection which requires the Company to report its operating performance to the Chief Information Security Officer (CISO), Chairman of the Executive Board and the Risk Policy Committee to support effective cybersecurity governance by taking into account the interests of stakeholders as a priority.

As for the importance of personal data protection, the Company has appointed a personal data protection unit and the Data Protection Officer (DPO) to perform duties in correspondence with the Personal Data Protection Act (PDPA) as well as pushing businesses to operate in accordance with the Privacy Policy as prescribed and announced by the Company.

Responses to the Risks

The Company has established control guidelines and various measures to manage cybersecurity and safety, and personal data protection as follows:

1. The prevention and reduction of the severity of cybersecurity risks includes:
 - Assign cybersecurity agencies to play a pivotal role in overseeing the stability of information systems.
 - Designate employees and related persons to follow the guidelines and framework for information system management. This is in line with legal regulations and international standards such as the Center for Internet Security Control (CIS), National Institute of Standards and Technology Cybersecurity Framework (NIST-CSF), etc.
 - Install a security system for computers in use to prevent damage that may be caused by cyber threats such as firewalls, antivirus software, intrusion prevention and detection systems, etc.
 - Install security systems for the information center to prevent damage that may occur from undesirable circumstances and uncertainty such as natural disasters, cybercrime, etc.
 - Allow cybersecurity management agency to regularly take proactive steps in preventing situations that may lead to cyberattacks. The penetration test is conducted through evaluation and exploitable vulnerability analysis, and improve the efficiency of the information systems within the Company.
 - Allow cybersecurity management agency to take preventive steps in managing and reducing damage from cyber-attack situations including providing lessons learned from the occurred incidents as case study which support evaluation and analysis of the causes, observations and recommendations in order to prevent and reduce the occurrence of similar situations in the future.
 - Provide training for employees at all levels to raise awareness of the importance of cybersecurity.
2. The prevention and reduction of the severity of personal data protection risks includes:
 - Organize training for employees at all levels to promote awareness of the importance of personal data protection.
 - Establish processes and controls to manage activities that use personal data and recording personal data processing transactions, and determine responsible persons in each department.

- Prepare and maintain records of personal data processing transactions, and develop an audit of the consent for data usage management system according to specified purposes and details.
- Establish a process for requesting the exercise of the rights of personal data owners.
- Specify a time frame for personal data storage.
- Initiate operational procedures in the event of a personal data leakage.

5. IT Infrastructure Risks

From the competitive environment of the retail business and the growing trend of e-commerce platforms, both domestically and internationally. In addition, there are rapid changes in consumer behavior, society, and technology, such as checking product prices, viewing online product reviews, paying attention to healthcare, living life at ease through technology facilitation, social development and business operations for sustainable growth, and adopting technology as a tool for developing the world and society. As a result, entrepreneurs in the retail market have to adjust their strategies to keep up with the changes especially investing in infrastructure to meet these changes.

Further on from the competition and changes in the retail business, the Company has determined that the implementation of the Next - Gen Omnichannel platform strategy is a measure to enhance the shopping experience by relying on the bridging between the offline and online worlds, and metaverse which covers businesses in Thailand, Vietnam and Italy based on insights in order to provide customers with a real-time, personalized product and service experiences (ultra-personalization) and can effectively attract customers, consisting of 1) Conducting in-depth analysis to understand customers at the micro-segmentation level; 2) Developing a platform with a focus on customer experience; 3) Connecting businesses on the Company's ecosystem to provide comprehensive service to customer; 4) Using artificial intelligence in processing to present content on the Next-Gen Omnichannel platform; and 5) Upgrading the platform to be fast and relevant to all channels seamlessly for the goal of being a world-class retail tech and being the only omnichannel leader in Thailand and internationally.

In addition, part of the information system has been transferred from the old to the new information center. At the same time, the core network switch has been upgraded and completed the information systems in 2022 to reduce the risk of disruption and support the rapid growth of business and new technology in the future.

6. Distribution and Inventory Management Risks

The product distribution process is an important activity of the Company in delivering products and services to all customer in every distribution channel (offline/ online/ Omnichannel) with the goal of providing customers with products and services that meet their needs both in terms of quantity, time, and place. The Company's product distribution process covers everything from receiving goods to storage and requisition, distribution center management, transportation system management in all forms including inventory control management.

Inventory management is another factor that the Company gives importance to by specifying measures to cope with the risks including constantly reviewing and improving efficiency to keep the risk at an acceptable level, such as conducting market research on various types of products orders amid certain economic situation and at specific times, evaluating market demand trends and the purchasing power of customers to assess sales in advance, and computerized operations for accuracy in inventory management.

Responses to the Risks

The Company has initiated various measures to prevent and reduce the severity on the efficiency of product distribution and inventory management as follows:

1. The prevention and reduction of the severity of the distribution risks includes:
 - Establish a contingency plan and review the plan regularly.
 - Not relying on a small number of external labor or transportation service providers, and provide clear and consistent indicators and evaluations of service providers' performance.
 - Review laws, regulations and practices concerning imports, exports, transportation and safety in the workplace by constantly communicating with all relevant departments to prevent violations of the laws, rules and practices.
 - Compliance with safety regulations and standards including receiving certification for the ISO450001:2018 occupational health and safety management system standard inside the Omnichannel Distribution Center.
 - Provide trainings for employees within the distribution center to acquire multi-skills and be able to perform tasks in distinct departments and be prompt to respond to customer needs including supporting in emergency situations that may occur.

2. The prevention and reduction of the severity of the inventory management risks includes:
 - Set a target framework for the inventory day which is continuously monitored.
 - Reduce stock levels and obsolete products in line with appropriate promotional plans.
 - Negotiate with business partners to reduce purchase volumes, returns, or postpone deliveries to appropriately control inventory levels.
 - Establish a control plan and inspecting products to prevent loss, and reporting the results and expand sales channels to manage obsolete products.
 - Organize sales promotion plans for slow-moving stocks, such as seasonal products, etc.
 - Development of information systems for inventory management.

7. Risks of doing business in Vietnam

Business operations in Vietnam in the first half of 2023, there are risk factors arising from legal uncertainties that affect the expansion of various projects. There are continuing obstacles and issues related to the expansion of real estate companies within the country which have resulted in financial institutions becoming more stringent in lending. In addition, having insufficient working capital to achieve business objectives may cause the Company's projects to fail. There was a delay and the discontinuity of the electric power system in the northern part of the country that also affects the production sector, industrial sector, and the lack of confidence in investment by foreign investors. As a result, the country's Gross Domestic Product (GDP) decreased during this period. However, the government has issued measures to stimulate the economy, such as lowering the VAT and interest rate, and accelerating more investment in infrastructure.

As for the stability of the electric power system, which remains an obstacle to the industrial sector in the short term, the Vietnamese government has issued corrective measures by 1) Importing Liquefied Natural Gas (LNG) to support electricity production; 2) Importing electricity from Laos and China during periods of high electricity consumption; and 3) Accelerating construction of LNG power plant projects to ensure continuity in electricity production.

In the second half of 2023, Vietnam began to experience more economic recovery due to the growth of the tourism business. Production and export volumes began to recover as inflation in Vietnam's key export markets such as the United States and Europe softened and the demand for products during the festival tends to increase. As a result, Vietnam's GDP during this period has improved. In addition, in the last quarter of 2023, Vietnam has begun preparations for the "TET" Festival, which is regarded the Vietnamese New Year festival. This is a positive factor that helps stimulate the economy to recover in the first quarter of 2024.

Particularly to hardline business operation, the sales of electrical appliances under the retail brand Nguyen Kim has been directly affected by the fluctuations in the recent economic situation especially the impact of inflation that results in a decrease in the purchasing volume of products in this group, nonetheless, it is at the level that the Company can manage. For the property and food business group, the risk is low and is at the level that the Company is able to manage efficiently.

Responses to the Risks

The Company has operated according to the strategies and set various measures to stimulate demand and have more purchasing and selling of products in the hardline business throughout 2023 as follows:

- Renovate existing stores under the concept of "Products Experiment" to attract customers to purchase more.
- Expand additional branches in shopping centers.
- Launch multiple promotional campaigns and worked with key marketing communications partners to build brand awareness.

- In the process of improving the customer's loyalty platform by leveraging The1 to integrate with the customer's database by revamping the structure of the application and the customer relation management system (CRM).

Although the Company is able to manage risks in the property and food segment, the Company still initiates risk control activities as follows:

- Property segment: The Company focuses on improving branches and changing the appearance of existing department stores for maximum efficiency, such as developing strategies to attract the quantity and diversity of tenants for space rental in buildings, implementing cost optimization, and using the new-to-market concept and creating new experiences to customers by increasing F&B product offerings.
- Food segment: Accelerate market share by expanding and improving hypermarkets and supermarket, and increasing the efficiency of operating processes, such as developing and improving marketing models, driving business using more innovations, increasing the efficiency of the omnichannel platform, and improving the supply chain system to support business expansion, etc.

8. Risks in Business Operation in Italy

Business operations in Italy remain at risk from consecutive economic contractions in the first two quarters of 2023, which is evident by the rising interest rates, high inflation rate, delayed disbursement of EU recovery funds, and the fluctuations of international markets in which all have significant impacts on Italy.

As for the economy in the second half of the year, it is still within continuous observation of the Company. Even though interest rates will be raised to slow down inflation, on the other hand, an increase in the interest rates may cause many banks to increase their lending rates as well. This causes the cost of fund for the business or public sector to increase as well which may be an obstacle to business operations and public spending. The government has therefore issued corrective measures to assist the public sector affected by financing costs by announcing a windfall tax of 40 percent on profits various banks received from increasing the standard interest rate.

In addition, the dependence on energy from countries with geopolitical conflicts such as Russia and obstacles in the procurement of energy sources both affected Italy and EU countries' rising energy prices, affecting directly the household and industrial sectors. The European Union has announced energy response measures through European Union (EU) Regulation 2022/1854 as temporary energy emergency measures, effective from October to December 2023, formulating the European Union Energy Plan (REPowerEU), encouraging the use of innovations along with energy consumption behavior, using renewable energy, and Smart-Living, etc.

Due to the uncertainty of the Italian economy, the Company continues to conduct business cautiously. There is continuous monitoring of performance between each other to be able to plan for the risks and solve problems in a timely manner. The Company as well launches various measures to increase the ability to simultaneously respond to the uncertainty of risks.

Responses to the Risks

- Strengthen the omnichannel platform in the fashion business. In addition, various e-commerce projects expenses have been managed efficiently.
- Execute business transformation to its fullest potential at an appropriate cost through modernization and differentiation for stores, online systems, social media systems, and customer information management, creating personnel and systems, and operating processes to have expertise and be able to manage operating expenses and efficiently create profits. In addition, the e-commerce project is continuously developed to increase cost optimization and respond to the needs of customers in countries with high purchasing power.

9. Financial Risks

Economic fluctuations, world geopolitical conflicts as well as investors' concerns about the war situation, interest rate Inflation rate including fluctuations in the value of major currencies and the Thai baht which are important factors affecting the Company that has business operations both domestically and internationally in terms of profitability and cost management. From the above fluctuations, the Company has managed important financial risks as detailed below:

9.1 Exchange Rate Risks

Exchange rate fluctuations remain a risk factor that the Company has been monitoring throughout 2023. The Company is able to appropriately manage risks arising from fluctuations in foreign currency exchange rates and has set various measures to prepare for such risks at all time according to the details as follows:

Responses to the Risk

- Regular follow up on changes in the value of currencies related to business operations
- Proceed with natural hedge
- Forward trading of foreign currency
- Manage working capital to be sufficient for business operations to conduct the money exchange in a timely manner

9.2 Interest Rate Risks

The Company continues to monitor and predict the upward trend of interest rates regularly and set a target proportion of interest rates that are appropriate for the Company's operations. Throughout 2023, the Company is able to appropriately manage risks arise from interest rate fluctuations according to the set goals. In addition, various measures have been established to prepare for such risks according to the details as follows:

Response to the Risks

- Appropriately manage the capital structure from short-term and long-term loans to be able to manage capital costs effectively
- Manage the interest rate structure (fixed rate and floating rate) to be appropriated to market conditions to achieve efficiency in managing interest rate costs
- Build and maintain good relationships as well as negotiat with financial institutions in order to obtain appropriate funding sources

9.3 Financial Liquidity Risk

Financial liquidity risk management remains in the vision of the Company's business operations to support investment, business expansion, and repayment of both short-term and long-term debts. Throughout the year 2023, the Company is able to appropriately manage its financial liquidity and set various measures to prepare for such risks according to the details as follows:

Response to the Risks

- Creat and maintain good relationships with various financial institutions which is a source of loans both domestically and internationally
- Manage appropriate short-term and long-term funding sources and ensure sufficient liquidity to operate business, and support debt repayment and financial obligations when are due or recalled
- Manage credit lines from the banks to be at an appropriate and sufficient level
- Review and follow up on spending plans for various investment projects as well as controlling inventory purchases to be at an appropriate level and be more efficient
- Prepare cash flow forecasting in line with the business plan for each period which is regularly followed up and reviewed

10. Human Rights Risks

In addition to the aforementioned risk factors, the Company remains committed to operating in accordance with human rights principles that are directly linked to the Company as well as affiliated companies and joint venture companies under the Company's management, all partners and legal entities in the supply chain including tenants, customers, contractors, subcontractors, and relevant external stakeholders affected by the Company's operating activities.

From the scope of operations, the Company has begun conducting a comprehensive human rights due diligence from December 2022 until the present to provide advice, identify, prioritize human rights risk management as well as

communicating to all groups of stakeholders regarding the Company's respect for human rights which received cooperation from experts to determine guidelines and formats for assessing human rights risks related to the Company's business operations, determining measures to deal with problems and providing appropriate compensation to those whose rights have been violated covering all business units of Hardline, Food, Fashion and Property both in Thailand and Vietnam. In addition, workshops are organized together with related business units and the announcement of the official Human Rights Due Diligence Manual, both in Thai and English versions, with the Enterprise Risk Management Department providing advice on setting risk assessment criteria that also consider the impact and the likelihood that the risks may occur.

11. Emerging Risks

11.1 Risks Arising from the Cost-of-living Crisis

From the publication of the 2023 Global Risk Report of the World Economic Forum (WEF), which presented the results of data collected through the Global Risks Perception Survey (GRPS), it was found that the cost-of-living crisis is a risk within the social dimension that is ranked No. 1 out of 10 in the global risk rankings across five dimensions (economic, social, environmental, geopolitical, and technological) that are expected to intensify over the next two years and may have a tendency to subside, yet possess direct impact on populations that are increasingly suspended access to basic necessities and people are more conscious about consumption focusing on only the product groups that are necessary for life. In addition, facing inflation. in particular, the fluctuations in energy and product prices lead to the stimulation of interest rate adjustments, risk of debt, and national fiscal planning.

The increase in the number of foreign tourists from the second quarter of 2023 onwards, as well as the new government's spending stimulus, especially the digital currency system, may be a positive factor for the retail business. However, this government's measures depend on with different consumer spending behaviors and setting conditions for areas and types of retail stores that the company must be followed up continuously as well as taking into account the risks arising from intense competition, especially importing cheap products from China, and the trend of increasing the minimum wage as well. The Company has prepared to deal with such events according to the following measures:

- Driving the Company's business operations, according to the CRC Retailigence strategy and creating a foundation for managing financial status based on the 3C principles (Cost, CAPEX and Cash Flow).
- Changing strategies to be in line with consumers' lifestyles, developing the Company Ecosystem and developing the Next-Gen Omnichannel Platform to enhance the shopping experience for the individual (Ultra Personalization) to provide convenience to customers. To connect shopping continuously both online and offline.
- Efficient expense management, such as product management expenses. Promotional expenses to meet customer needs and using innovations to save energy within the company.
- Continuously increasing long-term profit rates, such as jointly ordering products to achieve reasonable costs.

- Adjusting the financial cost structure to suit interest rate fluctuations.
- Creating attraction for customers. and creating sales growth by opening new branches. Improving the original branch Especially modern department stores covering business operations in Thailand, Vietnam and Italy.

11.2 Risks Arising from Terrorisms

According to the 2022 Global Terrorism Index (GTI), a survey of 163 countries conducted by the Institute for Economic & Peace (IEP), it was found that superpowers like the United States have GTI ranked 33rd, moving up 2 positions from 2021 and the impact from terrorism is approximately 4.8 out of 10 points. For Thailand's score, it is ranked 26th, which is 4 ranks higher than in 2021 and the impact from terrorism is approximately 5.4 out of 10 points. This index has proven that Thailand is significantly affected by terrorism. As an example of the terrorist incident that occurred at a department store in October 2023, causing an impact on its image, internal security, uncertainty about the country's security system which has resulted in a decrease in the number of foreign tourists.

From such events that may occur, the Company has prepared to cope with the event by specifying following measures:

1. Operations that the Company Prescribed as Basic Guidelines
During March 2023, the Board of Directors has concluded that the Company shall prepare and create a plan for the event of a mass shooting by allowing business units with relevant areas to prepare plans and participate in rehearsals with police officers, for example, the CDS business unit has completed 100% of rehearsals during October 2023 and for business units that depend on the owner of the area (Central Pattana) will be operated according to the plan of the area owner as well as purchasing an insurance policy to cover damages in the events of emergency.
2. Actions on Immediate Response During an Incident
The Company has issued an announcement of "How to Survive in a Shooting Incident" to employees. To create more confidence for customers, Central World and Central Pattana has issued additional announcements regarding raising the level of security within the shopping center, including installing a checkpoint for customer bags and baggage at the entrance, monitoring security through the shopping center's CCTV system, arrangement of security guards to patrol the shopping center to assist customers and store employees in the event of abnormal events, and the readiness of trained security personnel to suppress all types of misfortunes.

12. Sustainability Risk (ESG Risk)

12.1 Environment

The Company has determined to have an environmental policy announced from July 24, 2023 to serve as a guideline for overseeing responsible business operations covering various issues which is in line with global trends and suitability for business operations, including guidelines for reducing greenhouse gas emissions, reducing impacts on the ecosystem and moving towards Zero Waste practices, sustainable sourcing of goods and related

materials and environmentally friendly products, promoting environmentally friendly products and services, moving towards sustainable transportation and distribution processes, promoting sustainable consumption and production patterns, sustainable and integrating relevant environmental issues into due diligence and merger processes.

In addition, the Company has appointed a Corporate Governance and Sustainability Development Committee, which includes the Chief Executive Officer, top executives of subsidiaries, associated companies, or business units and the environmental working group to simultaneously implementing measures to manage important environmental issues as follows:

- Setting a target to reduce greenhouse gas emissions from business operations by 30 percent by 2030 by installing solar cell systems on shopping center rooftops, using electric trucks to transport goods, and installing charging stations for electric cars in shopping malls, and the use of energy conservation cooling systems for the food business group
- Setting targets for additional greenhouse gas storage through natural means by planting forests and developing agricultural areas by 2050 to be a part in solving the problem and reducing the impact of climate change
- Promoting the use of environmentally friendly products and packaging. The use of recycled materials and natural materials to replace waste materials including reducing the creation of plastic waste and selling quality products that care for the environment and community
- Climate change risk assessment according to the framework of the Task Force on Climate-related Financial Disclosure (TCFD), consisting of Physical Risk Assessment and transition risk. The results of the assessment have been applied to organizational risk management including developing strategies to adapt and cope with impacts
- Operations under the Journey to Zero project, such as the Samui Zero Waste Model project, the Surprise Bag project, and the Food for Good Deed project
- Supporting various projects that do not affect the environment and society, such as the project to promote organic agricultural products, etc.

12.2 Social

The Company is committed to driving business towards sustainability by relying on human resources as an important factor which consists of the Company's employees, business partner or nearby communities throughout the supply chain. The Company hence places its importance on caring for and developing knowledge and ability for employees in line with business operations, as well as providing appropriate compensation to employees and business associates.

To promote complete and efficient operations in the social dimension, the Company has disclosed "Policy on Safety, Occupational Health, and Working Environment" to demonstrate its concern for the lives and health of personnel, strengthening consciousness, and to adopt as a guideline in determining measures to control and

manage safety, occupational health, and a suitable working environment. The Company continues to implement measures to develop the potential to operate in the social dimension in a sustainable manner as follows:

- Continuously developing the employees' potential through various trainings, such as developing employees with high potential, developing employees in terms of leadership, and Omnichannel employee development
- Organizing various activities that involve participation from both employees and executives to enhance closeness and to reflect the quality of work
- Organizing projects on upgrading education, developing quality of life, and creating careers for the community as disclosed on the Company's website

As for the aspect of human rights due diligence, the Company has hired consultants to help find important human rights issues in the Company's operational processes. They jointly assessed human rights risks throughout the supply chain covering businesses in Thailand and Vietnam. In addition, the Company receives support from the Enterprise Risk Management Department in providing advice on setting risk assessment criteria throughout the project. As a result of the initial project implementation, the Company has learned about the top 10 risks that are important to the supply chain in order to use it as a guideline for improving and developing human rights operations to be more efficient in the future.

In addition, the Company continues its focus on caring for communities and society. The information and operating guidelines are disclosed on the Company's website under the topic of "Sustainable Development" <https://www.centralretail.com/en/investor-relations/document/annual-reports> including details disclosed in the 2023 sustainability report.

12.3 Governance

The Company under the supervision of the Board of Directors recognizes and places its importance on sustainable business management by promoting the Company's operation to adhere to the business ethics of the group of companies. Good practices for directors of listed companies, relevant rules, regulations and guidelines of the Stock Exchange of Thailand (SET), Office of the Securities and Exchange Commission (SEC). In addition, raising the level of corporate governance of the company by promoting the group of companies to be an efficient organization in terms of good corporate governance and conduct business with transparency to foster confidence among all groups of stakeholders in a sustainable manner in accordance with the principles of good corporate governance of the Organization for Economic Cooperation and Development (OECD).

Besides, the Company prioritizes the disclosure of information and transparency. These are set out as good practices specified in the Good Corporate Governance and Code of Conduct Manual which has been disclosed on the Company's website for shareholders and interested parties in which the Company considers accuracy, completeness, adequacy, timeliness and reliability. In addition, the disclosure of financial and non-financial information according to relevant laws, rules, and regulations through the stock exchange's system, such as disclosing information in the Form 56-1 One Report in both Thai and English versions whereby the Investor Relations Department and the Company Secretary are responsible for answering inquiries.

2.2.2 Risks to Securities Holders Investment

(1) Limitation on the Proportion of Shareholding by Foreigner Prescribed by Thai Law and the Company's Regulations

The Company's Articles of Association have limited the proportion of shares held by foreigners at 49% of the total paid-up capital, complying with the limitation on the proportion of shares held by foreigners prescribed by Thai law. Thereby, liquidity and market price of the offered shares may be adversely affected, especially when the limit is reached. This is because Thai shareholders cannot transfer the shares to foreigners.

Moreover, the shareholders, and also the share traders, who do not possess Thai nationality may not know beforehand whether the shares being traded exceeds the limitation, will the name of the share buyer be recorded in the shareholder register or not, and or the registrar will reject the shares transferring record or not. In this regard, the proportion of shares held as of February 2, 2024 by foreign shareholders accounted for 14% of the total paid-up capital of the Company, which was lower than that as stipulated in the Company's Articles of Association.

(2) Risks of Significant Fluctuations in the Share Prices

The Company anticipates significant fluctuations in the Company's share price and that investors may not be able to resell the Company's shares at a price equal to or higher than the purchase price or unable to immediately sell shares. The Company's share price tends to fluctuate with upturns and downturns, and in a fairly wide price range. This is the result of various factors which includes but not limited to:

- Fluctuations in the anticipated or actual operating performance
- Issuance or revision of securities analysis or analyst recommendations regarding the Company's securities
- Employment or loss of key personnel of the Company or of its competitors
- Announcement related to development which promotes competitive advantage, acquisition or strategic cooperation in the industries in which the Company operates in
- Strict regulations or restrictions prescribed by government agencies which affects the industries in which the Company operates in
- Fluctuations in foreign currency exchange rates
- Current on-going or possible lawsuits, including any investigations conducted by government agencies
- Economic and market situation, and or any other developments affecting the Company and the industries the Group operates in on a domestic, regional, and global level

2.2.3 Risks to Foreign Securities Investments

-None-

03

Business
Sustainability
Development

3. Steering the Business for Sustainability

The Board of Directors, along with the Corporate Governance and Sustainability Committee, thoroughly evaluated and approved the sustainability performance content.

3.1 Sustainability Management Policy and Goals

At present, the Company must deal with challenges and risks in several dimensions that arise from the societal or environmental aspects, which may cause both direct and indirect impacts on short-term and long-term business operations. Thus, the Company emphasizes the establishment of collaborations with stakeholders and evaluates the potential impact that may arise from the Company’s activities.

The Company strives to be a role model organization that demonstrates continuous business growth alongside sustainable development as well as meeting the expectations of stakeholders. In response, the Company has established a sustainable development framework that integrates the Environmental, Social, Governance and Economic dimensions, commonly known as ESG. The Company also addresses materiality issues, defines targets, and assigns responsible persons to determine directions of the operations of every business group and function under the roof of the Company to contribute to positive changes in the long run.

In the past year, the Company has been listed as a member of the Dow Jones Sustainability Indices-World Index (DJSI World) and the Dow Jones Sustainability-Emerging Markets Index (DJSI Emerging Markets) in Retailing industry for two consecutive years, including SET ESG Ratings of ‘AAA’ by the Stock Exchange of Thailand, and MSCI ESG Ratings of ‘BBB’.


Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

SET **AAA**
ESG Ratings 2023

Central Retail Corporation Public Company Limited
Retailing

Top 5%
S&P Global Corporate Sustainability
Assessment (CSA) Score 2023


S&P Global CSA Score 2023: 77/100
Score date: February 7, 2024
The S&P Global Corporate Sustainability Assessment (CSA) Score is the S&P Global ESG Score without the inclusion of any modeling approaches.
Position and score are industry specific and reflect exclusion screening criteria.
Learn more at <https://www.spglobal.com/esg/csa/yearbook/methodology/>

S&P Global 

MSCI **BBB**
ESG RATINGS

CCC B BB **BBB** A AA AAA

RATING ACTION DATE: November 17, 2022
LAST REPORT UPDATE: December 20, 2022





The Company has implemented material topics, aligning with the United Nations Sustainable Development Goals (UNSDGs), as outlined below:





ESG	Material Topics	UNSDGs
Environmental Dimension	Responsible Sourcing	3, 12, 14, 15
	Resource Efficiency	12
	Climate Change	7, 8, 13
Social Dimension	Human Capital Development	4, 8
	Community Contribution and Local Product Development	1, 3, 8, 12
	Diversity, Equity, and Inclusion (DE&I)	8, 10
	Human Rights	8, 10
	Occupational Health and Safety	3
Governance and Economic Dimension	Innovation	9
	Customer Relationship and Brand Management	9
	Supply Chain Management	8, 9, 11
	Cybersecurity and Privacy Protection	9
	Corporate Governance and Business Ethics	16
	Risk and Crisis Management and Resilience	9





Since 2022, the Company has declared its commitment to pivot towards ‘Green and Sustainable Retail’ as part of the ReNEW strategy, which serves as the Company’s strategy and plan for sustainable operations. Furthermore, the Company has established targets to reduce greenhouse gas emissions by 30% by 2030 and attain Net Zero by 2050.

Green and Sustainable Retail: ReNEW Strategy

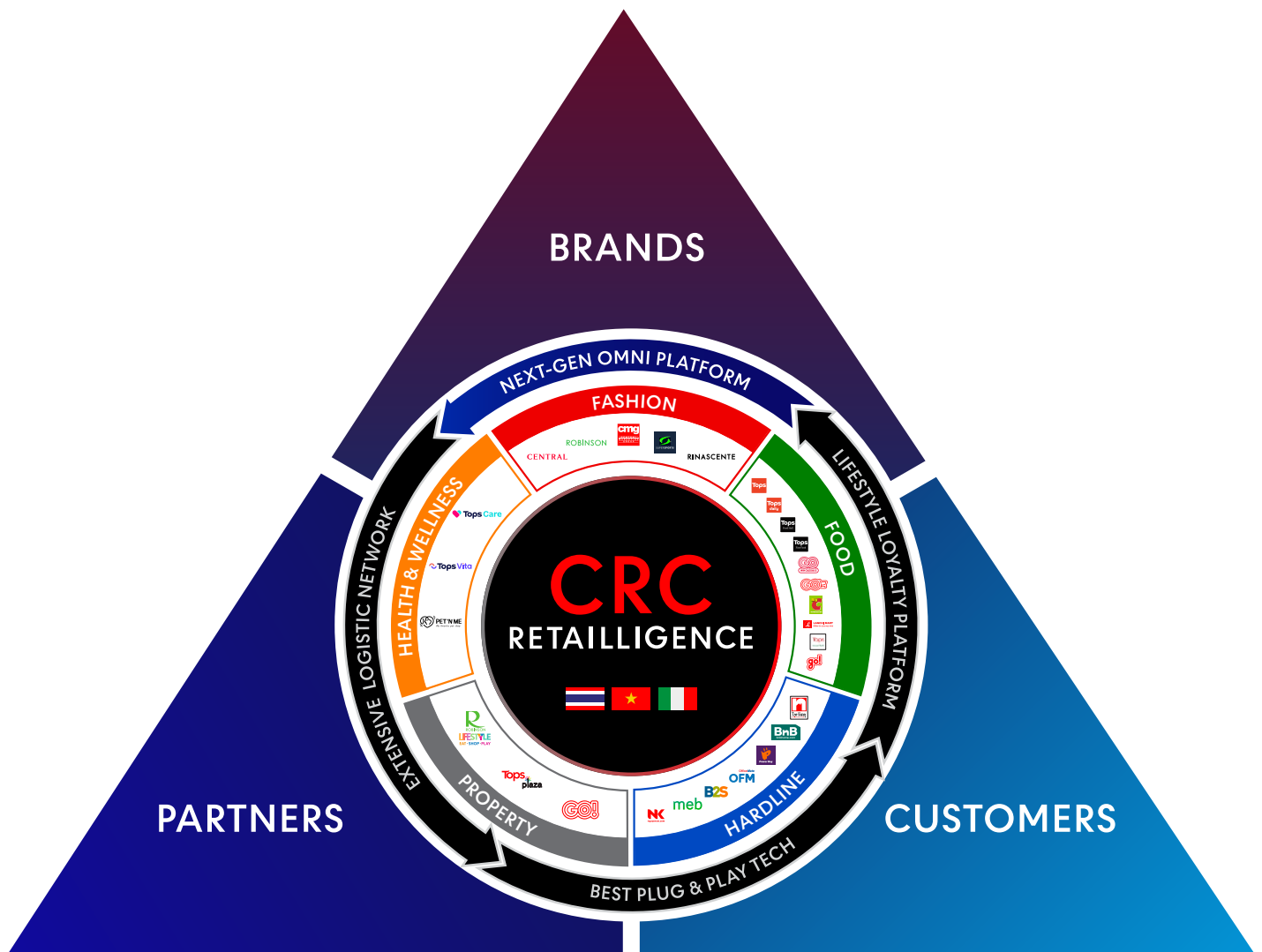
 <p>Reduce Greenhouse Gases</p>	 <p>Navigate Well-Being Society</p>	 <p>Eco-Friendly Packaging</p>	 <p>Waste Management</p>
2030 Goals			
<p>Reduce greenhouse gas emissions by 30%</p>	<p>Generate an income of THB 5,400 million for communities</p>	<p>Use 100% environmentally friendly packaging</p>	<p>Manage waste and reduce food waste by 30%</p>
Long-term goals: Reduce greenhouse gas emissions to zero (Net Zero) by 2050			
<p>Guidelines</p> <ul style="list-style-type: none"> Expand clean energy adoption; install solar panels at shopping centers and stores, both in Thailand and Vietnam. Transition to a low carbon logistic by switching to Electric Truck. Adopt energy saving technology, e.g., energy efficient chillers, electric tricycles. Promote the use of electric vehicles; install Electric Vehicle (EV) charging stations for customers at shopping centers, both in Thailand and Vietnam. Fight against deforestation by not supporting products and suppliers, or manufacturers engaging in deforestation in their supply chain. 	<p>Guidelines</p> <ul style="list-style-type: none"> 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 growth of communities and local economies and create a good quality of life through the Jing Jai Farmers’ Market project. In addition, the Company is determined to continuously upgrade the community and Thai society to enable sustainable growth of all sectors. 	<p>Guidelines</p> <ul style="list-style-type: none"> Promote the use of eco-friendly 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 considering the environment and community, as well as organic products, vegetables and fruits. 	<p>Guidelines</p> <ul style="list-style-type: none"> 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. In addition, food waste is reduced by the adoption of composting technology, which produces fertilizer and biogas for community use. Encourage plastic waste management with Journey to Zero: Upcycling Products from Plastic Waste project to bring PET bottles to upcycle them into products and create benefits. This initiative creates job opportunities and generate income to the community. Raise awareness 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 is committed to deliver high-quality products and services for customers' benefit, while also striving to make positive social and environmental contributions across its entire value chain. Hence, the Company has placed importance on sustainable procurement, delivery, distribution, and service both before and after the sales. Additionally, the Company emphasizes the application of innovations in production processes, human resource management, and community relations development to enhance operational efficiency and demonstrate social and environmental responsibility.

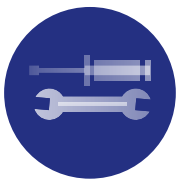
3.2.1 Business Value Chain

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





1) **Food segment:** Provides a wide range of consumer products and products which could be found in mini supermarket and wholesale stores under various retail brands, such as Tops, Tops Food Hall, Tops Fine Food, Tops Daily, GO Wholesale, Big C / GO!, Tops market Vietnam, go! Vietnam, and Lan Chi Mart Vietnam.



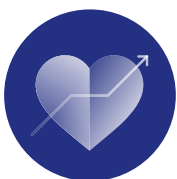
2) **Hardline segment:** Consists of home decoration, home improvement, electronic products, stationery, office supplies, and e-Book under retail brands, such as Thaiwatsadu, Thaiwatsadu x BnB home, BnB home, Power Buy, OfficeMate, B2S, MEB, and Nguyen Kim Vietnam.



3) **Fashion segment:** Offers apparels and accessories under retail brands such as Central Department Store, Robinson Department Store, Rinascente Department Store, Supersports, and other brand shops.



4) **Property segment:** Provides rental spaces for stores under the Company as well as stores and services from external parties such as Robinson Lifestyle, Tops Plaza, and Big C / GO! Vietnam.



5) **Health and Wellness segment:** Focuses on providing healthcare products, cosmeceuticals, and pet products under retail brands namely Tops Care, Tops Vita, and PET 'N ME.





The Company's value chain consists of 5 key activities: sourcing, production and service, transportation and distribution, marketing and sales, and customer service. The Company prioritizes the purchasing process, emphasizing transparent and responsible selection procurement of raw materials from trading partners and manufacturers.

The Company has used the most effective business operations and distribution routes to optimize delivery distances and times. Additionally, the Company's marketing and sales strategy focuses on developing sales channels and omnichannel communications to enhance customer reach and respond to changes in consumer behavior in the digital era.

Finally, for customer relationship management, the Company 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



SOURCING

- Suppliers
- Farmers
- Producers
- Manufactures



PRODUCTION & SERVICE

- Owned Brands



TRANSPORTATION & DISTRIBUTION

- Distribution Center and Logistics



MARKETING & SALES

- Food
- Hardline
- Fashion
- Property
- Health and Wellness



CUSTOMER SERVICE

Human Resource Management




Technology Development




Procurement

Firm Infrastructure

3.2.2 Stakeholder Analysis in Business Value Chain

While operating a sustainable business, the Company 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
 <p>Shareholders</p>	<ul style="list-style-type: none"> • Sustainable business growth and profits • Good governance • Transparency in management • Ability to create opportunities in response to challenges • Efficient risk management 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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
 <p>Employees</p>	<ul style="list-style-type: none"> • Good compensation and benefits • Job security and career advancement • Development human capital, knowledge, and capabilities • Engage with the Company via expressing opinions and feedback 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Annual Corporate Vision Announcement Meeting • Social media/email • Annual Report (Form 56-1 One Report)/Sustianability Report (Website) • Feedback and complaints • Yearly employee satisfaction and engagement survey
 <p>Business Partners</p>	<ul style="list-style-type: none"> • Fair and equal business practices • Transparency in business operation • Mutual capacity development and growth • Punctual business management and payments 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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)/ Sustianability Report (Website)

Stakeholder Groups	Expectation	Response to Expectations	Contact
Customers 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Direct contact with customers • Customer service center • Social media/email • Annual customer satisfaction survey • Feedback and complaints
Creditors 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Quarterly investor meeting • Sustainability Report (Website) • Social media/email • Feedback and complaints • Information disclosure in Annual Report (Form 56-1 One Report)
Government Agencies 	<ul style="list-style-type: none"> • Compliance with legal provisions and promotion of good governance • Fair and equal business competition • Support and cooperation in activities • Efficient complaint management 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Regularly listen to and exchange opinions • Organize activities with government networks • Online social media/email
Community and Society 	<ul style="list-style-type: none"> • Gives importance to public opinions from communities • Gives importance on safety and environmental impacts • Fair complaint management • Support and contribute to communities 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Sustainability Report (Website) • Social media/email • Feedback and complaints • Arrangement of activities in collaboration with community network

3.3 Environmental Sustainability Management

3.3.1 Environmental Policy and Practice

The Company acknowledges the pressing environmental issues and the increasing severity of climate change. In response, the Company aims to contribute to addressing these challenges by implementing an environmental policy and guidelines to oversee business operations, promoting responsibility towards the environment and society. Guided by our environmental principles, the Company focuses on reducing greenhouse gas emissions, minimizing landfill waste and embracing circular economy practices, promoting sustainable sourcing, supporting responsible consumption and production, and raising awareness about environmental issues.



Environmental Policy



Food Loss and Waste Reduction Guidelines



Waste Segregation Guidelines



Plastic and Packaging Reduction Guidelines





3.3.2 Environmental Performance and Highlight Projects

The Company is ambitiously striving to transform into a Green and Sustainable Retail through the ReNEW strategy, propelling business operations and developing new projects across its value chain efficiently. The followings are key performance and highlighted projects for the year 2023:



14%

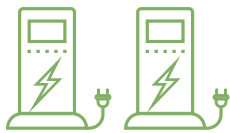
of the total electricity consumed comes from **renewable sources**



7,014 tons
of **waste** are **recycled**



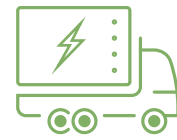
76 branches
of **green stores**



793 spots
of **EV charging stations**



142 locations
of **solar panels** installation



22 vehicles
of **electric trucks**



3.3.2.1 Responsible Sourcing

The Company has implemented a Supplier Code of Conduct to serve as a framework for responsible sourcing. The criteria for supplier selection encompass various dimensions, including environmental, social, and governance considerations. The Company collaborates with suppliers to broaden the availability of environmentally friendly product options, and provides training and knowledge-sharing initiatives to enhance the capabilities of its partners. Additionally,

a key focus is placed on community contribution, supporting sustainable production practices such as organic farming and agroforestry. This commitment aims to benefit customers by offering healthier product and service choices, preserving environmental quality, and boosting income for suppliers and local communities.

Moreover, the Company acknowledges the significance of biodiversity and its terrestrial and marine richness, along with the imperative to safeguard ecosystem functions and services. It has pledged into our Commitment on Biodiversity Conservation and No-Deforestation. The Company conducts biodiversity risk assessments, monitoring, and remedial activities through collaborations with crucial stakeholders, including suppliers, business partners, community members, and external technical experts.



Supplier Code of Conduct



Commitment on Biodiversity Conservation and No Deforestation

Highlight Project: Mae Chaem

In collaboration with World Wide Fund for Nature (WWF) Thailand, Thai Organic Foundation (TOF), Thaicom PCL, Royal Forestry Department, and local government agencies, the Company has been actively involved in community initiatives since 2018. These initiatives aim to restore the ecosystem and develop a sustainable food system in Mae Chaem District, Chiang Mai province. Local communities in the protected areas of Mae Chaem are encouraged to coexist with nature through a food system that generates social, economic, and environmental co-benefits.

The Company supports these local communities by implementing capacity-building programs, facilitating their transition from monoculture to sustainable agriculture. This shift not only improves soil and water quality but also contributes to the restoration of forested areas. Additionally, the Company extends marketing support, enabling products from local communities to be sold through the Company’s distribution channels.



3.3.2.2 Resource Efficiency

The Company implemented the Resource Efficiency Hierarchy and Circular Economy principles, including prevent, reduce, reuse, recycle, upcycle, and dispose, across its business operations and value chain. This aims to enhance efficiency in energy and water management, packaging, and waste management. Collaborating closely with stakeholders, such as employees, suppliers, and customers, the Company fosters awareness of efficient resource management through projects such as ‘Say No to Plastic Bags’, ‘Bring your Own Bag’, and ‘Bag for Life’ promoting cooperation and sustainable practices.



Highlight Project: Recycling and Upcycling Programs by Hardline Segment

The Company consistently initiates various recycling and upcycling programs with the objective of ensuring efficient recycling of packaging materials. Through designated collection points at Power Buy and OfficeMate, subsidiaries under the hardline segment, plastic bottles are gathered and sent to the Wat Chak Daeng community. There, they process the plastic bottles into fibers and weave them into robes for monks. In 2023, a total of 20,009 plastic bottles were upcycled, resulting in 333 robes. Moreover, Power Buy has partnered with Advance Info Service (AIS) PCL, one of Thailand’s leading mobile network providers, to establish 40 electronic waste drop-off points nationwide. This strategic collaboration ensures the proper recycling and disposal of electronic waste, aligning with international standards.



3.3.2.3 Climate Change

The Company's ReNEW Strategy drives business units toward achieving group-wide Net Zero GHG emissions by 2050, aligning with Taskforce on Climate-related Financial Disclosures (TCFD) and International Financial Reporting Standards (IFRS) S2 recommendations. The climate change management process follows a comprehensive approach based on GHG Protocol methodologies, encompassing assessment, planning, action, monitoring, and reporting. The Company tracks scope 1, 2, and 3 GHG emissions, conducts scenario analyses for climate-related risks, and integrates findings into decarbonization and adaptation plans. With established short-term and long-term climate targets, the Company implements emission reduction measures, prioritizing energy-efficient practices and nature-based solutions.



Highlight Project: Energy Efficiency Technology

The Company has implemented a Chiller Plant Manager System (CPMS) and Energy Management Information System (EMIS) in 7 branches of Robinson Lifestyles. This technology enables the Company to monitor and manage the chillers used for air conditioning in the department stores, which helps maintain proper chilled water temperature, avoids unnecessary cycling, and improves overall efficiency of energy usage.

In Vietnam, the Company has installed a free air-cooling system in 5 department stores in 2023 and has plan to expand to 10 more department stores in 2024. This technology automatically utilizes naturally occurring cold air with temperature below 26°C to automatically circulate the air within the department stores. Furthermore, installed an inverter stabilizer in 7 department stores aiming to save energy and protect electrical equipment.

3.4 Social Sustainability Management

3.4.1 Social Policy and Practice

The Company believes that business and society are interconnected; a strong community and society contribute to fostering healthy economic growth and business development. Therefore, the Company put importance on the quality of life for the stakeholders to drive ethical business operations against all forms of corruption, uphold human rights, and promote social and environmental values.

For nearly 80 years, the Company has been dedicated to take care stakeholders across the supply chain. This extends to employee skill development aligned with the Company's direction, occupational health training ensuring safety in the workplace for both employees and contractors. Additionally, the Company ensures fair and competitive remuneration for all. The Company believes that such practices will help build good employee engagement and also attract talented personnel, especially from the surrounding community, to work with the Company. The Company also work with surrounding communities by initiating various program under 'Central Tham' to support local potential and products, and increase income to the local communities. Therefore, it focuses on operating the social dimension to be an organization responsible for stakeholders as well as employees, business partners, society, and communities, according to the Personnel Development Policy, Corporate Social Responsibility Policy, Human Rights Policy, Regulation on Human Rights for Labor, and Occupational Safety, Health and Work Environment Policy.



Personnel
Development
Policy



Corporate
Social Responsibility
Policy



Human Rights Policy



Regulation on
Human Rights for Labor



Occupational
Safety, Health and
Work Environment
Policy



Central Tham
Project





3.4.2 Social Performance and Highlight Projects

The Company has set social goals under the ReNEW strategy that covers the issues of improving well-being of people, creating community economic value and local product development. The followings are the key performance and highlighted projects for the year 2023



60,507
of total employees



18.1 hours/person/year
of average training hours
for employees



55%
of management-level employees
are female



100%
of employees and contractors have
received **human rights training**



76%
employee engagement score



89%
rated on **customer
satisfaction scores**



3.4.2.1 Human Capital Development

The Company has a human capital development policy, underpinned by the belief that employees are integral to its success. Consequently, the Company fosters the establishment of a training database aimed at unlocking employees’ potential in four key areas, as follows:



The Company has instituted a human capital development strategy encompassing ten programs. This strategy is designed to equip employees with essential skills required for their roles. Additionally, it fosters the growth of skills relevant to employees’ daily tasks across various dimensions such as content creation, omnichannel marketing, efficient resource allocation, and sales negotiation, facilitated through the CRC Academy’s training modules—an online training platform operated by the Company.



Highlight Project: Future Skills Development

The Company emphasizes on equipping employees with transitional skills for digital transformation. The Future Skills Development initiative is designed with flexibility, featuring a general module covering digital literacy, data tools and analysis, agile work, and more, tailored to meet the needs of employees. Additionally, a customized module catering to specific functions such as human resource data analytics, digital literacy, social enterprise, and more. In 2023, over 24,000 employees participated in the program, engaging in 25 group training sessions and self-learning courses. Post-training feedback reveals high employee satisfaction, with a Net Promoter Score (NPS) exceeding 75%, reflecting a strong willingness to recommend the program to others owing to the practicality and relevance of the acquired skills.



3.4.2.2 Community Contribution and Local Product Development

The Company engages with communities and develop local projects around the business operation with the creating shared values (CSV) into business operations. This leads to source products and services, collaborate with local organizations for community knowledge sharing initiatives, establish employee volunteer programs, and encourage employees to share their knowledge to the community or propose new approaches for product development of local products.





Highlight Project: Jing Jai Farmers' Market

The Company has initiated the 'Jing Jai Farmers' Market' to facilitate direct interactions between farmers and customers, enabling farmers to sell agricultural and local products directly to shopping mall customers. This initiative not only helps farmers increase their income but also fosters opportunities for knowledge sharing and community engagement among farmers. Customers benefit from access to fresh agricultural and environmentally friendly products, leading to improvements in their quality of life and that of their communities. As of 2023, the Jing Jai Farmers' Market has expanded to 32 branches across 28 provinces nationwide, creating business opportunities for over 10,200 households, impacting more than 40,000 people, and generating income exceeding 231 million baht.

3.4.2.3 Diversity, Equity, and Inclusion (DE&I)

The Company demonstrates equal treatment of all employees and related stakeholders without any discriminations based on race, nationality, gender, age, color, religion, opinion, physical conditions, social or family status or any other distinctions. Moreover, the Human Rights Policy also stipulates that the Company has zero tolerance for discrimination and harassment, whether sexual and non-sexual, and the Company will investigate any incident fairly with all related parties involved.

The Company has established I-CARE values to create an open organizational culture that values stakeholders. Significantly, all workforces receive equal remuneration that is based on their abilities and merits with non-discriminatory evaluation. The procedures and management respectfully to fair and equal treatment, quality of environment, and well-being.





Innovation

Embrace digitalization to foster innovation



Customers

Deliver excellence service to exceed customers' expectations



Alliance

Work as team to win as One



Relationship

Express your care, share your thoughts, and support one another



Ethic

Adhere to Code of Conduct and admire good behaviors

The Company promotes DE&I programs to thrive the diverse groups of workforces and their families, to ensure that they are fairly supported for individual circumstances. To ensure the effectiveness of our DE&I initiatives, the Human Resource Department has systematically collected employee information and conducted an annual employee survey through measurable metrics for tracking and driving the DE&I within our organization.

Highlight Project: Senior Citizens Employment

With the Company's recognition of societal shifts and our commitment to supporting the aging population, the Company has initiated a groundbreaking senior citizen employment campaign. By providing employment opportunities to senior citizens, we are not only tapping into a wealth of experience and maturity but also challenging the stereotypes associated with aging in the workforce. This campaign is a testament to our belief in the value and capabilities of individuals at every stage of life, ensuring that our workforce is reflective of the diverse society we operate in.

วัยเก๋าแกร่ง
อย่าให้อายุ มาตัดสิน ความเท่า ในตัวคุณ

ตำแหน่งที่เปิดรับ

- พนักงาน ปูรองอาหารพร้อมทาน(ครัวร้อน)
- พนักงาน แพนกผักผลไม้
- พนักงาน แพนกเนื้อสัตว์ (Meat - Seafood)
- พนักงาน แพนกเบเกอรี่

คุณสมบัติ

- อายุ 60 ปีขึ้นไป
- สามารถเข้างานเป็นกะได้ ตามเวลาข้างใต้
- มีใบรับรองด้านบริการ

ศูนย์ลูกค้า 065-929-0489 | ศูนย์บุคคล 065-929-0464

CentralRetailCareers @crrcareers CentralRetail



For more information, please see in the Company's Sustainability website

04 | Management Discussion and Analysis (MD&A)

4.1 Operating and Financial Position for the Year Ended 31 December 2023

Performance Overview

The overall Thai economy in 2023 has continued to expand unevenly, or in a K-shaped recovery, with economic growth facing various challenges. Factors supporting the recovery of the Thai economy derived mainly from the tourism sector, with the number of foreign tourists in 2023 exceeding 28 million compared to 11 million last year. Although there were fewer than expected, especially among Chinese tourists, it still helped support employment and private consumption to expand. The Thai government has issued visa exemption measures for Chinese tourists and tourists from other countries to stimulate the incoming tourist arrivals during the high seasons. Meanwhile, economic activities in other areas still face pressure from rising costs, the debt burden, and high cost of living. The slowdown of the world economy, together with the uncertainty of the government's economic stimulus measures, resulted in the weakening of the purchasing power of consumers. Meanwhile, Vietnam's economy continues to grow gradually, even though it is affected by contraction in exports, and consumers are still cautious about their spending. The Vietnamese government has issued measures to stimulate the economy and domestic consumption, such as reducing the value-added tax (VAT) rate from July 2023 to mid-2024, reducing the policy interest rate, and raising the minimum wage, which will be effective from July 2024 onward.

For the year 2024, the Company will continue to conduct its business according to the cautionary principle amid the uncertain economic direction and closely monitor key factors that will affect the economy in the countries in which the Company operates, such as global geopolitical conflicts in various regions, domestic factors, and government measures to support the economy as well.

Business Situation in Q4 2023

The 4th quarter was the high season for retail business. The Company's performance in Q4/2023 for Thailand and Italy operations continued to expand when compared to the previous quarter and the same period last year. Vietnam's operation showed its slightly soften from the previous quarter due to fragile macroeconomic recovery. Nevertheless, the Company continues to manage expenses with vigilance, such as managing inventories and promotions to suit and meet the needs of each customer group, including using energy-saving innovations, e.g., the installation of solar panels or the use of electric trucks (EV) 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:** The business situation in Thailand continued to grow compared to the previous quarter and previous year, especially sales in tourist provinces and renovated existing branches of Department Store which improved compared to that of the previous year. The Company has executed its scheduled plan whereby, during this fourth quarter, the Company launched Central Department Store Westville and new branches in the hardline and food segments including new B2B food business under banner GO Wholesale. Not to mention renovated existing Department Stores of Central and Robinson e.g., Chidlom, Mega Bangna and Fashion Island branches. Additionally, the Company never ceases to develop a variety of Omnichannel platforms and improve services efficiency through its mobile application to serve the needs of consumers. These all together resulted in Thailand's sales during the 4th quarter was 3.9% YoY growth, by which the Omnichannel sales accounted for 24% of the total sales in Thailand.

- **Vietnam:** Vietnam's economic outlook remained sluggish which was affected by softening global demand. During this fourth quarter, the Company launched a new branch of Tops market and go! supermarket and renovated GO! malls, GO! hypermarkets. Sales in Vietnam for the 4th quarter dropped by 11.7% compared to the same period last year due to economic slowdown while the Omnichannel sales accounted for 10% of the total sales in Vietnam.
- **Italy:** Business situations in Italy continued to recover thanks to the reopening of the country, which has stimulated purchases of domestic consumers and tourists. During the fourth quarter, sales in Italy improved when compared to the previous quarter and the same period last year and posted its highest growth as the Company renovated flagship store and offered more brands to resonate with the needs of consumers. These efforts led to an increase in the 4th quarter sales by 11.8%, compared to the same period of last year and the Omnichannel sales accounted for 5% of the total sales in Italy.

The Company is committed to conducting business sustainably in order to develop Central Retail's potential to be a **Green & Sustainable Retail**, a model retail and wholesale organization for sustainability in Asia that operates business while creating sustainable growth in all dimensions.

- **Environmental aspect:** The Company places its importance on the use of clean energy and renewable energy. It expanded the installation of solar panels in each business group in Thailand and Vietnam to a total of 142 branches, able to produce a total of 101,872 megawatt-hours of electricity. In addition, the Company has also established partnerships with logistics service providers to promote the use of electric trucks. Tops joins with DHL Supply Chain Thailand to launch a 4-wheel electric delivery vehicle that is 100% electric with 10 pilot electric-powered delivery vehicles to transport and distribute products to Tops Daily stores throughout Bangkok. In addition, Tops plans to increase the number of electric-powered delivery vehicles in the Tops transportation system to an additional 29 vehicles in 2024.
- **Social aspect:** The Company places its importance on promoting diversity and inclusion. It has launched the CRC Women Series, aimed at empowering women in the workplace. The Company also supports the aging society by employing the elderly to provide career opportunities for the elderly to prove their values and abilities at every stage of life. In addition, to promote participation and well-being of employees, the Company organized the Central Group ICARE Games 2023.
- **Good governance management aspect:** The Company remains committed to operating its business in accordance with the principles of good corporate governance. In the fourth quarter of 2023, the Company reviewed and updated its vision and mission to be in line with the Company's strategy, reviewed the board skills matrix, and improved the charter of the board of directors, good corporate governance policy, charter, and other guidelines that may need refinement. This includes improving the manual on good corporate governance by communicating and emphasizing it to the Company's personnel and its subsidiaries to use it as a reference and as a guideline to adhere to through public relations media and training via various channels within the Company.

In addition, anti-corruption operations have also been carried out through communicating and organizing continuous anti-corruption training for employees and has expanded the scope to cover the Company and all subsidiaries. It also communicated anti-corruption policy to all business partners for their acknowledgment and compliance to underline the transparency, verifiability, and strong measures and penalties against persons committing corruption of the Company. In the fourth quarter, the Company also worked intensively in inviting SME companies to announce their intentions to continue joining the Thai private sector's Coalition Against Corruption (CAC), including emphasizing the importance of receiving gifts during festivals.

Awards and Recognition in Q4 of 2023

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 received Corporate Excellence Awards from Asia Pacific Enterprise Awards which organized by Enterprise Asia and received Thailand Digital Excellence Awards 2023 in Digital Capability Builder from TMA Excellence Awards 2023 reinforces a leader in development of comprehensive Omnichannel platform blending online and offline channels together and Tops Daily, food business received Kincentric Best Employer Award in Thailand 2023 and Engaging Leader Special Recognition, as acknowledged by Kincentric, a premier global consultancy specializing in human resource management. These esteemed international accolades underscore the organization's excellence in efficient human resource management.
- **In terms of Investor Relations.** The Company received Best Overall Investor Relations (mid-cap) and Best Investor Relations Officer (mid-cap) for 3 consecutive years from IR Magazine's South East Asia Awards 2023. This award was selected by fund managers and analysts in South East Asia.
- **In terms of sustainability and corporate governance.** The Company received Commended in Sustainability Awards from SET Awards 2023 and attained the highest tier of "AAA" in the SET ESG Ratings 2023. The Company has been selected as a member of the DJSI World and the DJSI Emerging Markets for 2 consecutive years and being ranked in the Top 4 in the retail sector out of 502 participating companies around the world. The recognition reinforcing Green & Sustainable Retail positioning and the Company received Best Environmental Excellence Award for Samui Model project and Top Community Centric Companies in Asia Award for Central Tham project. The Company received Strongest Adherence to Corporate Governance & Most Consistent Dividend Policy awards from Alpha Southeast Asia 13th Institutional Investor Corporate Awards. These awards have reflected the company's excellence in business management.

In addition, Central Retail Vietnam was honored as the champion among the top 10 reputable companies in the Food, Beverage, Retail and Packaging Industries for the third consecutive year in 2023. This ranking is conducted by Vietnam Report (VNR), a leading company specializing in reporting, evaluating, and ranking businesses, products, and services in Vietnam. The recognition of Central Retail Vietnam as the best retail company this year is attributed to the Company's robust financial standing and its enduring positive reputation among Vietnamese people. This award reflected on being Platform of Trust, earning the trust of Vietnamese's consumers and business partners alike through product and service quality.

Major developments in Q4 2023

1) Branch Expansion and Renovation

In 2023, the Company continuously expanded and renovated its business branches in every country where we operated. In Thailand, it launched new branches including Central Department Store Westville, Robinson Lifestyle and Robinson Department Store in Chalong, Phuket, 14 branches of Thaiwatsadu and Thaiwatsadu x BnB home, 9 branches of Top supermarket and 4 branches of GO Wholesale. As for Vietnam, the Company launched 7 branches of Tops supermarket and go! supermarket. 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 Central and Robinson Department Store namely Chidlom, Mega Bangna and Fashion Island, as well as renovating other smaller stores. In Vietnam, the Company completed 7 rebranding and renovation of Big C branches into GO! mall and GO! Hypermarket while in Italy, the Company had renovated Rinascente department stores namely Milan, Florence and Cagliari.

As of December 31, 2023, the Company has a network of stores under retail and wholesale brands of 3,809 stores in total with a net sales area of 3,557,778 square meters, increased by 8.1% from the same period last year and there are a total of 72 shopping center branches, totaling 743,487 square meters of net leasable area with an increase of 1.2% from the same period last year.

2) Omnichannel Development

The Company continuously developed the Next-Gen Omnichannel Platform to enhance ultra-personalized shopping experience, to facilitate customers with a seamless offline and online platforms connection, covering the entire Central Retail network in Thailand, Vietnam, and Italy. The core of its success is an in-depth analysis to cater 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 12%, compared to the same period of last year, accounting for 19% of the total sales of the Company. In addition, the Company has continuously strengthened its Omnichannel platform of all segments and revamped mobile application efficiency.

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 to serve the needs of customers in each business on each platform which have been implemented in some business units.
- 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. This has been implemented in some business units.

4) New Format and New Growth Pillar

The Company continuously developed new store models to fulfill lifestyle needs of customers; for example, Health and Wellness segment, to meet the trend of demand for people's health and pet, including Tops Vita (a health product store with vitamins and dietary supplements as product highlights), Tops Care (pharmaceutical store with medical supplies, health products, and consulting services rendered by omni-pharmacists) and Pet 'N Me. Besides, in September 2023, the Company introduced a B2B food wholesale business under the brand GO Wholesale, which was a membership-based food hub for customers, HoReCa (hospitality, restaurant, catering) and food services in factories, hospitals, and other businesses, and food retailers. In 2023, the Company launched 4 GO Wholesale stores including Srinakarin Samutprakarn, Chiang Mai, Amata and Pattaya Chonburi.

At the end of December 2023, the Company operated 4 GO Wholesale stores, 20 go!WOW stores, 11 go! Power stores, 90 Tops Vita stores, 24 Tops Care stores and 8 Pet 'N Me stores.

5) Partnership and Acquisition

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

Besides, the Company maintains 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 maximise 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 terms of expenses, the Company focuses on cost reduction and management efficiency, such as reducing personnel costs due to redundant work, installing solar panels and EV truck 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.

The Analysis of Operating Results for the 12-month of 2022 and 2023

	31 December 2022 THB millions	31 December 2023 THB millions	Increase (Decrease) %
Revenue from sales	211,903	221,926	4.7
- Fashion segment	55,496	62,579	12.8
- Hardline segment	72,852	74,192	1.8
- Food segment	83,556	85,155	1.9
Revenue from rental services	6,583	7,785	18.3
Revenue from services	1,411	1,727	22.4
Investment Income	214	298	39.3
Other income	16,133	16,952	5.1
Total revenue	236,245	248,688	5.3
Cost of sales of goods	157,499	162,590	3.2
Gross profit from sales	54,405	59,336	9.1
Cost of rental and rendering of services	2,148	2,351	9.5
Gross profit from rental & services	5,847	7,161	22.5
Gross profit	60,251	66,497	10.4
Selling expenses	45,674	49,673	8.8
Administrative expenses	18,865	20,351	7.9
Profit from operating activities	12,058	13,724	13.8
Finance costs	3,479	4,642	33.4
Share of profit of Associates and Joint ventures	820	990	20.7
Profit (loss) before tax expense	9,399	10,072	7.2
Tax expense (income)	1,794	1,550	(13.6)
Profit for the year	7,605	8,523	12.1
Profit (loss) to owners	7,175	8,016	11.7
Operation information*			
EBITDA	30,049	32,436	7.9
Core EBITDA	29,602	32,626	10.2
Core Profit (loss)	7,248	8,674	19.7
Core Profit (loss) to owner	6,818	8,168	19.8
Financial position (Unit: THB Million)			
Total assets	275,984	287,097	4.0
Total liabilities	211,099	216,837	2.7
Total equity	64,885	70,260	8.3

Note: *Non-operating items for adjustments are gain/loss on foreign exchange, gain/loss on disposal of assets and investments and gain/loss on derivatives (gain/loss on derivatives is firstly included in adjustment items in 2nd quarter of 2023 and adjusted in previous year for comparison purpose)

The Analysis of Operating Results for the Year of 2023

1. **Revenue from sales of goods** was THB 221,926 million, an increase of 4.7% compared to the same period last year. Revenue from sales of goods can be classified according to Company's business segments as follows:
 - 1.1 **Revenue from sales of the fashion segment** was THB 62,579 million, an increase of 12.8% from the same period last year due to the increase in sales of the business in Thailand, especially branches in tourist provinces that grew significantly from last year and from the launches of two new department store branches and continuous store renovations. For business in Italy, sales have increased due to increased number of tourists and as a result of store renovation including adding product brands to meet customer needs while last year the country was locked down until it reopened to accommodate foreign tourists in March 2022. Omnichannel sales increased by 0.5% from the previous year.
 - 1.2 **Revenue from sales of hardline segment** was THB 74,192 million, an increase of 1.8% from the same period last year mainly due to the business in Thailand in which sales grew, especially in branches located in tourism provinces. It also resulted from the renovation of existing branches and the continuous opening of new branches of Thaiwatsadu and Thaiwatsadu x BnB home, totaling 14 branches and from providing products to adequately meet customer needs. As for sales from the business in Vietnam, it has decreased as consumers were more cautious with their spending conforming with the country's economic slowdown. The Omnichannel sales increased by 26% from last year, thanks to e-ordering promotions of Thaiwatsadu and other Omnichannel platforms.
 - 1.3 **Revenue from sales of food segment** was THB 85,155 million, an increase of 1.9% from the same period last year with sales increasing from the business in Thailand while decreasing in Vietnam. For Thailand, sales increased as a result from the recovering tourism, lifting the revenue of this segment in key tourism provinces, opening new branches and rebranding Tops so that customers can easily remember the brand. Sales from Vietnam business have continued to decline from the second quarter as consumers became more cautious about their spending as a consequence to the country's economic slowdown. However, it met customer needs through Omnichannel platforms, the revenue of which was consistently generated, increasing 6% from the previous year.
2. **Revenue from rental services** was THB 7,785 million, increased by 18.3% from the same period last year, thanks to higher number of service users which resulted in higher revenue collection from tenants and the expansion of leasable areas in Thailand and Vietnam.
3. **Revenue from service income** was THB 1,727 million, rose by 22.4% from the same period last year as there were more visitors to food courts, especially branches near office buildings.
4. **Gross profit** was THB 66,497 million, grew by 10.4% from the same period last year, thanks to the followings:
 - **Gross profit from sales** was THB 59,336 million, an increase of 9.1%, or representing a gross profit margin of 26.7%, compared to 25.7% from the same period of last year. This was mainly contributed by the fashion segment, which had a higher profit margin than other segments and achieved substantially increase in sales in Thailand and Italy. In addition, it sold more products which have high-margin and that trade

discounts were appropriately adjusted. For the hardline and the food segments, the gross margin was higher due to the reduced trade discounts to be more appropriate.

- **Gross profit from rental and services** was THB 7,161 million, an increase of 22.5% from the same period of last year. The gross profit margin represented 75.3%, compared to 73.1% from the same period of last year. It was owing to lower rental discount to tenants and an increased number of service users.
- 5. **Other income** was THB 16,952 million, an increase of 5.1% from the same period of last year, thanks to the increase of income generated by sales promotions and advertisement, logistics and distribution income in line with the sales growth and increased number of activities, and from increased utilities income.
- 6. **Selling expenses** was THB 49,673 million, an increase of 8.8% from the same period of last year, following an increase in sales and from the expansion of new branches and renovation of branches into new formats, resulting in higher expenses related to sales staff, utilities, rent, depreciation, and advertising and public relations. Selling expenses were 20.0% of the total revenue, increasing from 19.3% in the same period last year.
- 7. **Administrative expenses** was THB 20,351 million, an increase of 7.9% from the same period of last year. This was mainly owing to an increase in personnel expenses and an increase in provision of losses for obsolete and shrinkage, while the expenses of technology services have decreased. The administrative expenses accounted for 8.2% of the total revenue, increasing from 8.0% in the same period last year.
- 8. **Finance costs** which were interest expenses from loans and lease agreements, was THB 4,642 million, an increase of 33.4% from the same period of last year due to a rise in interest rates and borrowing.
- 9. **Profit sharing of associates and joint ventures using the equity method** was THB 990 million, an increase of 20.7% from the same period of last year. It was due mainly to the increased profit of associated companies and joint ventures.
- 10. **Tax expenses (income)** was THB 1,550 million, a decrease of 13.6% from the same period last year. This was due to the business in Italy that has received tax benefits from the government. For the business in Vietnam, the previous year's deferred taxes have been recognized in the current year.

Financial Position

1. **Total assets** as of 31 December 2023 and 31 December 2022 were THB 287,097 million and THB 275,984 million, respectively, which increased by THB 11,113 million or 4.0%. This was substantially due to the increase in property, plant and equipment of THB 8,452 million, inventory of THB 2,737 million, trade receivables of THB 1,423 million and intangible asset of THB 543 million while there was a decrease in right-of-use assets of THB 1,555 million, goodwill of THB 899 million and other current financial assets of THB 458 million.
2. **Total liabilities** as of 31 December 2023 and 31 December 2022 were THB 216,837 million and THB 211,099 million, respectively, which increased by THB 5,738 million or 2.7%. This was substantially due to the issuance of debenture of THB 6,993 million, the increase in trade payable of THB 2,003 million and other current payable

of THB 1,076 million while there was a decrease in bank overdrafts and borrowings from financial institutions of THB 4,164 million

- 3. Total equity** as of 31 December 2023 and 31 December 2022 were THB 70,260 million and THB 64,885 million, respectively, which was an increase of THB 5,375 million or 8.3%. This was substantially due to an increase retained earnings of THB 8,016 million from net profit for the period and dividend payment of THB 2,895 million and difference arising from change of non-controlling interests of THB 1,449 million, while there was a decrease in other components of equity (translation reserve) of THB 1,660 million and the increase in non-controlling interests of THB 438 million.

Capital Structure

As of 31 December 2023, the Company's capital structure comprised of total liabilities of THB 216,837 million, which included interest-bearing debts of THB 84,124 million (excluding lease liabilities), and total shareholders' equity totaled THB 70,260 million. Net interest-bearing debt to equity ratio was at 1.0 times.

Statement of Cash Flows

For the year ended 31 December 2023, the Company reported the cash flows as follows:

- 1) Cash flows from (used in) operating activities** of THB 27,483 million, increased by THB 5,024 million from the same period of last year. This was substantially due to an increase of profit after adjusted to cash of THB 3,756 million while there were changes in operating assets and liabilities being a cause of cash increased of THB 2,136 million and tax paid increased of THB 868 million.
- 2) Cash flows from (used in) investing activities** was THB (15,761) million, increased by THB 913 million from the same period of last year. This was substantially due to the increase of property, plant and equipment of THB 1,917 million, net acquisition of other intangible assets of THB 417 million while there was a decrease in net financial asset of THB 304 million, net acquisition of subsidiaries of THB 187 million, net acquisition of investment properties of THB 178 million, while the increase of interest received of THB 80 million and dividend received of THB 714 million.
- 3) Cash flows from (used in) financing activities** of THB (12,210) million, increased by THB 2,572 million from the same period of last year. This was substantially due to loan repayments of THB 8,645 million, an increase in interest paid of THB 1,212 million, dividend payment of THB 944 million and increased of lease liabilities of THB 493 million while net cash proceeds from debenture issuance of THB 6,993 million and MEB's IPO of THB 1,765 million.

Key financial ratios

Profitability Ratios

Gross profit margin was 28.7% and 27.4% for the years ended 31 December 2023 and 2022, respectively. This is primarily due to an increase of gross profit from sales and gross profit from rental and rendering of services. The increase of gross profit margin from sales mainly contributed by the fashion segment, which had a higher profit margin than other segments and achieved substantially increase in sales in Thailand and Italy. In addition, it sold more products which have high-margin and trade discounts were appropriately adjusted. For the hardline and the food segments, the gross margin was higher due to the reduced trade discounts to be more appropriate. In addition, gross profit from rental and rendering of services increased, due to lower rental discount to tenants and an increased number of service users.

Operating profit margin was 5.9% and 5.5% for the years ended 31 December 2023 and 2022, respectively. This is primarily due to an increase of gross profit margin and effective cost control although an increase of selling expenses and administrative expenses from expenses that related to an increase in sales and from the expansion of new branches and renovation of branches.

Net profit margin was 3.4% and 3.2% for the years ended 31 December 2023 and 2022, respectively. This is primarily due to the increased of operating profit margin and share profit from associated companies and joint ventures while the decrease of tax income from the business in Italy that has received tax benefits from the government and for the business in Vietnam, the previous year's deferred taxes have been recognized in the current year. Nevertheless, the Company has higher finance costs due to a rise in interest rates and borrowing

Return on equity (ROE) was 12.6% and 12.3% for the years ended 31 December 2023 and 2022, respectively. This is primarily due to an increase of net profit.

Efficiency Ratios

Return on assets (ROA) was 3.0% and 2.8% while **Return on fixed assets** was 18.4% and 18.2% for the year ended 31 December 2023 and 2022, respectively. This is primarily due to an increase of net profit while there were an increase of total assets and fixed assets from store expansion.

Liquidity Ratios

Current Ratio were both 0.7 times for the year ended 31 December 2023 and 2022, respectively. However, the **Quick ratios** were both 0.3 times for the year ended 31 December 2023 and 2022, respectively. This is primarily due to an increase of inventory and other current receivables in accordance with an increase of number of stores from expansion while current assets increased from an increase of current portion of long-term borrowings.

Cash cycle was 26.0 days and 21.1 days for the year ended 31 December 2023 and 2022, respectively. This is primarily due to an increase of average inventory days.

Financial Policy Ratio

Net interest-bearing debt⁽¹⁾/Equity were both 1.0 times for the year ended 31 December 2023 and 2022, respectively. This is primarily due to an increase of borrowings while an equity increased from an increase of net profit.

Net interest-bearing debt⁽¹⁾/EBITDA were both 2.2 times for the year ended 31 December 2023 and 2022, respectively. This is primarily due to an increase of borrowings while profits before interest tax and depreciation and amortization increased as well.

⁽¹⁾ Net interest - bearing debt = Interest bearing debts (excluding lease liabilities) - cash and cash equivalents

Business outlook

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 Retail Intelligence 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, health and wellness 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.

In addition, 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 Greenhouse gases (GHG) emission and achieving the net-zero goal by 2050 through ReNEW strategy on Reduce Greenhouse Gases, Navigate Society Wellbeing, Eco-friendly Product & Packaging and Waste Management.

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 as well as guidelines to achieve such goals.

4.2 Factors that may significantly affect the Company's financial position or future performance.

The retail outlook for 2023 is considered to be a year full of challenges. In the midst of the economic slowdown and from various unpredictable factors in the economy spanning over the years. Meanwhile, economic activities in other areas still face pressure from rising costs, interest rate, the debt burden, high cost of living and slowdown global economy.

As for the economy in 2024, it is expected to grow in a bigger scale than the previous year. It is expected that the main support will generally continue from the resumption of foreign tourists due to the government granting free visas and adoption of visa exemption to tourists in some countries, including various measures to stimulate the economy which increases the purchasing power of consumers and supports the business of entrepreneurs at all levels. In addition, there are factors outside the country that may cause the global economy to slowdown even further, including geopolitical issues that continue to expand. These are all considered a challenge to the Company's operations.

As for the Company, we are adhering to being a resilience organization that is ready to be flexible, agile and adaptive as carefully operates business through continuing to expand the diversity of the portfolio that is Multi-Format, Multi-Category and Multi-Market in Thailand, Vietnam and Italy. Additionally, the operational plans have been regularly followed up on a quarterly basis. Along with managing risks in accordance with economic conditions and consumer behavior shifts, including effective costs and expenses management for sustainable growth.

For more information on the Company's business plan, please consider the sections "1.2 Nature of Business Operations" and "4.1 Operating and financial position for the year ended 31 December 2023"

4.3 Financial information

4.3.1 Summary of Independent Auditor’s report

The summary of independent auditor’s report from consolidated financial statement of the Company as follow

Year	Auditor	Summary of independent’s auditor’s report
2021, 2022 and 2023	Mr. Pornthip Rimdusit Certified Public Accountant Registration No. 5565 KPMG Phoomchai Audit Ltd Approved by The Securities of Exchange and Commission (SEC)	The auditor 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 statements of financial position as of 31 December 2023, the consolidated and separate statements of comprehensive income, statement of changes in equity and the consolidated and separate statement of cashflows as of 31 December 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 2021, 2022, and 2023, the results of consolidated and separate operations, and the consolidated and separate cash flows as of the same fiscal year-end of each year.

4.3.2 Summary of consolidated financial statements as of 31 December 2021, 2022 and 2023

Statement of financial position

The table below presents details about statement of financial position as of the date presented.

Assets

	For the year ended 31 December					
	2021		2022		2023	
	THB Million	%	THB Million	%	THB Million	%
Assets						
Cash and cash equivalents	16,579	6.3	14,716	5.3	14,371	5.0
Other current financial assets	1,508	0.6	901	0.3	442	0.2
Trade receivables	4,860	1.8	5,421	2.0	5,545	1.9
Other current receivables	9,868	3.7	11,270	4.1	12,693	4.4
Short-term loans	142	0.1	43	0.0	42	0.0
Current portion of finance lease receivables	36	0.0	-	-	35	0.0
Inventories	36,516	13.9	43,675	15.8	46,413	16.2
Derivative assets	5	0.0	74	0.0	125	0.0
Other current assets	404	0.2	431	0.2	289	0.1
Total current assets	69,918	26.6	76,531	27.7	79,956	27.8
Investments in associates	390	0.1	481	0.2	570	0.2
Investments in joint ventures	5,169	2.0	5,837	2.1	5,744	2.0
Other non-current financial assets	1,617	0.6	1,978	0.7	2,186	0.8
Finance lease receivables	2,171	0.8	2,171	0.8	2,199	0.8
Investment properties	16,284	6.2	17,292	6.3	17,689	6.2
Property, plant and equipment	43,359	16.5	49,045	17.8	57,497	20.0
Right-of-use assets	65,338	24.8	63,279	22.9	61,724	21.5
Goodwill	38,085	14.5	38,019	13.8	37,121	12.9
Intangible assets other than goodwill	8,885	3.4	9,426	3.4	9,970	3.5
Deferred tax assets	4,815	1.8	4,600	1.7	4,807	1.7
Long-term derivative assets	-	-	139	0.1	4	0.0
Other non-current assets	7,197	2.7	7,186	2.6	7,630	2.7
Total non-current assets	193,310	73.4	199,453	72.3	207,141	72.2
Total assets	263,228	100.0	275,984	100.0	287,097	100.0

Statement of financial position (Continued)

Liabilities and equity

	For the year ended 31 December					
	2021		2022		2023	
	<i>THB Million</i>	%	<i>THB Million</i>	%	<i>THB Million</i>	%
Liabilities						
Bank overdrafts and short-term borrowings from financial institutions	35,632	13.5	34,954	12.7	30,917	10.8
Trade payables	36,905	14.0	39,828	14.4	41,831	14.6
Other current payables	17,828	6.8	19,838	7.2	20,914	7.3
Derivative liabilities	3	0.0	60	0.0	5	0.0
Current portion of long-term borrowings	13,418	5.1	6,561	2.4	16,932	5.9
Current portion of lease liabilities	7,428	2.8	6,524	2.4	7,046	2.5
Corporate income tax payable	448	0.2	723	0.3	860	0.3
Total current liabilities	111,662	42.4	108,488	39.3	118,505	41.3
Long-term borrowings	28,517	10.8	39,780	14.4	29,282	10.2
Lease liabilities	50,300	19.1	49,253	17.8	48,387	16.9
Debentures	-	-	-	-	6,993	2.4
Deferred tax liabilities	3,042	1.2	2,918	1.1	2,729	1.0
Non-current provisions for employee benefits	2,309	0.9	2,235	0.8	2,351	0.8
Unearned lease income	5,521	2.1	5,481	2.0	5,493	1.9
Long-term derivative liabilities	21	0.0	-	-	-	-
Other non-current liabilities	2,775	1.1	2,944	1.1	3,096	1.1
Total non-current liabilities	92,485	35.1	102,611	37.2	98,331	34.3
Total liabilities	204,147	77.6	211,099	76.5	216,837	75.5

Statement of financial position (Continued)

Equity

	For the year ended 31 December					
	2021		2022		2023	
	THB Million	%	THB Million	%	THB Million	%
Equity						
Authorised share capital ⁽¹⁾	6,320	2.4	6,320	2.3	6,320	2.2
Issued and paid-up share capital ⁽²⁾	6,031	2.3	6,031	2.2	6,031	2.1
Share premium:						
Share premium on ordinary shares	66,761	25.4	66,761	24.2	66,761	23.3
Share premium on treasury shares	123	0.0	123	0.0	123	0.0
Difference in value arising from restructuring transactions of entities under common control	(2,393)	(0.9)	(2,833)	(1.0)	(2,833)	(1.0)
Retained Earnings						
Appropriated Legal reserve	632	0.2	632	0.2	632	0.2
Unappropriated	7,792	3.0	13,158	4.8	18,305	6.4
Difference arising from change of non-controlling interests	(23,265)	(8.8)	(23,265)	(8.4)	(21,816)	(7.6)
Other components of equity	707	0.3	1,516	0.5	(144)	(0.1)
Equity attributable to owners of the parent	56,388	21.4	62,123	22.5	67,060	23.4
Non-controlling interests	2,693	1.0	2,762	1.0	3,201	1.1
Total equity	59,081	22.4	64,885	23.5	70,260	24.5
Total liabilities and equity	263,228	100.0	275,984	100.0	287,097	100.0

Remark:

⁽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 statement of comprehensive income as of the date presented.

	For the year ended 31 December					
	2021		2022		2023	
	THB Million	%	THB Million	%	THB Million	%
Revenue						
Revenue from sale of goods	175,975	89.9	211,903	89.7	221,926	89.2
Revenue from rental services	4,990	2.6	6,583	2.8	7,785	3.1
Revenue from rendering of services	826	0.4	1,411	0.6	1,727	0.7
Dividend income	-	-	4	0.0	5	0.0
Interest income	221	0.1	210	0.1	293	0.1
Other income	13,641	7.0	16,133	6.8	16,952	6.8
Total revenue	195,654	100.0	236,245	100.0	248,688	100.0
Expenses						
Cost of sales of goods	134,082	68.5	157,499	66.7	162,590	65.4
Cost of rental and rendering of services	1,765	0.9	2,148	0.9	2,351	0.9
Selling expenses	40,363	20.6	45,674	19.3	49,673	20.0
Administrative expenses	16,705	8.5	18,866	8.0	20,351	8.2
Total expenses	192,914	98.6	224,187	94.9	234,965	94.5
Profit from operating activities	2,739	1.4	12,058	5.1	13,724	5.5
Finance costs	(3,113)	(1.6)	(3,479)	(1.5)	(4,642)	(1.9)
Share of profit of associates and joint ventures accounted for using equity method	279	0.1	820	0.3	990	0.4
Profit (loss) before tax expense (income)	(95)	(0.0)	9,399	4.0	10,072	4.1
Tax expenses (income)	(372)	(0.2)	1,794	0.8	1,550	0.6
Profit for the year	277	0.1	7,605	3.2	8,523	3.4

Statement of comprehensive income (Continued)

	For the year ended 31 December					
	2021		2022		2023	
	THB Million	%	THB Million	%	THB Million	%
Other comprehensive income items						
Items that will be reclassified subsequently to profit or loss						
Exchange differences on translating financial statements	5,422	2.8	367	0.2	(1,840)	(0.7)
Gain (loss) on cash flow hedges	9	0.0	31	0.0	(23)	(0.0)
Income tax relating to items that will be reclassified subsequently to profit or loss	(2)	(0.0)	(7)	(0.0)	5	0.0
Total items that will be reclassified subsequently to profit or loss	5,428	2.8	391	0.2	(1,858)	(0.7)
Items that will not be reclassified to profit or loss						
Gain (loss) on investments in equity instruments designated at FVOCI	(1)	(0.0)	202	0.1	241	0.1
Gain (Loss) on remeasurements of defined benefit plans	157	0.1	10	0.0	(10)	(0.0)
Income tax relating to items that will not be reclassified subsequently to profit or loss	(32)	(0.0)	(40)	(0.0)	(47)	(0.0)
Total items that will not be reclassified to profit or loss	124	0.1	172	0.1	184	0.1
Other comprehensive income for the year, net of tax (expense)	5,553	2.8	563	0.2	(1,674)	(0.7)
Total comprehensive income for the year	5,830	3.0	8,168	3.5	6,849	2.8

Statement of comprehensive income (Continued)

	For the year ended 31 December					
	2021		2022		2023	
	THB Million	%	THB Million	%	THB Million	%
Profit attributable to:						
Owners of the parent	59	0.0	7,175	3.0	8,016	3.2
Non-controlling interests	217	0.1	430	0.2	507	0.2
Profit for the year	277	0.1	7,605	3.2	8,523	3.4
Total comprehensive income attributable to:						
Owners of the parent	5,407	2.8	7,745	3.3	6,357	2.6
Non-controlling interests	423	0.2	423	0.2	492	0.2
Total comprehensive income for the year	5,830	3.0	8,168	3.5	6,849	2.8
Basic earnings (loss) per share	0.01		1.19		1.33	

Statement of cash flows

The following table sets forth a condensed summary of our statement of cash flows for the periods presented.

	For the year ended 31 December		
	2021	2022	2023
	THB Million		
Net cash from operating activities	23,360	22,460	27,483
Net cash used in investing activities	(22,906)	(14,848)	(15,761)
Net cash from (used in) financing activities	(149)	(9,638)	(12,210)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rate change	306	(2,026)	(488)
Effect of exchange rate changes on cash and cash equivalents	572	339	292
Translating foreign operations	(210)	(176)	(149)
Net increase (decrease) in cash and cash equivalents,	667	(1,863)	(345)
Cash and cash equivalents at 1 January	15,912	16,579	14,716
Cash and cash equivalents at 31 December	16,579	14,716	14,371

Other financial information

The table below presents a reconciliation of net profit to core net profit for the periods presented.

	For the year ended 31 December		
	2021	2022	2023
	<i>(THB Million and %)</i>		
Reconciliation of core net profit			
Net profit	277	7,605	8,523
Core items after tax	(143)	357	(152)
Total adjustments to net profit after tax	420	7,248	8,674
Core Net profit margin (%)⁽¹⁾	0.2	3.1	3.5

Remark:

⁽¹⁾Percentage margin is calculated from net profit excluding adjustments divided by total revenues

The table below presents adjustments to net profit (net of tax) for the period presented.

	For the year ended 31 December		
	2021	2022	2023
	<i>(THB Million and %)</i>		
Adjustments to Earnings, net of tax			
Net gain (loss) on foreign exchange	(249)	(39)	(45)
Net gain (loss) on unrealized derivative	(13)	112	(4)
Reversal of impairment loss and others	119	-	-
Net gain (loss) on disposal of assets	0.5	(33)	(100)
Net gain (loss) on disposal of investment	-	317	(3)
Total adjustment to net profit (net of tax)	(143)	357	(152)

4.3.3 Financial Ratios

The table below presents certain financial ratios for the periods indicated.

Financial Ratios	For the year ended 31 December			
	Units	2021	2022	2023
Liquidity Ratios				
Current ratio	Times	0.6	0.7	0.7
Quick ratio	Times	0.3	0.3	0.3
Cash flow liquidity ratio	Times	0.2	0.2	0.2
Accounts receivable turnover	Times	36.0	40.0	40.0
Average collection period	Days	10.1	9.1	9.1
Inventory turnover	Times	3.5	3.7	3.4
Inventory days	Days	104.6	99.7	107.3
Accounts payable turnover	Times	4.0	4.2	4.0
Accounts payable days	Days	92.0	87.7	90.4
Cash cycle	Days	22.7	21.1	26.0
Profitability Ratios				
Gross profit margin	%	25.3	27.4	28.7
Operating margin	%	1.5	5.5	5.9
Non-operating profit margin	%	7.1	6.9	6.9
Cash flow to income ratio	%	852.8	186.3	200.3
Net profit margin	%	0.1	3.2	3.4
Net profit margin for the owners of the Company	%	0.0	3.0	3.2
Return on equity	%	0.5	12.3	12.6
Return on equity for the owners of the Company	%	0.1	12.1	12.4
Efficiency Ratios				
Return on total assets	%	0.1	2.8	3.0
Return on fixed assets	%	13.2	18.2	18.4
Total asset turnover	Times	0.8	0.9	0.9
Financial Policy Ratios				
Interest bearing debt to equity	Times	2.3	2.1	2.0
Interest bearing debt ⁽¹⁾ to equity	Times	1.3	1.3	1.2
Net Interest bearing debt to equity	Times	2.0	1.9	1.8
Net Interest bearing debt ⁽¹⁾ to equity	Times	1.0	1.0	1.0
Debt to equity	Times	3.5	3.3	3.1
Net Interest bearing debt to EBITDA	Times	5.9	4.1	3.9
Net Interest bearing debt ⁽¹⁾ to EBITDA	Times	3.0	2.2	2.2
Interest coverage ratio	Times	6.4	8.6	7.0
Debt service coverage ratio	Times	0.4	0.6	0.6
Dividend payout ratio	%	3,047.5	40.3	n.a. ⁽²⁾

Remark:

⁽¹⁾ Interest bearing debt is excluding lease liabilities

⁽²⁾ Board of Director's meeting of the Company has a resolution to propose annual dividends based on the operating profit for the year ended 2023 of Baht 0.55 per share to shareholders for approval at the Annual General Meeting of Shareholder on 25 April 2024

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 operation divided by average total current liabilities.
- Accounts receivable turnover is calculated as the sum of revenue from sale 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 sale 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 sale 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 and other income 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.
- Net profit margin for the owners of the Company is calculated as profit (loss) for the owners of the Company 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.
- Return on equity for the owners of the Company is calculated as profit (loss) for owners of the Company divided by average total shareholders to owners 's 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 ratio

- Interest-bearing debt to equity is calculated as total interest-bearing debt divided by total equity.
- Interest-bearing debt⁽¹⁾ to equity is calculated as total interest-bearing debt (excluding lease liabilities) divided by total equity.
- Net Interest-bearing debt to equity is calculated as total interest-bearing debt deducted with cash or cash equivalents divided by total equity.
- Net Interest-bearing debt to equity⁽¹⁾ is calculated as total interest-bearing debt (excluding lease liabilities) deducted with cash or cash equivalents divided by total equity.
- Debt to equity is calculated as total liabilities divided by total equity.
- Net interest bearing debt to EBITDA is calculated as total interest-bearing debt deducted with cash or cash equivalents divided by EBITDA.
- Net Interest-bearing debt⁽¹⁾ to EBITDA is calculated as total interest-bearing debt (excluding lease liabilities) deducted with cash or cash equivalents divided by EBITDA.
- Interest coverage ratio is calculated as EBITDA divided by finance cost paid.
- Debt service coverage ratio is calculated as EBITDA divided by short -term borrowings from financial institution plus current portion of long-term borrowings.
- Dividend payout ratio is calculated as dividend paid divided by profit (loss) for the period.

⁽¹⁾ Net interest-bearing debts are excluding lease liabilities.

05 | General Information

General Information

5.1 General Information (as at 31 December 2023)

Company's name	:	Central Retail Corporation Public Company Limited
Type of Business	:	Retail and wholesale business operations with Multi-Format and Multi-Category Platform through shares held in subsidiaries and associated companies.
Head Office	:	22 Soi Somkid, Phloenchit Road, Lumpini Sub-District, Pathumwan 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
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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 building. 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 A.D. 2018, which was promulgated in the Royal Gazette on 4 January A.D. 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 A.D. 2018, which was promulgated in the Royal Gazette on 4 January A.D. 2019. A request for a 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 A.D. 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 Sales and Direct Marketing

The Direct Sales and Direct Marketing Act B.E. 2545 (including amendments) ("Direct Sales and Direct Marketing Act") aims to govern business operators engaged in direct sales and direct marketing for increased consumer protection. The Direct Sales 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 operators 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 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; and 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 the 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. Royal Decree on the Operation of Digital Platform Businesses That Are Subject to Prior Notification

The Royal Decree on the Operation of Digital Platform Businesses That Are Subject to Prior Notification B.E. 2565, which was issued under the Electronic Transactions Act B.E. 2544 as amended by the Electronic Transactions Act (No. 3) B.E. 2562, has taken effect from 21 August 2023. Today, there are many providers of digital platforms that have various characteristics and cover a wide range of businesses. In the face of their growing importance to economic and social systems, the Royal Decree was passed for the purposes of upholding financial and commerce security, creating credibility of and trust in electronic data systems, and preventing any public damages.

The Royal Decree has presented guidelines to govern digital platform businesses. For example, it has defined digital platform businesses that are subject to prior notifications and has prescribed the supervision of such businesses to ensure the protection of service users.

Digital platform services mean “the provision of electronic intermediary services that manage data to facilitate the connection, through computer networks, between business users, consumers or users with a view to concluding an electronic transaction, regardless of whether service fee has been charged, but shall not include a digital platform service that is intended for offering goods or services of a single digital platform service operator or an affiliated company which is an agent of such operator, irrespective of whether the goods or services are offered to third persons or to affiliated companies”.

Pursuant to the Royal Decree, digital platform businesses must notify the Electronic Transactions Development Agency of their operations every year within sixty days since the end of the preceding year (in event of natural persons) or the end of their fiscal year (in event of juristic persons). If operators of digital platform businesses violate the Royal Decree or fail to comply with its criteria, guidelines or stipulations, authorized officials shall order the suspension of their business operations until their full compliance with the laws. If the said operators of digital platform businesses are unable to comply with orders demanding full compliance within ninety days since the issuance of business-operation suspension order, they shall be removed from registry.

9. 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. 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 to 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 guidelines 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 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 from 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 A.D. 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 A.D. 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;
- b) Compliance with regulations on land and buildings pursuant to sanitation, building and town planning laws; and
- c) 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.

For the start-up of all the activities mentioned, subject to municipal authorization, it is always necessary to also present the anti-mafia certificate (non-criminal certificate) of all the members of the company's board of directors. Certificates expire every six months.

5. Laws on Personal Data Protection

EU Regulation No. 679 dated 27 April A.D. 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 A.D. 2017, which was approved under Legislative Decree No. 101 dated 10 August A.D. 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 A.D. 2018, automatically canceling the Italian Law No. 196 dated 30 June A.D. 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 EUR 20 million 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.

On 18 March A.D. 2023, Legislative Decree 26/2023, implementing Directive 2019/2161 "for better enforcement

and modernisation of the Union's consumer protection rules" (known as the "Omnibus Directive"), was published in the Italian Official Journal. This Legislative Decree amends certain provisions of Legislative Decree No. 206/2005 ("Consumer Code").

Among other things, it is worth noting that the Legislative Decree deals with online services which, though perceived as free, are only provided to consumers if they provide their personal data. The new rules apply as of 2 April A.D. 2023, with the exception of Article 1.2 establishing the criteria to correctly announce price reductions, which apply as of 1 July 2023.

The Ministry of Enterprises and Made in Italy issued the answers to the frequently asked questions (FAQ) regarding the interpretation and implementation of the above Directive.

These answers to FAQ have been prepared for the purpose of providing interpretative and application guidance with precise and exclusive reference to the provisions on price reduction announcements referred to in article 17-bis of the Consumer Code (as introduced by Legislative Decree No. 26 of 7 March A.D. 2023, implementing Article 6-bis of Directive 98/6/EC, introduced by Directive (EU) 2019/2161).

In principle, all announcements - made in each distribution channel - which give the impression to consumers that they are faced with a decrease in the selling price of a certain good in a specific period of time, compared to the one previously applied, are subject to the new regulations by the seller. (Please note that the rule on price reduction announcements only applies to goods and not to services).

The "previous price" to be taken as a reference for the price reduction announcement is the lowest one applied to the generality of consumers in the previous 30 days in the online sales channel or in the single point of sale (e.g. online price and offline price for in-store sales) where the purchase is made.

Notwithstanding the above, it should be noted that the same article governs the mere case of the announcement of a price reduction. Actually, there are certain types that may be excluded from the scope of application e.g. (among others):

- a) Cases in which the price reduction is subject to specific conditions other than the mere purchase of the product, such as reward transactions, loyalty programs, promotions consisting in the attribution of vouchers for subsequent purchases to consumers who have already made purchases of specific products and/or with a minimum amount, price reductions starting from minimum ceilings and/or within maximum expenditure ceilings, price reductions on a basket (e.g. one or more lines, one or more brands) conditional on the purchase of a minimum number of pieces or within a maximum number of pieces or discounts on the purchase of a product to the consumer who simultaneously purchases another product; and
- b) “ad personam” offers, meaning reductions reserved for a specific consumer in particular circumstances, for example, when registering for the loyalty program or on special occasions (e.g. wedding or birthday), or when other conditions occur (e.g. belonging to a predetermined age range, or to certain clusters such as members or holders of a loyalty card or other legitimation card/title which in any case allows only holders to access discounts), etc.

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 A.D. 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;
- (19) Tax crimes;
- (20) Smuggling; and
- (21) Crimes against the artistic and cultural heritage.

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. 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; and
 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; and
 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 the 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 six years for industrial, commercial, professional, or tourist leases which are automatically renewable for another six years; and nine years for hotel leases which are automatically renewable for another nine 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 six months written notice with registered letter provided the withdrawal is based on serious reasons; breach of contract; by mutual consent or tenant's refusal to renew the lease agreement.

Termination by lessor: after the initial period (six or nine 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 six-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.

A notice by a lessor to terminate a commercial lease contract shall take effect in any of the following events:

- Lessee use the leased property for their, their spouse's or close relative's home;
- Lessee use the leased property for their, their spouse or close relative's professional practices;
- Lessor is a government or public agency and needs to manage the leased property for its objective; and
- The property must be dismantled, restructured, improved, or used for any operation for a municipal project as per applicable laws.

Laws do not require the lessor to specify the reason for the termination of the lease contract when its six-year lease period has already been renewed once. However, the lessor is required by laws to compensate the lessee for the loss of goodwill when issuing a notice to terminate or to not renew the lease contract.

The indemnity for loss of goodwill

- (1) equal to 18 times the amount of the last rent paid in case of commercial leases;
- (2) 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); and
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 A.D. 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 A.D. 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, and 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 A.D. 2014 ("Law on Investment 2014") to replace the old laws from 1 July A.D. 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 A.D. 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 by 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 A.D. 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 A.D. 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 A.D. 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; and (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 A.D. 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 A.D. 2018, Decree 09 replaced Decree No. 23/2007/ND-CP of the Vietnamese Government dated 12 February A.D. 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 a 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 VND 40 million (or about USD 1,662); (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 VND 40 million (or about USD 1,662); (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 Decree No. 105/2017/ND-CP of the Government dated 14 September A.D. 2017, as amended by Decree No. 17/2020/ND-CP of the Government dated 5 February A.D. 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 A.D. 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 implementation. 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/QĐ-BTM of the Commerce Ministry (currently known as the Ministry of Industry and Trade) dated 24 September A.D. 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 the 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 A.D. 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 A.D. 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 A.D. 2011, Vietnam did not have a comprehensive food law except Ordinance No.12/2003/PL-UBTVQH11 dated 26 July A.D. 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 A.D. 2010 and amended in A.D. 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 A.D. 2018 of the Vietnamese Government requires that food producers/traders comply in full of 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 A.D. 2007 as amended in 2018 (“Law on Product Quality”) and Law on Standards and Technical Regulations No. 68/2006/QH11 dated 29 June A.D. 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 A.D. 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 A.D. 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 Định An Toàn Thực Phẩm”) as a condition to sell the products to the market.

From 2 February A.D. 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), and (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 A.D. 2017 and amended by Decree No. 111/2021/ND-CP dated 9 December A.D. 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 A.D. 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 A.D. 2010 (effective from 1 July A.D. 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 A.D. 2013, and came into force on 1 July A.D. 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 a 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 estate 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 A.D. 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 A.D. 2019, effective as of 1 January A.D. 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 A.D. 2020, and took effect on 1 January A.D. 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 A.D. 2022 on administrative sanctions for environmental protection offenses.

11. Fire Safety

Law No. 27/2001/QH10 dated 29 June A.D. 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 A.D. 2019. This new legislation replaces Competition Law No. 27/2004/QH11, which was passed by the National Assembly of Vietnam on 3 December A.D. 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) Anti-competitive 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 mergers and acquisitions - 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

13.1 Traders' general obligations to protect consumers' rights

On 17 November A.D. 2010, the National Assembly of Vietnam passed the Law on Protection of Consumers' Rights No. 59/2010/QH12, replacing the 1999 Ordinance on the same subject matter. This law 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 labelling 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.

The new Law on Protection of Consumers' Rights No. 19/2023/QH15 passed by the National Assembly on 20 June 2023 (hereinafter referred to as "LPCR") shall come into force and superseded the Law No. 59/2010/QH12 as of 1 July 2024. The new law maintains the above regulations of the old law, and in addition notably sets out new regulations on consumers' rights and obligations, sustainable consumption, protecting rights of vulnerable consumers and dispute resolution. Additionally, to be compatible with the latest marketing trends and to ensure the protection of consumers under the impact of influencers, the term "influencer" has been defined for the first time and specific related regulations have been put in place.

The Ministry of Industry and Trade is drafting a Decree detailing a number of articles and guiding the implementation of the new Law on Protection of Consumers' Rights.

13.2 Traders' obligation to protect consumers' data

The LPCR has specified the term "consumer information", which is defined as any consumer's personal information, information about their process of purchasing and using products, goods, services, and other information related

to transactions between consumers and traders. Under the LPCR, traders are required to notify customers of the purpose and use of customer information, obtain their prior consent (with some exemptions), put in place rules and measures to protect consumer information against theft or unlawful use by third parties.

In addition to the LPCR, the Government issued Decree No. 13/2023/ND-CP on Personal Data Protection (the “PDPD”) on 17 April A.D. 2023 to provide more comprehensive legal framework on protection of personal data further to the 2015 Civil Code’s umbrella regulation on collection, storage, use and publication of personal information. Accordingly, enterprises collecting and processing personal data, or transferring personal data overseas must comply with various obligations to ensure the safety of personal data collected or possessed by them. Persons having their personal data breached may claim for damages.

As the LPCR requires traders to comply with regulations of both the LPCR and other relevant laws on protection of customer’s information, traders are recommended to take into account both sets of regulations.

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 A.D. 2009 and on 14 June A.D. 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 A.D. 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 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 since the application’s announcement until the decision is made by the relevant

agencies was to heather 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 Law on Bankruptcy 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 changes 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 National Assembly on 13 December A.D. 2005 (which was later amended by Ordinance No. 06/2013/UBTVQH13 dated 18 March A.D. 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, Vietnamese 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 proofs. 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 borrowings are regulated by Circular No.12/2022/TT-NHNN issued by the State Bank of Vietnam dated 30 September A.D. 2022 (“Circular 12”) and, Circular No.08/2023/TT-NHNN issued by the State Bank of Vietnam dated 30 June A.D. 2023 (“Circular 32”), on foreign loans without government’s guarantee. Overseas borrowings refer to a foreign legal entity lending money to a Vietnamese legal entity in the form of loan contract, contract on goods import with deferred payment, loan provision entrustment contract, financial leasing contract, or issuance by the borrower of debt instruments. 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.

Under Circular 12, medium 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 medium 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 short-term loans from overseas to restructure their foreign debts or to pay their short-term debts. Medium and long-term foreign loans are only obtained to finance the borrower's investment project, "plan for business and production or other project of the borrower", as well as to restructure their foreign debts. 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 2023, 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 2023), 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.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 EUR 40 million (about THB 1,490 million) be imposed based on the plaintiff's valuation. The plaintiff also demanded about EUR 5 million (about THB 186 million) 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 A.D. 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 EUR 40 million and/or for payment of damages in an amount of approximately EUR 5 million.

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 relevant parties were notified of the Regional Administrative Court’s decision on 26 January 2023 that the court rejected the claim in the Third Construction Permit dispute. Thus, the Company’s group wins the case. As a result, the parties have until 27 March 2023, to submit an appeal for such decisions. However, no party has done so in opposition to the decision. The dispute over the Third Construction Permit has been resolved as a consequence.

However, for the compensation claim dispute, the appellant proceeded to file the compensation claim for any illegal damage that may have occurred to the shopping mall construction permit. On October 18, 2023, the Regional Administrative Court sent a notice canceling the case related to the appeal. Each appellant has 120 days (by February 15, 2024) to submit an appeal petition. If a new petition is not submitted within the deadline, the right to appeal will end. The executive of the company believed that the appellant would not take any further action. Therefore, the appeal will be closed, and there will be no impact on the company’s group.

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.

On 2 February 2021, the Bangkok South Civil Court (Court of First Instance) had dismissed the case filed by all six plaintiffs 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 8.4 million 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.

On 29 March 2023, the plaintiff filed a petition for permission to appeal to the Supreme Court. The court scheduled to hear the Supreme Court's order on 25 March 2024. However, if the Supreme Court orders not to allow the appeal, this case will end.

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-



Part 2

Corporate Governance



06

Corporate
Governance
Policy

6.1 Overview of Corporate Governance Policy and Guidelines

The Board of Directors recognizes the importance of corporate governance (CG) and believes that ethical, honest, transparent, and responsible business practices will ensure the Company's sustainable growth. It therefore formulates the Corporate Governance Policy to provide operational guidelines that shall uphold efficiency and transparency as assurances to investors and outsiders. The policy has been constantly reviewed in accordance with the Securities and Exchange Commission's or SEC's CG Code, the Thai Institute of Directors' Corporate Governance Report for Thai Listed Companies (CGR) and international guidelines such as the ASEAN Corporate Governance Scorecard (ACGS), the Dow Jones Sustainability Indices (DJSI), and the SET ESG Ratings. The Corporate Governance and Sustainability Committee has conducted the reviews and presented its recommendations to the Board of Directors for approval on the annual basis. Moreover, the implementation of the Corporate Governance Policy and Guidelines has been monitored. PR activities have also been conducted over the Company's internal information system and website to ensure all employees are aware of the said policy and guidelines. The Corporate Governance Policy of the Company covers five following sections:

Section 1 The Rights of Shareholders

The Company is aware that it is important to protect the basic rights of all shareholders such as the right to purchase, sell or transfer their securities; the right to receive a share of profit; the right to adequate information; the right to attend shareholders' meetings, express opinions independently and vote on key transactions there; the right to appoint or remove a director; and the right to appoint the Auditor and specify audit fees. In 2023, the Company promoted shareholders' rights and facilitated the exercising of their rights as follows:

- The Company clearly disclosed its shareholding structure to assure its shareholders that its operational structure was transparent and accountable without any complicated shareholding issue. There was no joint shareholder, cross holding shareholder, and pyramid share ownership in the Company's Group.
- The Company distributed information on how to exercise shareholders' rights via the Stock Exchange of Thailand's (SET) news system as well as the Company's website based on the principle of equal access to information. Shareholders were also informed of the right-exercising period and provided right-exercising convenience. The Company did not do anything that would restrict shareholders' right to its information. Neither did it block communications among shareholders.
- The Company continuously promoted shareholders' rights at its meetings. Its annual general meeting of shareholders 2023 was held on 28 April 2023 as an e-AGM, which was backed by DAP e-Shareholder Meeting (DAP) in accordance with the laws related to electronic meetings. Audio and video recordings of AGM 2023 were made throughout the time it was broadcast online. The Company provided its shareholders with convenience in appointing an independent director to attend the meeting on their behalf. Also, a manual on e-AGM participation was prepared for shareholders to ensure that shareholders received meeting information and could vote at the meeting in a timely manner. Details were as follows:
 - Prior to the shareholders' meeting
 - The Company offered shareholders an opportunity to propose a meeting agenda and nominate a candidate for the post of its directors between 1 December 2022 and 15 January 2023. In addition, shareholders could submit their opinions, recommendations, and



questions about meeting agendas to the Company Secretary ahead of AGM 2023. Relevant information and guidelines were clearly provided on the Company's website. The Company also made the announcement on the shareholders' rights to do so on the SET website. So far, no shareholders proposed a meeting agenda or nominated a director for AGM 2023.

- The Company released its invitation for shareholders to attend its AGM 2023 in both Thai and English languages on its website on 28 March 2023 or 31 days ahead of the meeting. It started sending hard-copy invitations from 7 April 2023 onward or 21 days in advance. Shareholders could register their participation in AGM 2023 since 11 April 2023. DAP Manual was included in the invitation.
 - The invitation provided the rationale and explanation of the Board of Directors related to each meeting agenda. To facilitate shareholders' exercising of their rights in events they could not attend the meeting themselves, the Company prepared Proxy Forms A, B, and C available for download on the Company's website. The forms listed the names and profiles of the independent directors whom shareholders could appoint as their proxy. The Company did not set any complicated conditions for the use of proxy, including those related to documents. Its website also clearly stated that shareholders could request and obtain Proxy Form B in a hard-copy format if they made a request 14 days in advance.
- o Meeting Day
 - Before the start of the meeting, the chair assigned the Company Secretary to inform shareholders of meeting rules and

guidelines, and demonstrate how to deploy DAP so as to ensure that shareholders knew how to vote and ask questions online (e-Question). The number of votes each shareholder had depended on how many shares he/she held. The Company recognized one share as one vote. The Company had only one type of shares – ordinary shares.

- Shareholders could enter DAP two hours before the start of AGM 2023. After the system verified the identity of meeting participants and documents submitted for registration, a link to the e-Meeting was sent via an email.
- The Company deployed e-Voting to facilitate voting and vote counting for accuracy and speed. This system met the standards of the Electronic Transactions Development Agency (ETDA). The Company also relied on DAP's vote-counting and result summary features to clearly present the vote results for each agenda to shareholders. If shareholders could not attend the meeting, they could appoint a proxy and assign that proxy, regardless of whether that person was an independent director or not, to vote via real time secure electronic voting in absentia feature.
- The Company allowed shareholders to vote on the appointment of the Company's directors. Shareholders could individually vote on each candidate.
- All 15 directors or 100% of the Company's directors attended AGM 2023. The chair of the Board of Directors, lead independent director, the chair of the Audit Committee, the chair of the Nomination and Remuneration Committee, the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Company Secretary and the external auditor were present.

- The chair of AGM 2023 allocated appropriate amount of time for each meeting agenda, with shareholders given opportunities to express opinions/recommendations or ask questions independently before calling a vote. The chair of AGM 2023, the lead independent director, the chair of the Audit Committee, the chair of the Nomination and Remuneration Committee, the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), and the external auditor presented in the meeting to answer shareholder's questions, which includes both the shareholders who submit the questions through the system and ask by themselves.
- AGM 2023 proceeded in line with its program shown in the invitation letter. It neither added a new agenda nor switched the sequence of meeting agendas. An external legal consultant was hired to serve as an inspector in vote counting and also to supervise the meeting to ensure its transparency and compliance with laws as well as the Company's Articles of Association.
- o After the shareholders' meeting
 - The Company published the resolution of AGM 2023 on each meeting agenda along with the number of votes of support on the website of the Stock Exchange of Thailand and the Company's website on 28 April 2023, which was the date when the meeting was held.
 - The Company released the video recording of the shareholders' meeting on its website.
 - The Company compiled Minutes of AGM 2023 in both Thai and English languages by recording all key information in a complete and accurate manner. Included were the name list of directors

who attended the meeting, queries and suggestions raised by shareholders, the management's explanations, the resolution on each agenda together with vote results in detail. Also, the votes of approval, votes of disapproval, and abstentions were shown for shareholders to review. The Company published the Minutes of AGM 2023 via the SET's platforms and its own website on 9 May 2023 or within 14 days after the meeting date.

The Company adhered to AGM Checklist, which was prepared by the Thai Investors Association, the SEC Office and the Thai Listed Companies Association, in every stage related to its AGM – before, during, and after the meeting.

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:

- The Company has provided information to shareholders on a regular basis via its own website as well as SET's platforms. Moreover, its shareholders may request information or submit queries directly by emailing to the Company's Investor Relations team, the Corporate Communication team, or the Company Secretary.
- The Company has formulated written guidelines on insider information storage and prevention of the use of insider information in accordance with securities laws. The guidelines have been reviewed annually detailed as follows:
 - o The Company has informed its directors, executives, and employees of its insider



information policy and rules on a regular basis to ensure their understanding and compliance.

- Relevant directors, executives, and employees have been forbidden to trade the Company's shares during the 30 days prior to the public disclosure of its financial statement or insider information until at least 24 hours has elapsed after the disclosure. The Company Secretary shall inform the relevant directors, executives, and employees of the blackout period in each quarter.
- All directors and executives must declare their shareholding to the SEC Office as well as to the Company Secretary, who will report the matters to the Board of Directors on a quarterly basis. Their shareholding information shall also be included in the Company's annual report.
- The Company has laid down clear guidelines on related and connected transactions in accordance with the regulations of the SET and the SEC Office. The guidelines clearly list transactions that must be reported to the Board of Directors and shareholders, and issues cautions against any related transaction that violates or fails to comply with the SET's or the SEC Office's regulations.
- In 2023, the Company conducted connected transactions based on the Fair and at Arm's Length basis. Additional information is available in Item 9.2: Connected Transactions. Also, the Company has no policy to provide financial assistance or guarantees to any outsider. To date, the Company has not received any complaint about directors' or executives' misuse of insider information or conflict of interest.
- Directors and executives, as per the SEC Office's definitions, must declare their or their related persons' interests involving the Company or subsidiaries upon taking office. Further declaration

must be made only if there is any change to information given earlier. Such declaration must be submitted to the Company Secretary, who shall prepare copies for the chairman of the Board of Directors and the chair of the Audit Committee in accordance with the Securities and Exchange Act B.E. 2535 for use in audits and prevention of the conflict of interest.

Section 3 The Role of Interested Persons

The Company has accorded importance to the rights of all stakeholders on the basis of sustainable and mutual interests. Its categorization of stakeholders is based on their participation in and impacts on its business operations. Forms of communications and participatory processes for stakeholder groups are different as the Company has strengthened its relationships with stakeholders based on the principle of good corporate governance via both internal and external channels as follows:

1. Shareholders

- The Company conducts its businesses with corporate governance, transparency, and effectiveness, aiming to achieve best operating results and stable growth for the Company's sustainable and stable financial position, maximally benefiting its shareholders in the long term.
- The Company discloses transparent and trustworthy information to shareholders via its website and through investor relations officers. Data disclosure has been made while ensuring shareholders' equal right to access necessary information.

2. Employees

- The Company equally and fairly treats its employees, respects the rights of every employee, and gives appropriate remuneration, welfare, and

benefits not less than the legal requirement and comparable to other companies in the same industry. Also, the Company has conducted human resources development and employee retention activities while respecting and protecting their human rights. The Company ensures work environment is safe to their lives and properties. Channels have also been created to receive complaints of unfair treatments, if any, from employees using process prescribed by the Company.

3. Suppliers

- The Company treats suppliers fairly and transparently, with supplier selection process giving equal access to information to all candidates and selection being fair. The Company also prepares proper and fair contracts. Monitoring system is in place to ensure contract compliance, as well as to prevent corruption and abuse of authority in every step of procurement. Moreover, the Company strictly honors its contracts with suppliers with payments made in full and on time. The Company also protects the confidentiality of supplier information and does not abuse it in any way.
- The Company organizes capacity-building training for suppliers and communicates messages to suppliers so that they are aware and abide by the Code of Business Ethics, the Supplier Code of Conduct, and the Anti-Corruption Policy of the Company. The suppliers are also encouraged to be a member of the CAC in order to resist the fraud, bribery, and corruption.

4. Competitors

- The Company ethically and transparently conducts its businesses. It competes against its competitors fairly, without taking advantage of its competitors or seeking confidential information in illegitimate ways. The Company does not defame its competitors with wrong accusations. In 2023, there was no

dispute between the Company and its subsidiaries, and their competitors.

5. Customers

- The Company maintains the quality and standard of its products and services, as well as fulfills 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 its customers and provides complete product and service information. The Company also prepares channels for customers to lodge complaints about any inappropriate product or service for fast and proper response. Also, the Company keeps customer information confidential. It does not abuse customer information for its or related persons' benefits.

6. Creditors

- The Company upholds its responsibility for creditors by strictly complying with conditions and requirements of financial contracts and obligations, as well as pays the principal, interests, and collaterals in the related contracts. Also, the Company does not dishonestly conceal information or facts in a way that may cause damages to creditors. In case that it cannot follow any of the conditions, it will notify the creditors immediately to explore solutions together.

7. Government

- The Company gives due importance to the government by strictly adhering to relevant laws and regulations, as well as responding to the policies of the government where appropriate and necessary, in consistent with its business operation methods. The Company has also informed government agencies of the Company's Code of Conduct, Supplier Code of conduct, and Anti-Corruption Policy.



8. Communities, Societies, and Environment

- The Company pays attention and accords importance to the safety and security of the communities, societies, environment, and quality of life of those related to its business operations. It therefore fosters the environmental and social responsibility among its employees, and ensure their strict compliance with applicable laws and regulations. Additionally, the Company makes efforts to participate in activities for environmental and social care, and promotes local cultures in its operating areas.

Stakeholders may inquire, lodge complaints, or provide tipoff about illegal activities, inaccuracies in financial statements, defective internal control system, or non-compliance with the Company's guidelines via the Company's independent directors or audit committee members. The complaints and whistleblowing information shall be kept confidential. The independent directors or audit committee members will investigate, find solutions (if any) and report the matters to the Board of Directors.

In addition, the Company formulates stakeholder-related policies to prevent the misuse of insider information, conflict of interest, and corruption, as well as to promote social responsibility. For more information, please visit the Company's website and check out content under the topic of "Policies and Guidelines". Summary is as follows:

Policy to Prevent Misuse of Insider Information

The Board of Directors accords importance to ensuring that the Company's insider-information usage governance complies with laws and the principles of good corporate governance. Therefore, it formulates policy and guidelines on insider information to bar its directors, executives, employees, and workers from trading the Company's shares or seeking illegitimate benefits based on insider information. The policy and guidelines can be summarized as follows:

- (1) Directors and executives, including their spouse or cohabiting couple, as well as underage children, must prepare and disclose their holding of the Company's shares and any change in the status of such shareholding to the SEC Office and also hand in a copy of such shareholding report to the Company on the same day.
- (2) Directors, executives, employees, and workers of the Company and its subsidiaries, who are aware of important information that affects or may affect share prices, are not allowed to trade the Company's shares 30 days prior to the disclosure of its financial statement or such information until at least 24 hours has elapsed after the disclosure.
- (3) Directors and senior executives must inform the Board of Directors or any person assigned by the Board at least one day prior to their buying or selling of shares.

In 2023, directors and executives traded the Company's shares seven times. Reviews show their transactions fully complied with the Company's policy.
- (4) Directors, executives, and employees of the Company and its subsidiaries are not allowed to use insider information for buying or selling; offering to buy or sell; persuading others to buy, sell, or offer to buy or sell Company's shares or other securities (if any), either directly or indirectly.
- (5) The current and former directors, executives, and employees of the Company and its subsidiaries must not disclose insider information or confidential information of the Company or its suppliers to outsiders, as such information must be used for the Company's business operations only. Directors, executives and employees of the Company must not use its insider or confidential information to seek benefits for themselves or others, either directly or indirectly, regardless of whether they are paid to do so or not.

Policy to Prevent the Conflict of Interest

The Board of Directors pays attention to a conflict between personal interests and the Company's interests, thus formulating policy and guidelines on the prevention of conflict of interest. Applicable to directors, executives, and employees, the policy and guidelines have been reviewed on a yearly basis to maintain good standards, uphold transparency, and ensure compliance with the principles of good corporate governance. The essence of the policy and guidelines is as follows:

- (1) Directors, executives, and employees shall refrain from conducting a business that is similar to or compete against the Company's or its subsidiary's operations, unless there are assurances that the said business does not affect the Company. If directors or executives conduct such a business, they must report the matter to the Internal Audit Department. If employees conduct such a business, they must report the matter to their supervisors.
- (2) In an event that a transaction or a business may pose a conflict of interest to the Company or its subsidiary, the Company's Internal Audit Department must be notified. For example, notifications must be submitted if directors, executives, and employees make a joint investment with a supplier of the Company or its subsidiaries, hold a position at the suppliers, or conduct a transaction with the Company or its subsidiaries either directly or indirectly.
- (3) Directors, executives, and employees shall not seek their or others' benefits with the confidential information of the Company or its subsidiaries. They are required to strictly comply with the policy to prevent the misuse of insider information.
- (4) Directors, executives, and employees shall refrain from holding a significant percentage of shares in a business that is similar to or compete against the operations of the Company or subsidiaries. If such

shares had been acquired prior to the start of their tenure at the Company or its subsidiaries, before the start of their operations, or 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 intends to operating its businesses with morality within the good corporate governance framework while adhering to the Code of Business Ethics and upholding its responsibility for society, the environment, and all stakeholders. Therefore, it formulates its Anti-Corruption Policy in writing to prescribe anti-corruption scope, guidelines, and measures for the purpose of preventing corruption in every of its business activities. This policy helps ensure that all business decisions and activities that may be at risk of corruption are carefully considered. Such activities include charity donations, donation for public interest, political contribution, sponsorships, facilitation payment, revolving door, conflict of interest, providing gifts or services, and entertainment/reception and hospitality. For more information, please see Enclosure No.5.

Corporate Social Responsibility Policy

The Company is determined to operate its businesses fairly while creating a balance of economy, society, and environment for the best interests of shareholders, customers, employees, society, communities, and all other stakeholders. The Company, therefore, issues its Corporate Social Responsibility Policy to address all relevant topics such as anti-corruption, respect for human rights, fair labor treatment, responsibility for customers, environment conservation, community improvement, as well as the promotion of innovations. Not only that this policy serves as a management tool and supports business operations, but it also generates sustainable value for the Company's businesses. For more information,

please see Enclosure No. 5

Section 4 Disclosure and Transparency

The Company accords importance to disclosing accurate and complete key financial and non-financial information that may affect its share prices or investors' / stakeholders' decision-making in a transparent, timely, and equal manner in accordance with the regulations of SET and SEC. Therefore, it formulates the Communication and Information Disclosure Policy and Investor Relations Code of Conduct. For more information, please visit the Company's website and check out content under the topic of "Policies and Guidelines".

Shareholders Engagement

The Board of Directors strongly emphasizes the importance of disclosing both financial and non-financial information in an accurate, complete, transparent, thorough, and timely manner. For the benefits of shareholders and investors in their decision-making, the Company releases the information to both domestic and international investors and stakeholders through various channels including SET and SEC platforms, news releases, and the Company's own website under the heading of Investor Relations (IR). The information disclosed on the website has been regularly updated. It includes the Company's business operations, past operating results, financial reports, Management Discussion & Analysis (MD&A), share prices, shareholders' information, shareholders' structure, dividend payments, shareholders' meetings, Form 56-1 One Report, notice of shareholders' meeting, meeting minutes, news disclosed to SET, press releases as well as IR presentations prepared for investor meetings, both domestically and internationally.

To ensure that work done by the Investor Relations unit are accurate, complete, transparent and in compliance with the laws, state regulations, the Company's regulations, SET's requirements, SEC's CG Code, IR professional standards, as well as the Company's policies and guidelines on data disclosure and transparency, the Board of Directors has issued the IR Code of Conduct to

set clear guidelines and standards for IR officers and related staff. The IR Division reports directly to the Chief Financial Officer who works closely with senior executives in the formulation of policies, annual and quarterly plans, operating guidelines and approaches to upgrade the Company's IR practices to par with those of leading regional listed companies. The operating results and opinions of shareholders, investors, and analysts are reported to the Board of Directors four times a year. Also, a meeting with the Chief Financial Officer is regularly held on a monthly basis.

The Company sets a silent period, to abstain from communicating with analysts and investors, of at least 15 days prior to the announcement of quarterly and annual operating results of the Company to SET to avoid unfair disclosure practices that may influence share prices. The Company has in place the guidelines for keeping the information confidential and restricting the use and disclosure of confidential information to only necessary persons.

As the Company's senior executives accord importance to building good ties with investors, they therefore have made time to join activities held by the IR unit in order to announce the Company's policies and business directions. They have also attended investor meetings on a regular basis. After COVID-19 outbreak eased, the Company organized IR roadshows both in Thailand and overseas. Both site visits and virtual meetings have been held. Documents and video clips related to investor meetings are also published on the Company's website for investors' comprehensive references and historical-data checks.

The Company has continuously carried out a variety of activities for senior executives and the IR unit to meet and provide information to relevant parties on various occasions. In 2023, the Company provided information to a total of 1,994 analysts and investors through the following IR activities:

IR Activities	Total No. in 2023
1. One-on-One Meeting / Company Visit / Conference Call	105
2. Analyst & Investor Meeting	6
3. Investor Conference	15
4. Site Visits	16
5. Virtual and Physical Non-Deal Roadshows	7
6. Forums held by SET such as Opportunity Day / Thailand Focus / Seminars / Panel Discussions	5
Total	154

Section 5 Responsibilities of the Board of Directors

1. Structure of the Board of Directors and Subcommittees

The structure of the Board of Directors fully complies with the Board of Directors Charter and the Company's Articles of Association in terms of components, types and qualifications of directors, as well as the proportion of independent directors. The structure, moreover, is appropriate to the Company's business operations. Under the structure, subcommittees have been established to support the Board's supervisory duties. These subcommittees are the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, the Risk Policy Committee, and the Corporate Governance and Sustainability Committee. Additional information is available in Chapter 7: Corporate Governance and Key Data on the Board of Directors, Sub-committees, Management, Employees and Others, as well as Chapter 8: Report on Corporate Governance.

2. The Board of Director's Duties and Responsibilities

The Board of Directors has the duty to set the Company's policies and directions as well as to ensure the business

operations are carried out in accordance with business goals, objectives, vision, and strategies for the long-term benefits of shareholders within the framework of laws, the Company's guidelines, and considerations for all groups of stakeholders. In addition, the Board of Directors is responsible for the operations of the Company, for example, by formulating the Corporate Governance Policy and guidelines on the prevention of conflict of interest, governance of internal control and risk management systems, and financial statements.

3. The Board of Directors' Guidelines

Guideline 1: The Board of Directors shall be aware of its duties and responsibilities as the organizational leader that creates sustainable values to the Company's operations, and as a leader that ensures good management and corporate governance for sustainable values to the Company's operations.

Guideline 2: The Board of Directors shall formulate and ensure the Company's main objectives support sustainability and are consistent with the value creation for the Company's operations, customers, stakeholders, and society as a whole.

Guideline 3: The Board of Directors shall be responsible for setting and reviewing the structure of the Board of Directors regarding its size and proportion of independent directors to ensure it is proper and helps the Company



to achieve its objectives and goals. Also, the Board of Director shall ensure that director nomination and selection process is clear and transparent in order for the Board to get qualified members and strengthen its effectiveness.

Guideline 4: The Board of Directors shall ensure that the Company's human resources management and development provides an adequate number of qualified, knowledgeable, skilled and experienced staff, as well as proper motivations for them. Also, the Board of Directors shall prepare succession plan for the posts of the CEO as well as other senior executives, appropriate remuneration structure and performance evaluation to ensure that the nomination and development of senior executives and human resources development deliver maximum benefits to the Company.

Guideline 5: The Board of Directors shall accord importance to and promote the development of innovations that create value for the Company's businesses as well as benefits for customers or relevant parties. Also, the Board of Directors shall be socially and environmentally responsible by ensuring the management's resource allocation and management are efficient and effective with an emphasis on how to sustainably utilize resources to fulfill the Company's key objectives and goals in support of responsible innovation promotion and business operations.

Guideline 6: The Board of Directors shall ensure that the Company's risk management system and internal control system are appropriate and effective in achieving objectives, and comply with applicable laws and standards. Moreover, the Board of Directors shall monitor and manage a potential conflict of interest between the Company and its management, directors, or shareholders, as well as prevent the misuse of the Company's properties, information and opportunities, or inappropriate transactions with the Company's related parties.

Guideline 7: The Board of Directors, to ensure data disclosure and financial integrity, shall ensure that financial reporting system and the disclosure of key data

proceed with sufficient accuracy and timeliness and compliance with applicable standards and guidelines. Furthermore, the Board of Directors shall monitor the Company's financial liquidity and solvency and arrange mitigation plans for the event that the Company faces or tend to have financial difficulties.

Guideline 8: The Board of Directors, to support the engagement and communication with shareholders, shall ensure that the shareholders participate in the process to make the Company's important decisions.

4. The Board Meeting and Self-Evaluation

Board Meetings

The Company requires the Board of Directors to convene a meeting at least once every quarter. Additional meetings may be called where necessary. The schedule of the Board meetings is set in advance on an annual basis, with clear meeting agendas listed. There are regular agendas for the monitoring of operating results. The Company Secretary shall inform directors of the meeting schedule of the next year near the end of the current year. Meeting invitations, along with meeting agendas and related documents, will be sent to directors no less than 7 days prior to the meeting date so that the Board of Directors has enough time to study relevant information unless it is necessary to call an urgent meeting. Executives and relevant parties may also attend such meetings for the purpose of providing accurate information for timely decision-making.

Pursuant to the Company's rules, at least half of the board members must turn up to form a quorum. To pass resolutions, the quorum of the meeting shall be that two-thirds of the board members are present, except in the agenda of connected transactions, in accordance with the criteria specified by law. The board members who may have a conflict of interest shall abstain from voting on that agenda item. Minutes of Board meeting shall be compiled after it was held, and stored safely and fully in both hard-copy and electronic formats.

In 2023, the Company had nine Board meetings including one non-executive directors' meeting and two independent directors' meetings.

Self-Evaluation

The Board of Directors encourages self-evaluation at least once a year to improve and review the work of the Board. Topics for the assessment shall be determined prior to the evaluation. The self-evaluation aims to gather opinions and recommendations, which shall be presented to a meeting. Evaluation criteria, processes and results of the self-evaluation are 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. Remuneration

Remunerations for the Board of Directors should be comparable to industry rates, in line with the Company's strategies and long-term goals, and consummate with 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 subcommittees, should be appropriately entitled to higher remuneration.

6. Director and Executive Development

The Board of Directors has the policy to support and facilitate trainings and educational sessions for the parties involved in the Company's corporate governance, such as directors, Audit Committee's members, executives, and the Company Secretary, to ensure continuous operational improvement. Training and educational activities may be held internally or conducted by external institutions. In case of any director replacement or new directors, the Company shall conduct an orientation for new directors with the management providing briefing and the Company Secretary preparing documents and information useful for the fulfillment of the new director's duties.

Provided are the Company's profile including the Company's history, its vision and missions, nature of business, management structure, business structure, its operational guidelines, its roles, duties and legal liability, the benefits and term of a director, as well as channels to access additional data about the Company such as annual reports, financial statements, and policies.

The Board of Directors shall rotate the assignments according to the expertise of the executives and employees, mainly with consideration of the appropriateness of the type of work and timing. The CEO shall determine when to review performance and arrange rotation in support of the work development and succession plans. The rotation will enhance the knowledge and skills of the executives and employees. As executives and employees gain more knowledge and capabilities, they will be able to work interchangeably.

Supervision and Governance of Subsidiaries and Affiliates

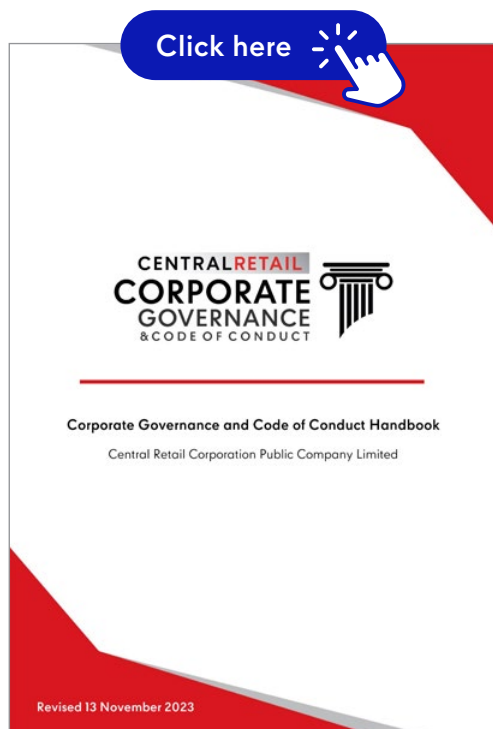
Please see information in 8.1.3

6.2 Code of Business Ethics

- **Corporate Governance and Code of Conduct Handbook**

The Company is committed to operating its businesses in accordance with ethics and considerations for all groups of stakeholders. Therefore, the Company has established the Corporate Governance and Code of Conduct Handbook to gather good corporate governance principles, code of conduct, policies and guidelines combined into one document which has been regularly reviewed and updated to match legal context, good business practices, and changing situation. Directors, executives, and employees at all levels of the Company and subsidiaries, including new employees, must sign their pledge to consider their adherence to the handbook as a part of their work. In addition, the Company has

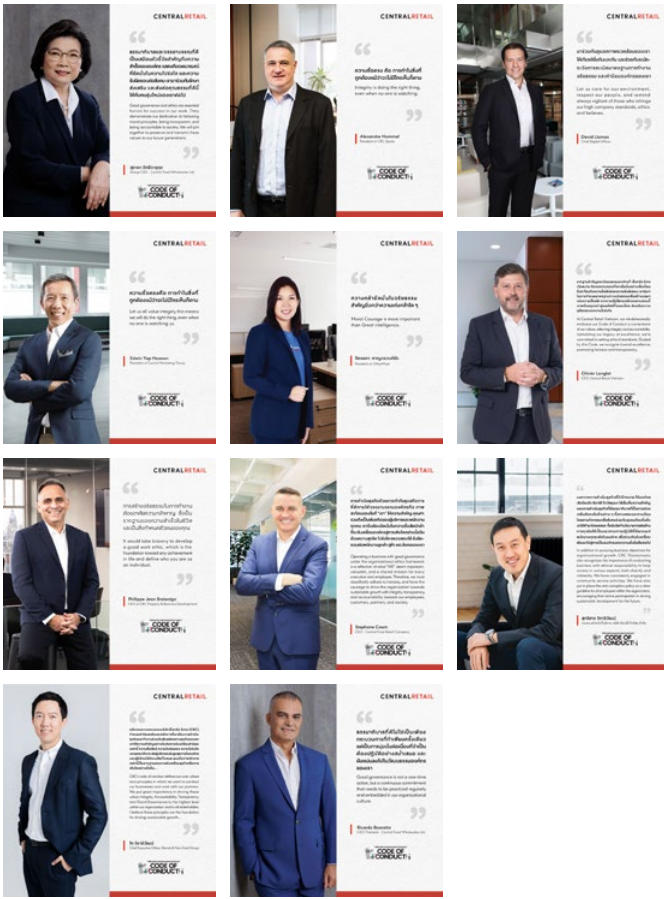
prepared process to promote, govern, monitor, and communicate about the handbook and its applications on a regular basis. For more information, please see Enclosure No.5 or



In 2023, the Company conducted training and communications about the Corporate Governance and Code of Conduct Handbook for its directors, executives, and employees via various channels namely meetings, emails, its website, and internal PR materials such as Information video clips, posters, and e-Learning video clips. Contents cover professional ethics, protection of confidentiality, insider trading, prevention of conflict of interest, anti-corruption, human rights, the Personal Data Protection Act (PDPA), security awareness, and whistleblowing and complaints. Directors, executives, and all employees completed the training. E-Learning and e-Testing were also conducted for directors, executives, and employees, with 100% passing the test.



Moreover, the Company arranged for its group's executives (Tone at the Top) to set about commitment to the principles of good governance as well as corporate governance in support of the Company's sustainable growth. Communications were made through various internal channels.



In 2023, there was no violation of ethics or the Company’s Code of Conduct.

In addition, the Company communicated with suppliers to ensure their acknowledgment and understanding of the Corporate Governance and Code of Conduct Handbook as well as the Company’s Supplier Code of Conduct to empower and encourage them to conduct businesses efficiently, effectively, transparently and fairly in line with the principles of good corporate governance.

• **Supplier Code of Conduct**

The Company has prepared the Supplier Code of Conduct to provide guidance for transactions made between it and its suppliers / related companies to be transparent, morally correct, and ethical. The Supplier Code of Conduct also aims to raise awareness of responsibility for economic, social, and environmental systems by laying down standards and rules that are consistent with laws and ESG frameworks. The Board of Directors approved the latest revision of the Supplier Code of Conduct in 2023 to expand its scope to cover ESG topics. For more information, please visit the Company’s website and check out content under the topic of “Policies and Guidelines” or



• **Investor Relations Code of Conduct**

The Company has prepared the Investor Relations (IR) Code of Conduct to provide executives and IR officers who involve in the IR function with operational guidelines that are consistent with laws, regulators’ rules, IR professional standards, as well as other policies / guidelines regarding the information disclosure and transparency of the Company. For more information, please visit the Company’s website and check out content under the topic of “Policies and Guidelines” or





6.3 Significant Changes and Milestones in Policy, Guidelines and System of Corporate Governance in 2023

6.3.1 Significant Changes and Milestones in Corporate Governance

In 2023, the Company took major steps related to corporate governance for compliance with CG Code. Summary was as follows:

- Reviewing vision, missions, and strategies of the Company
 - The Board of Directors reviewed and approved the vision and missions on an annual basis to ensure their compliance with the guidelines, goals, and strategies of the Company, and revised corporate values to reflect the Company's current business operation guidelines.
 - The Board of Directors participated in the formulation of the Company's business strategies, ensured their readiness for implementation, and monitored the implementation by the management through quarterly reports on the implementations.
- The Company reviewed diversity in its Board of Directors in terms of composition, the proportion of independent directors, the proportion of female directors, as well as Board Skill Matrix.
- The Company reviewed the charters of the Board of Directors and all subcommittees. With the reviews, it revised the Audit Committee Charter and the Board of Directors Charter in line with SEC guidelines on the Audit Committee and Board of Directors in regard to the prevention of listed companies' inappropriate behaviors for the goal of updating the charters in accordance with the Company's business context. Also, the Company issued the Charter of Lead Independent Director for the first time.
- The Company reviewed the Policies and Guidelines. With the reviews, it revised the Corporate Governance Policy, the Policy on Human Rights, the Policy on Occupational Safety, Health and Work Environment, the Environmental Policy, the Supplier Code of Conduct, and the scope of duties and responsibilities of the Company Secretary.
- The Company reviewed and revised the Corporate Governance and Code of Conduct Handbook, and communicated the contents to employees at all levels.
- The Company reviewed the performance evaluation form for the Board of Directors, and revised evaluation criteria and question approach so as to allow directors to express more of their perspectives and opinions.
- The Company established e-Learning programs for the purposes of raising awareness of and understanding in the Code of Business Ethics, anti-corruption, the prevention of insider trading, the Personal Data Protection Act (PDPA), security awareness, human rights, and whistleblowing.
- The Company convened a meeting of non-executive directors without the presence of management on 23 March 2023 to review the performance evaluation and evaluation criteria for the CEO and senior executives. Following the meeting, the CEO was informed of the meeting results. There were also two meetings of independent directors, one on 23 March 2023 and the other on 21 December 2023, for discussions on key topics freely. Meeting results were summarized and presented to the Board of Directors' meetings for acknowledgement.

In addition, the Company applied the Integrated Governance, Risk and Compliance concept for greater efficiency, higher effectiveness, and reduction of work redundancy. Via communications, the CEO underlined the importance of GRC application among employees. PR materials were produced to create GRC awareness and understanding. GRC e-Rulebook was even compiled and released internally via the Company's various platforms.

6.3.2 Unaccomplished Corporate Governance Code for Listed Companies 2017

In 2023, the Board of Directors in response to the Corporate Governance and Sustainability Committee's recommendations reviewed the Company's corporate governance policies and practices. The Board of Directors viewed that the practices that have been adopted remained appropriate and consistent with the Corporate Governance Code for Listed Companies 2017 (CG Code) in the context of the Company's businesses, social and environment, as well as 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 should not exceed 12.**

The Company operates business by holding shares in other companies, and has a number of subsidiaries, therefore, it needs directors with skills and knowledge for various fields. Currently, the Company has 15 directors, and the number suits its business operations.

- **Chairman of the Board of Directors is not an independent director.**

The Chairman of the Board of Directors has knowledge and abilities that suit the Company's business operations, and carries out his duties well.

The Company, moreover, has appointed the Lead Independent Director to support the Board of Directors' works in supervising the operations of the Company and subsidiaries in line with the principles of good corporate governance and maintaining the proper balance between the Board of Directors and the management.

- **The majority of the Nomination and Remuneration Committee's members are not independent directors.**

The chair of the Nomination and Remuneration Committee is an independent director. Aside, two out of four of the committee members are independent directors. The Nomination and Remuneration Committee, moreover, has carried out its duties based on the SET's corporate governance guidelines.

- **At least 30% of directors should be female.**

Currently, three out of fifteen or 20% of the Company's directors are female. Therefore, the Board of Directors and the Nomination and Remuneration Committee will consider more female candidates and appoint them where appropriate in the future.

- **The Company should appoint an external consultant to assist in setting guidelines and providing recommendations for the Board of Directors' performance assessment at least once every three years.**

The Board of Directors has found the Company's performance evaluation system appropriate. Moreover, it has reviewed and revised evaluation form every year in line with corporate governance guidelines. It thus has not yet hired an external consultant for the evaluation of the Board of Directors' performance. However, it may consider the hiring when appropriate in the future.



6.3.3 Other Practices to Comply with the Principles of Good Corporate Governance in Preparation for Assessments

The Company accords importance to continuous corporate governance development by taking into account its impacts on society, the environment, and stakeholders across all sectors so as to support its sustainable growth and provide assurances to its investors both in Thailand and overseas. In 2023, the Company's corporate governance performance passed the following assessments:

The Company received

**“5-Star Rating or
Excellent CG Scoring”**

for the 3rd consecutive year

from the Thai Institute of Directors (IOD) with support
from the Stock Exchange of Thailand

The Company's performance based
on AGM Checklist:

**“Full 100 points
or 5 Coins”**

for the 4th consecutive year

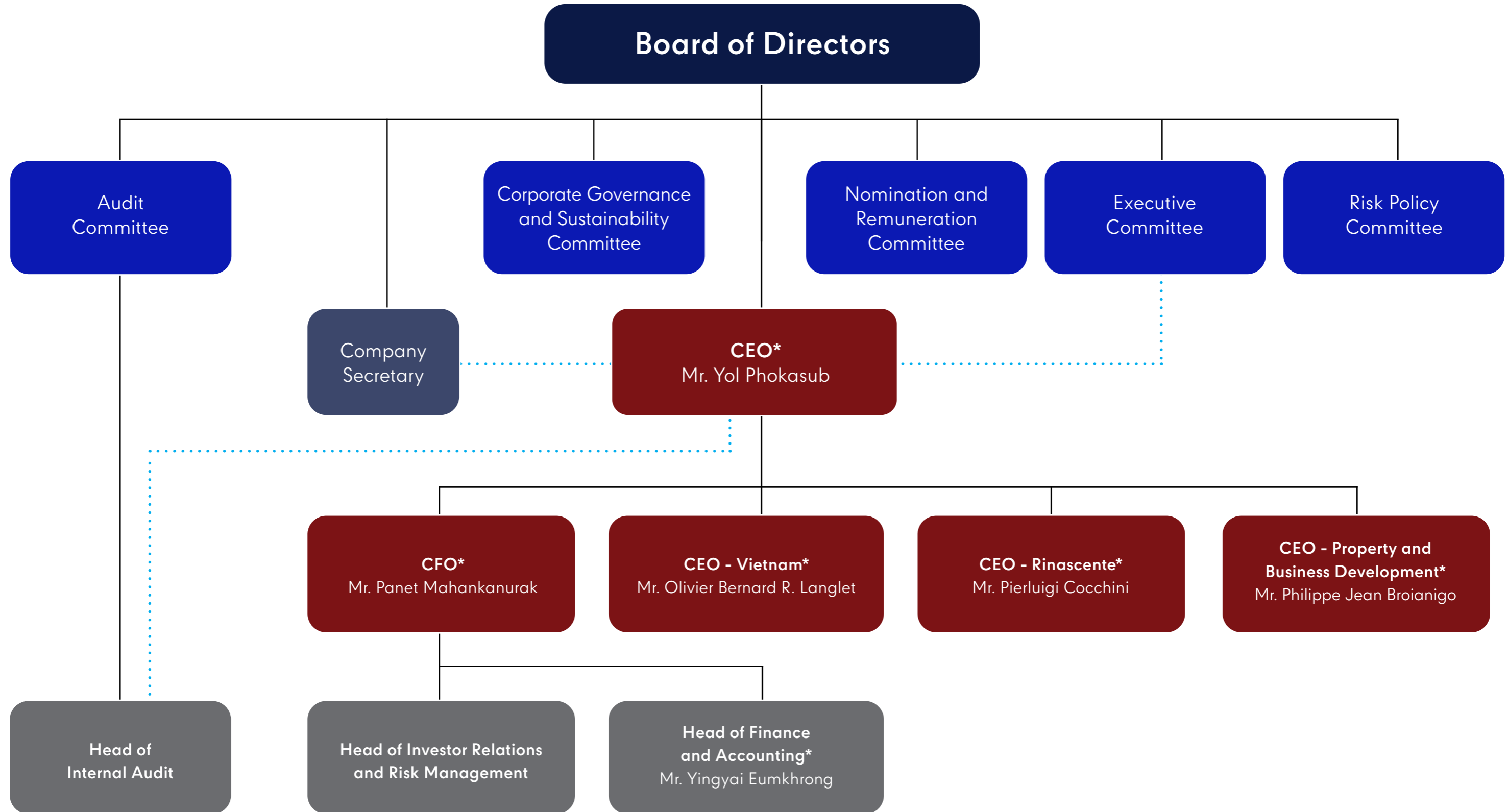
from the Thai Investors Association

07

Management Structure/
Director, Management,
Employee, and
other information

7.1 Management Structure

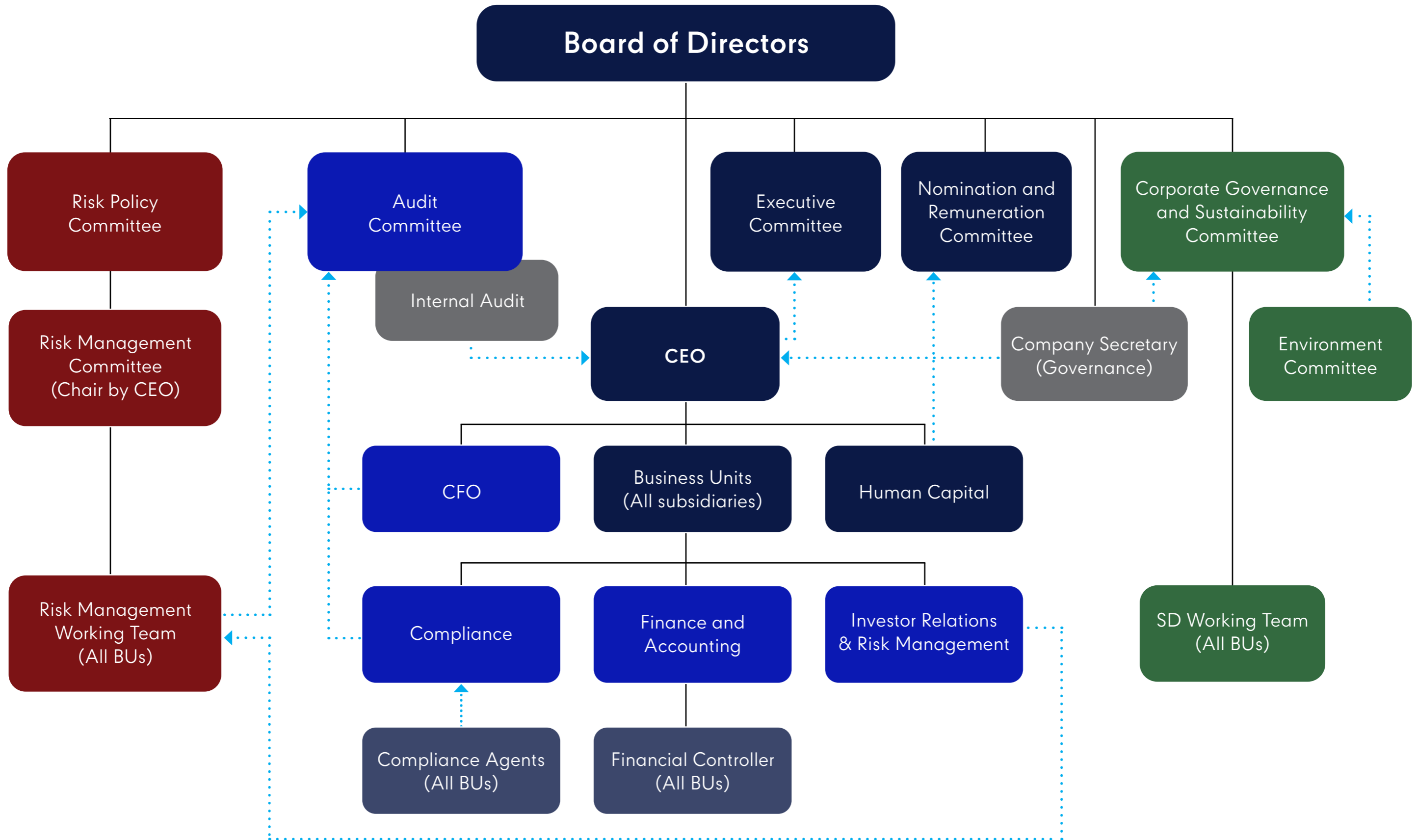
as at 31 December 2023 is as follows:



Remarks: * Being the Management defined by SEC

The Company appointed the Risk Policy Committee and Compliance Unit on 24 September 2020 and 5 October 2020, respectively.

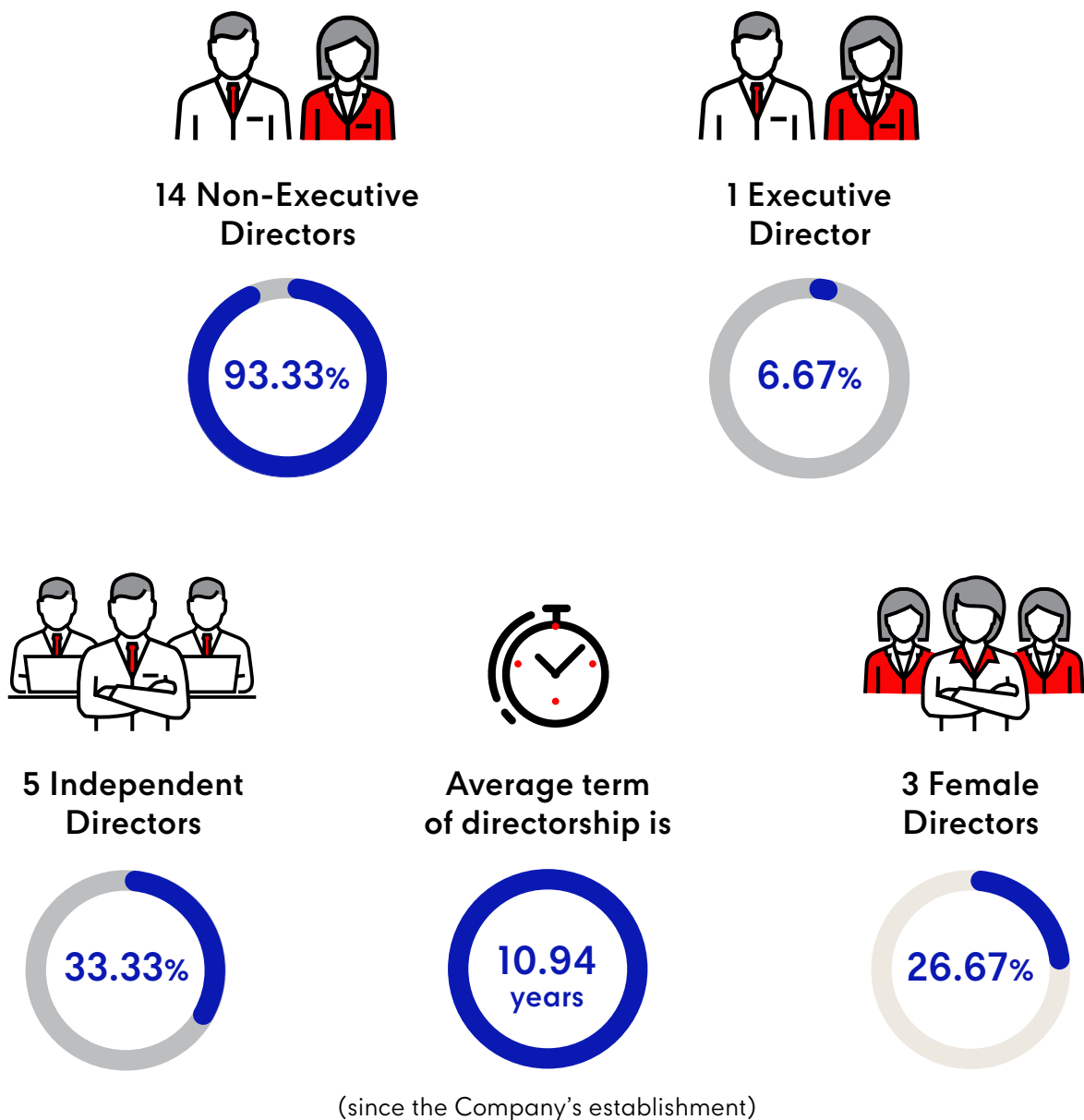
The Board of Directors established the corporate governance model for the Company and its subsidiaries, which is structure as follows:



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 are 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 2023 is as follows:



The Company's Audit Committee consists of 3 independent directors, of which is led by Mrs. Pratana Mongkolkul, a knowledgeable and experienced director in reviewing the reliability of 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	Lead Independent Director	-	-	C	-	-
5. Mrs. Pratana Mongkolkul ⁽¹⁾	Independent Director	C	-	-	D	-
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. Mr. Suthilaksh Chirathivat	Director	-	-	-	-	-
11. Mrs. Yuwadee Chirathivat	Director	-	-	-	-	D
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⁾ Mrs. Pratana Mongkolkul was appointed as Member of the Corporate Governance and Sustainable Development Committee, effective effective from May 15, 2023, onwards.

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 ⁽¹⁾			
	As at 1 January 2023	Changes Increase (Decrease)(%)	As at 31 December 2023 ⁽²⁾	Percent of total shares (%)
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. Mr. Suthilaksh Chirathivat	44,895,987	-	44,895,987	0.7444%
11. Mrs. Yuwadee Chirathivat	17,029,945	-	17,029,945	0.2824%
12. Mr. Prin Chirathivat	40,522,900	-	40,522,900	0.6719%
13. Mr. Tos Chirathivat	38,508,100	-	38,345,400	0.6360%
14. Mr. Pichai Chirathivat	53,227,462	-	53,227,462	0.8826%
15. Mr. Yol Phokasub	302,200	-	455,356	0.007%
16. Mr. Ty Chirathivat ⁽³⁾	18,274,036	0.019%	18,624,036	0.3090%
17. Mr. Panet Mahankanurak ⁽⁴⁾	N/A	0.002%	100,000	0.002%
18. Mr. Philippe Jean Broianigo	69,700	-	69,700	0.0012%
19. Mr. Pierluigi Cocchini	-	-	-	-
20. Mr. Olivier Bernard R. Langlet	-	-	-	-
21. Mr. Yingyai Eumkhong	-	-	-	-

Remarks:

- (1) 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, excepted shares from the Employee Joint Investment Program (EJIP)
- (2) As at December 31, 2023, the Company has a registered capital of 6,320,000,000 and paid-up capital of THB 6,031,000,000 (6,031,000,000 shares). The Company was listed in the Stock Exchange of Thailand on 20 February 2020
- (3) Mr. Ty Chirathivat resigned from the position of Chief Financial Officer on May 31, 2023.
- (4) Mr. Panet Mahankanurak has been appointed as Chief Financial Officer to replace Mr. Ty Chirathivat with effective from effective from June 1, 2023, onwards.



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. Suthisak 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. Jintana Bunyarat											✓								
Mr. Pong Skuntanaga					✓							✓							
Mr. Chodok Bhicharnchitr					✓														
Ms. Supatra Chirathivat						✓	✓						✓						
Mr. Kowin Kulruchakorn						✓	✓												
Ms. Chitlada Hanvoravongchai													✓						
Mrs. Monthira Huayhongtong	✓					✓	✓	✓	✓	✓		✓			✓				
Mr. Supakit Uniam								✓	✓										
Mr. Stephane Coum					✓			✓	✓										
Mr. Fumio Hiraoka			✓																
Mr. Masahiro Hirata			✓																
Mr. Takashi Matsumoto				✓															
Mr. Hidetoshi Sugimoto				✓															
Mr. Pierluigi Cocchini																			✓
Mr. Vittorio Radice																			✓
Mr. Sean Christopher Hill																			✓
Mr. Philippe Jean Broianigo													✓						

Remark: The details of the directors of the Company's subsidiaries described in Enclosure 1 and Enclosure 2 of this document.

7.2.3 Information on Board of Directors' Roles

Power, Duties and Responsibilities of Board of Directors

The Board of Directors, as the representative of shareholders and the leader of the Company, has both duties and responsibilities to carefully, honestly, and responsibly ensure the Company's business operations are in line with laws, the Company's objectives and Articles of Association, as well as the resolutions of the Board and shareholders' meetings to protect the Company's and all shareholders' rights and benefits.

The Board of Directors formulates the vision, missions, strategies, business direction, objectives, business plans, budget, management structure, and delegation of authority of the Company, as well as its subsidiaries. Moreover, the Board has reviewed them at least once a year to ensure they keep pace with changing situations. The Board also has the power to fairly approve key decisions in the interests of the Company's shareholders and other stakeholder groups. For example, it shall establish the Company's committees and the Company Secretary; prepare succession plans for the posts of the CEO and senior executives; approve the acquisition and disposition of assets; authorize connected transactions, and consider / approve the payment of interim dividend.

Click Here 

Additional information is available on the Company's website "Board of Directors and Charters/Charter of the Board of Directors"

Power, Duties, and Responsibilities of Chairman of Board of Directors and CEO

The Chairman of the Board of Director and the CEO are not the same person to clearly set the separate and different roles of these two position holders and also to ensure the check and balance between the Board and the Management. The Chairman of the Board heads the Board to support the works of the Management but he shall not engage in day-to-day management, which shall be taken care of by the CEO. The power and duties of the CEO and the Chairman of the Board of Directors are different as follows:

Power, Duties, and Responsibilities of Chairman of the Board of Directors

The Chairman of the Board of Directors has an important role to play in supervising and supporting the Board of Directors to ensure it can work to the fullest of its abilities in support of the Company's business direction and strategies for the best interests of the Company and its shareholders. His duties, therefore include:

1. Calling the Board of Directors' meetings either as meetings or e-meetings in accordance with applicable requirements, criteria and laws;
2. Setting the Board of Directors' meeting agendas through consultation with the Lead Independent Director and the CEO to ensure that key issues are included as meeting agendas, and sending invitations to the meetings along with the list of meeting agendas and related documents to all board members at least seven (7) days ahead of each meeting in order for them to have enough time to study relevant information except in events of an urgent meeting, which may be called in a different way and at a shorter notice;
3. Chairing the Board of Directors' meetings except when he is not present or unable to carry out the duties, and in case of such exceptions assigning another person to chair the meetings based on


the Company's Articles of Association that specifies the list of qualified persons to chair Board's meetings in respective order;

4. Allocating an adequate and appropriate amount of time to each Board meeting, and encouraging directors to carefully exercise their judgements and independently express their opinions; and
5. Promoting good ties between executive directors and non-executive directors, as well as between the Board and the Management.

At shareholders' meetings, the Chairman of the Board of Directors shall also serve as the chair of the meetings. In an event that he is not present at a shareholder's meeting or unable to perform his duties as the meeting's chair, he shall assign a vice chair of the Board to serve as the meeting's chair. If the Board has no vice chair or if its vice chair also does not attend the shareholders' meeting, any shareholder appointed by the said shareholders' meeting shall serve as the meeting's chair instead.

Power, Duties and Responsibilities of Lead Independent Director

The Company has appointed the Lead Independent Director to support the Board of Directors' work in compliance with the principles of corporate governance and check and balance in the Company's operations so as to uphold transparency and fairness.

[Click Here](#) 

Additional information is available on the Company's website "Board of Directors and Charters/Charter of Lead Independent Director"


Power, Duties, and Responsibilities of CEO

The CEO has the power, duties, and responsibilities to strictly manage the Company based on the Board of Directors' instructions or policies, vision, strategies, work plans and budget set by the Board in the best interests of the Company as well as its shareholders. The scope covers:

- 1) Coordinating with the Executive Committee to ensure business operations and risk management fulfill the Company's objectives / Articles of Association as well as the resolutions of the Executive Committee and/or the Board of Directors and/or shareholders' meetings;
- 2) Approving contracts and/or transactions related to the Company's normal business operations such as the sales, purchases, investments or joint investments with others – which are considered its normal transactions - to support its operations in line with its objectives;
- 3) Approving loans and credit requests to financial institutes, money lending, pawning mortgages, and guarantees of the Company and subsidiaries;
- 4) Monitoring, reviewing, and controlling the operations of the Company, subsidiaries and /or associates to ensure their operating results meet targets, reporting the results to the Executive Committee and the Board of Directors on a quarterly basis, and exploring opportunities to improve operating results;
- 5) Developing its organization to improve operations and operating results;
- 6) Properly and completely studying new investment opportunities in technical and financial aspects in support of decision-making;
- 7) Appointing advisors crucial to the Company's operations;



- 8) Formulating regulations, criteria, guidelines and requirements about organizational structure from the levels under senior executives, including about the employment, appointments, transfers, dismissals, and termination of employment for levels under senior executives;
- 9) Ensuring the formulation of remuneration structure and wage, remuneration, rewards, bonus and salary adjustment rates for the Company's executives and employees under senior-executive level;
- 10) Issuing orders, regulations, announcements and memos of the Company; and
- 11) Authorizing and/or delegating authority to another person or other persons to carry out any action on behalf of the CEO for as long as that action does not enable the CEO or attorney-in-fact to approve transactions between the Company/ subsidiaries and him/any person with possible conflict of interest, possible interest or possible benefit from the said transaction, or any other possible conflict against the Company or subsidiaries except in events that the approval is in line with the Board's policies and guidelines.

[Click Here](#) 

Additional information is available on the Company's website "Policies and Guidelines/ Chief Executive Officer's Authorities, Duties and Responsibilities"

Term of Office for Directors and Independent Directors

The appropriate term for directorship is no more than three years. At every annual general meeting of shareholders, one-third of the Company's directors shall leave their office. Other than completion of terms, a director may be dismissed from the position for other reasons. As for independent directors, their term of office is not more than nine (9) consecutive years or three terms. In 2023, none of independent directors have served in the Board for more than nine years in a row.

[Click Here](#) 

Additional information is available on the Company's website "Board of Directors and Charters/Charter of the Board of Directors"

Directors' / Executives' Positions in Other Companies

According to the Board of Directors Charter and the Corporate Governance Policy, directors of the Company may serve in the boards of other companies if their positions there do not hinder their performance as the Company's directors. However, the Company's directors may not hold a directorship position in more than four other listed companies on the Stock Exchange of Thailand. Both the directors and executives of the Company can serve directors and executives of affiliated companies or other companies for as long as their position holding is in accordance with the regulations of the SEC, the Capital Market Supervisory Board, and SET, as well as other applicable criteria, requirements and laws. Also, they are required to inform the Company's the Board of Directors of their positions at other legal entities.

[Click Here](#) 

Additional information is available on the Company's website "Policies and Guidelines/Corporate Governance Policy"

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 2023, 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. The 2023 audit committee board meeting attendance is 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

Three members of the Audit Committee above who have an enough knowledge and experience to appraise the reliability of the Company's financial statements. Mr. Phisoot Suksangtip is the Audit Committee Secretary, and he was appointed by the Board of Directors Meeting No. 3/2019 on 25 March 2019. He 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 2023, The Risk Policy Committee comprises four (4) 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 is established to nominate qualified persons to serve the positions of directors, members of the sub-committees, CEO 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, CEO 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) members as follows:

Name	Position
1. Mr. Roongrote Rangsiyopash ⁽¹⁾	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

Remark: ⁽¹⁾ is an independent director

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 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 2023, The Corporate Governance and Sustainability Committee comprises four (4) 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
4. Mrs. Patana Mongkolkul ⁽¹⁾⁽²⁾	Member of the Corporate Governance and Sustainability Committee

Remark: ⁽¹⁾ is an independent director

⁽²⁾ Mrs. Patana Mongkolkul has been appointed as Member of the Corporate Governance and Sustainability Committee with effective from 15 May 2023.

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 2023, The Executive Committee comprises five (5) 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. Panet Mahankanurak ⁽¹⁾	Member of the Executive Committee

Remark ⁽¹⁾ Mr. Panet Mahankanurak has been appointed as Member of the Executive Committee to replace Mr. Ty Chirathivat with effective from 1 June 2023.

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 Managements

As of 31 December 2023, the Company consists of six executives as follows:

Name	Position
1. Mr. Yol Phokasub	Chief Executive Officer (CEO)
2. Mr. Panet Mahankanurak	Chief Financial Officer - CRC (CFO)
3. Mr. Olivier Bernard R. Langlet	Chief Executive Officer - Central Retail Vietnam
4. Mr. Pierluigi Cocchini	President - Rinascente (Central Retail Italy)
5. Mr. Philippe Jean Broianigo	CEO of CRC Property & Business Development
6. Mr. Yingyai Eumkhong	Head of Finance and Accounting

Remuneration of Executives

(1) Monetary Remuneration

As of 31 December 2023, the Company paid remuneration to four executives totally THB 76 million in the form of salaries and annual bonuses (Mr. Olivier Bernard R. Langlet received remuneration for executive position under the Company's group from Central Retail Vietnam, Mr. Pierluigi Cocchini received remuneration for executive position under the Company's group from Central Retail Italy, and Mr. Panet Mahankanurak 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

The Company paid other remuneration to four 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 2023, the Company contributed a total of THB 2 million to the provident fund for four executives (except Mr. Olivier Bernard R. Langlet and 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 Nominating 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

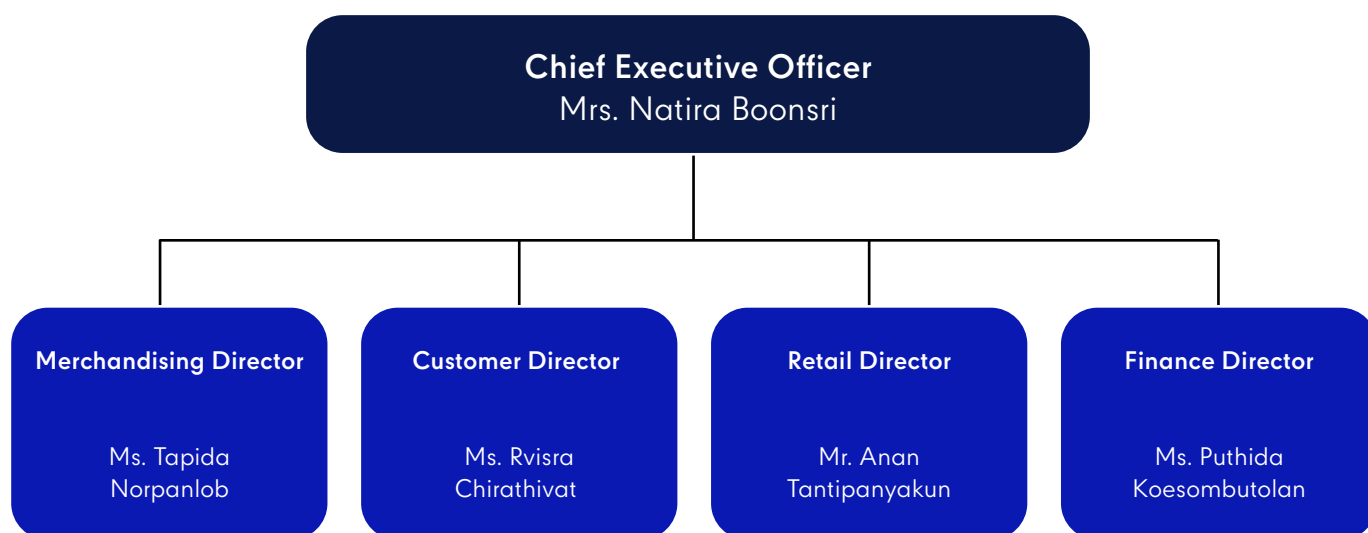
The Company has established the Employee Joint Investment Program: EJIP, to enhance employee's participation as the owner of the Company, create incentives, and retaining personnel with the Company. The program takes three years, from 1 April 2021 - 31 March 2024. The employees who are eligible for the program must be executives who are regular employees of Central Retail at Management 2 (equivalent to Assistant Vice President Level) or above, with work period of more than one 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. On September 21, 2023, the Company's Board of Directors' meeting approved the extension of the project for another three years, starting from 1 April 2024 - 31 March 2027, with the remaining to the main essence of the project.

The Employee Joint Investment Program: EJIP opened six times for applications and approximately 59% of the total number of executives eligible for this project have participated in the program.

Executives of the Subsidiaries Operating the Core Business

1. Central Department Store Group (CDG)

CDG Group has 2 Central subsidiaries, CDS and RBS which are under the same management. As at 31 December 2023, the management structure of the CDG Group and the list of executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

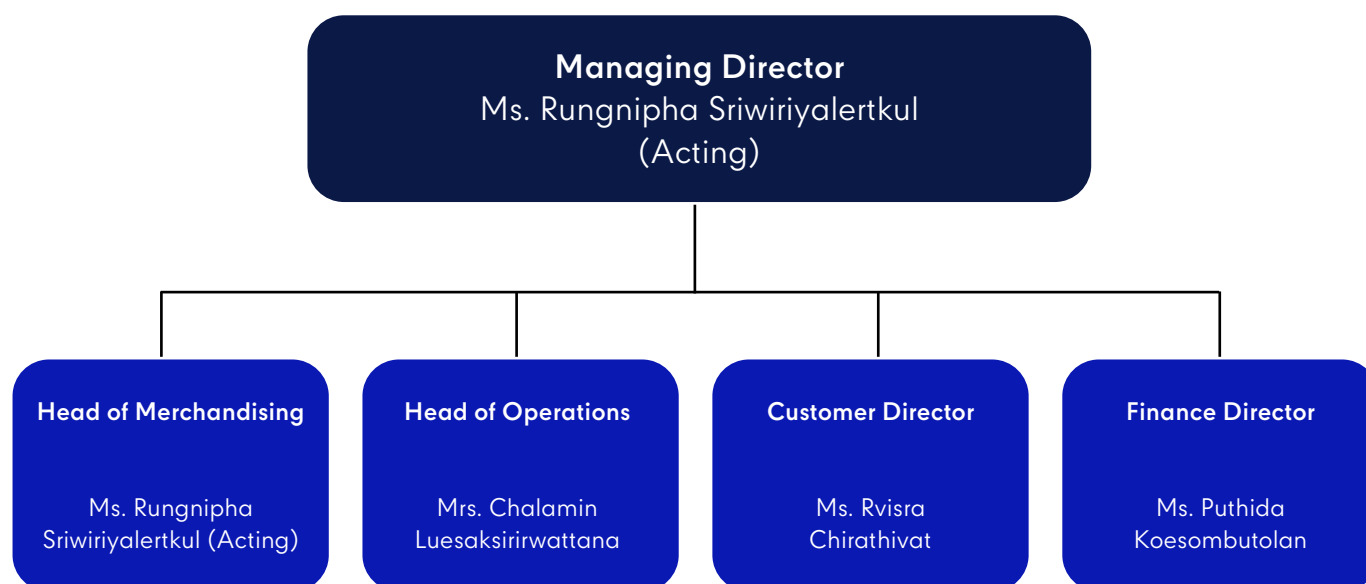
In the fiscal year ended 31 December 2023, five executives of CDS and RBS received remuneration from the management of subsidiaries under the CDG Group in the form of salaries and annual bonuses, approximately to THB 124 million (Mrs. Natira Boonsri received remuneration that was not based on a full 12-month year since she held positions during the intervals of the period).

(2) Other Remuneration

In the fiscal year ended 31 December 2023, five executives of CDS and RBS who received remuneration from the management of subsidiaries under the CDG Group in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

2. TWT

As of 31 December 2023, 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

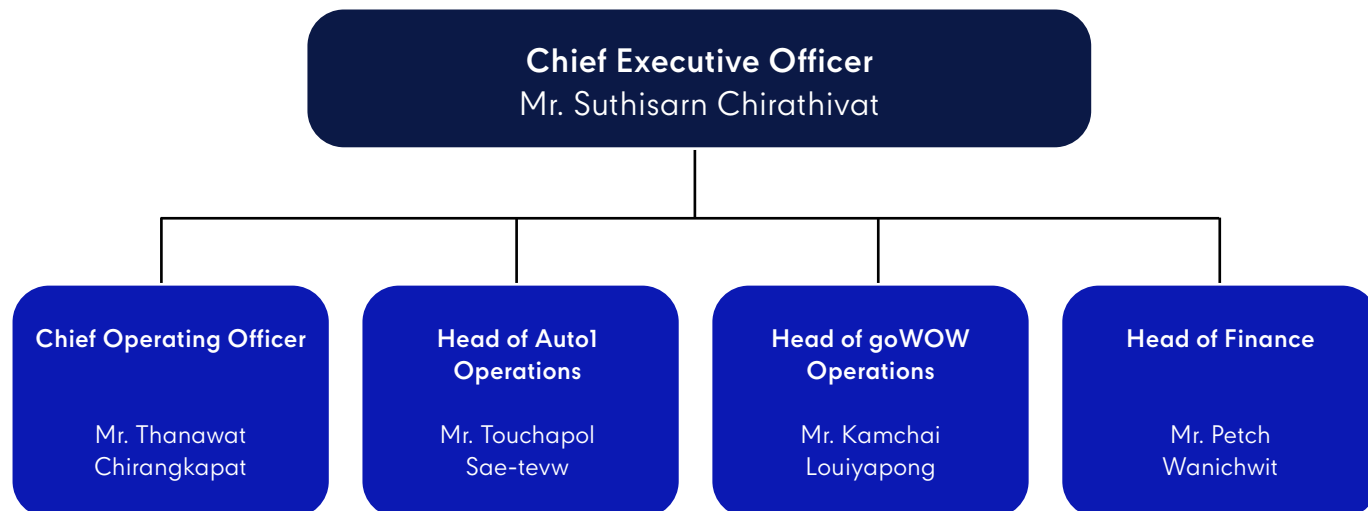
In the fiscal year ended 31 December 2023, executives of TWT received the remuneration in the form of salaries and annual bonuses, approximately to THB 35 million (Ms. Rungnipha Sriwiriyaertkul, Ms. Rvisra Chirathivat and Ms. Puthida Koesombutolan received remuneration for the executive positions from CDS).

(2) Other Remuneration

In the fiscal year ended 31 December 2023, TWT paid other remuneration to four executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

3. CTD

As of 31 December 2023, 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

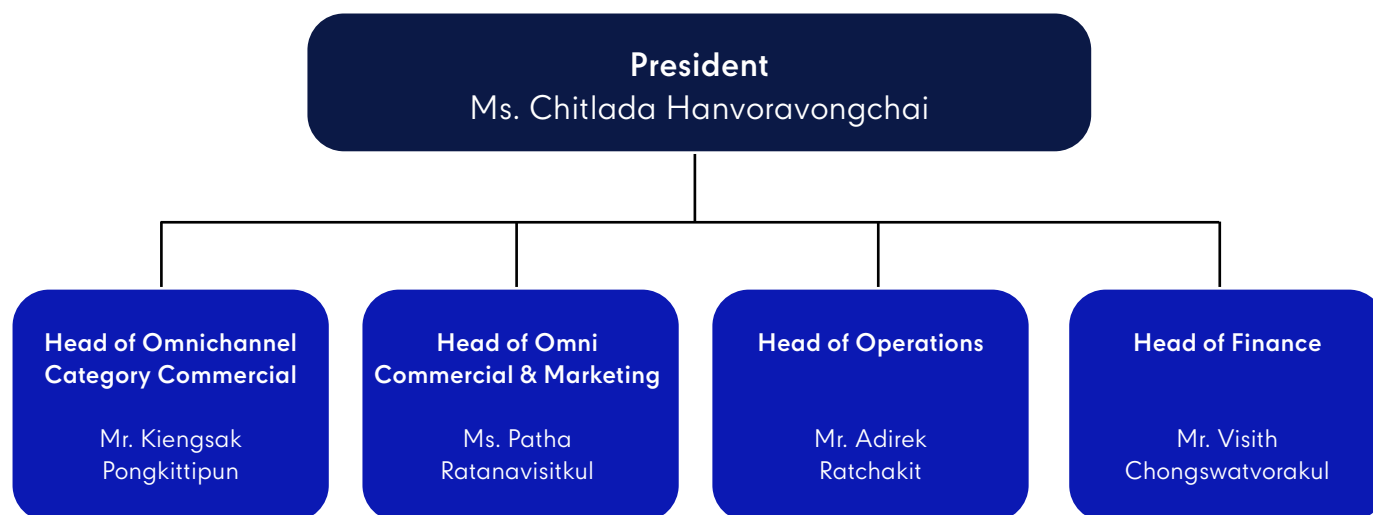
In the fiscal year ended 31 December 2023, CTD paid remuneration to five executives in the form of salaries, approximately to THB 81 million (Mr. Touchapol Sae-tevw received remuneration that was not based on a full 12-month year since he held positions during the intervals of the period).

(2) Other Remuneration

In the fiscal year ended 31 December 2023, CTD paid other remuneration to five executives in the form of Provident Fund contributions, Social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

4. COL

As of 31 December 2023, 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

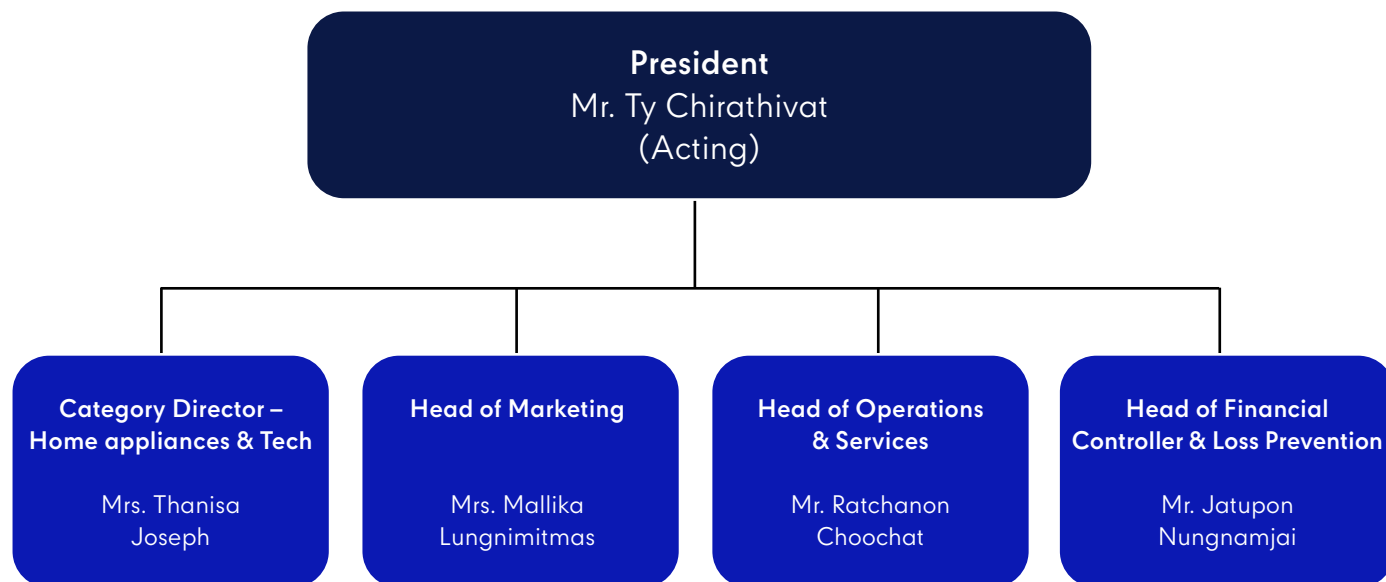
In the fiscal year ended 31 December 2023, COL paid remuneration to five executives in the form of salaries and annual bonuses, approximately to THB 58 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2023, COL paid other remuneration to five executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

5. PWB

As of 31 December 2023, the management structure and a name list of PWB executives were as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

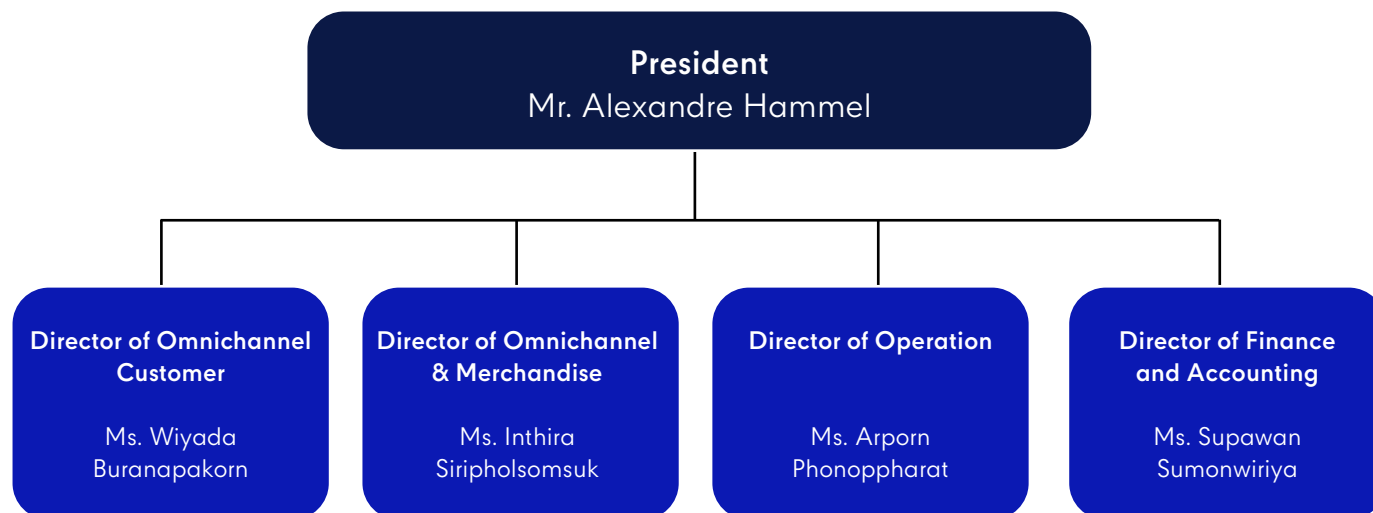
In the fiscal year ended 31 December 2023, PWB paid remuneration to four executives in the form of salaries and annual bonuses, approximately to THB 66 million (Mr. Ty Chirathivat received remuneration for the executive positions from CRC).

(2) Other Remuneration

In the fiscal year ended 31 December 2023, PWB paid other remuneration to four executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

6. SPS

As of 31 December 2023, 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 2023, SPS paid remuneration to five executives in the form of salaries and annual bonuses, approximately to THB 31 million (Ms. Wiyada Buranapakorn and Ms. Arporn Phonoppharat 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

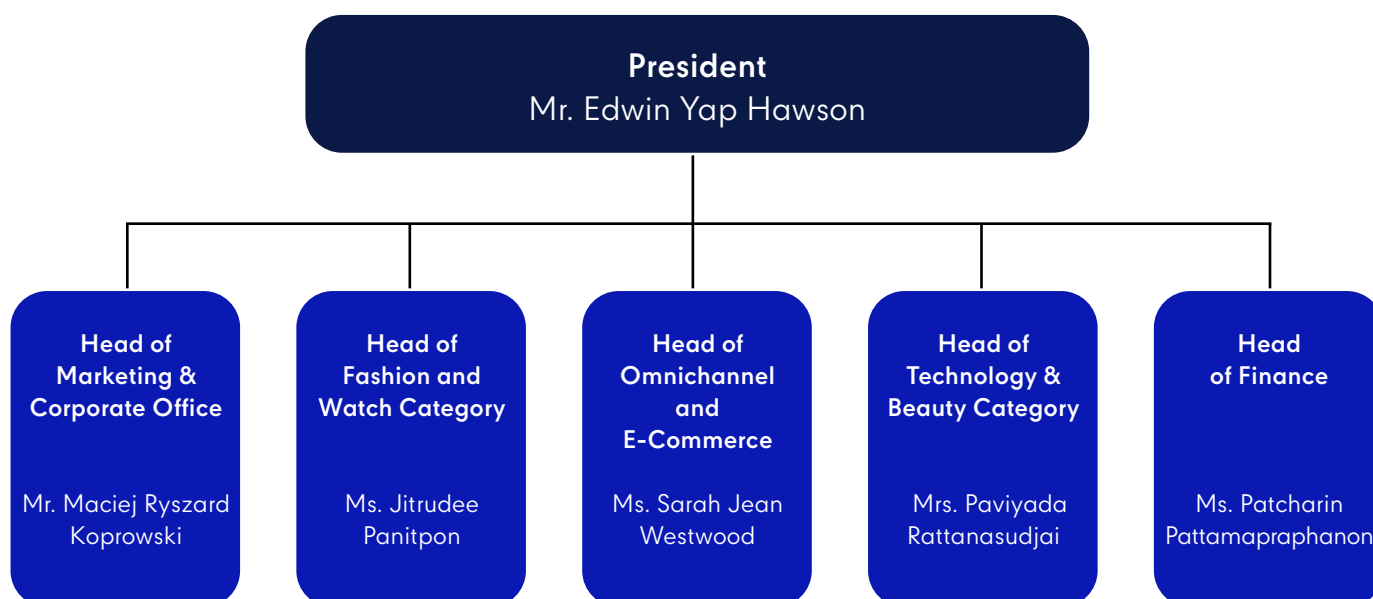
In the fiscal year ended 31 December 2023, SPS paid other remuneration to five executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

Central Marketing Group (CMG)

CMG Group has one Central Subsidiary, namely C Trading, the management structure of CMG Group is as follows:

7. C Trading

As of 31 December 2023, 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

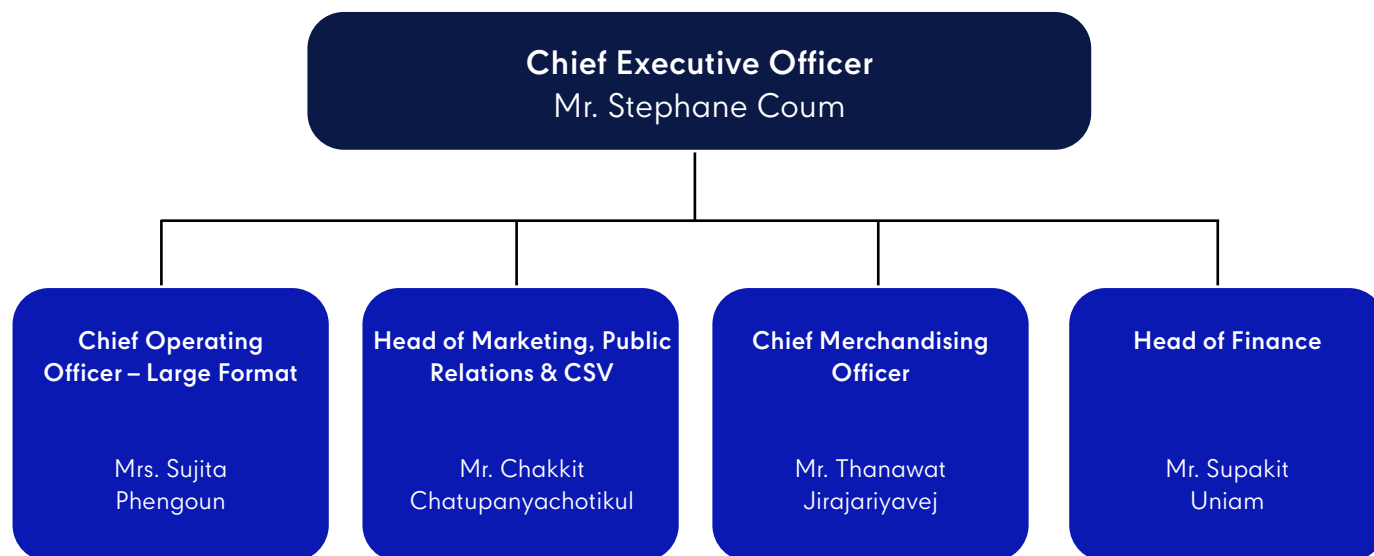
In the fiscal year ended 31 December 2023, C Trading paid remuneration to six executives in the form of salaries and annual bonuses, approximately to THB 58 million (Mrs. Paviyada Rattanasudjai and Ms. Patcharin Pattamapraphanon received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period).

(2) Other Remuneration

In the fiscal year ended 31 December 2023, C Trading paid other remuneration to six executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

8. CFR

As of 31 December 2023, 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

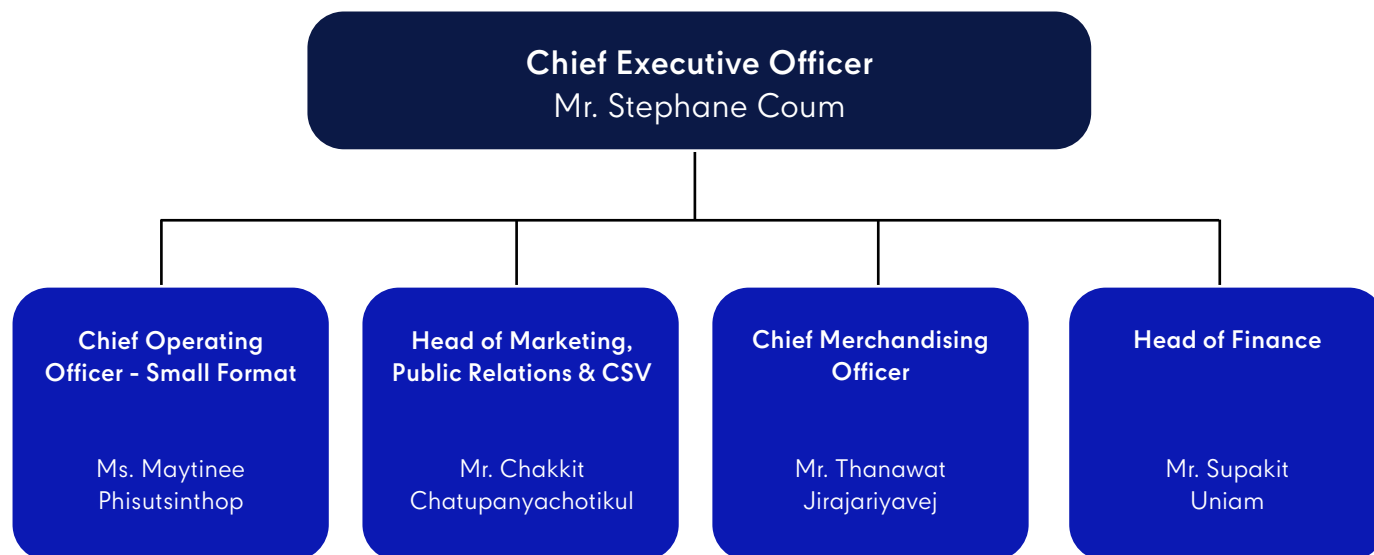
In the fiscal year ended 31 December 2023, CFR paid remuneration to five executives in the form of salaries, approximately to THB 88 million (Mr. Supakit Uniam received remuneration that was not based on a full 12-month year since he held positions during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2023, CFR paid other remuneration to five executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

9. CFM

As of 31 December 2023, 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

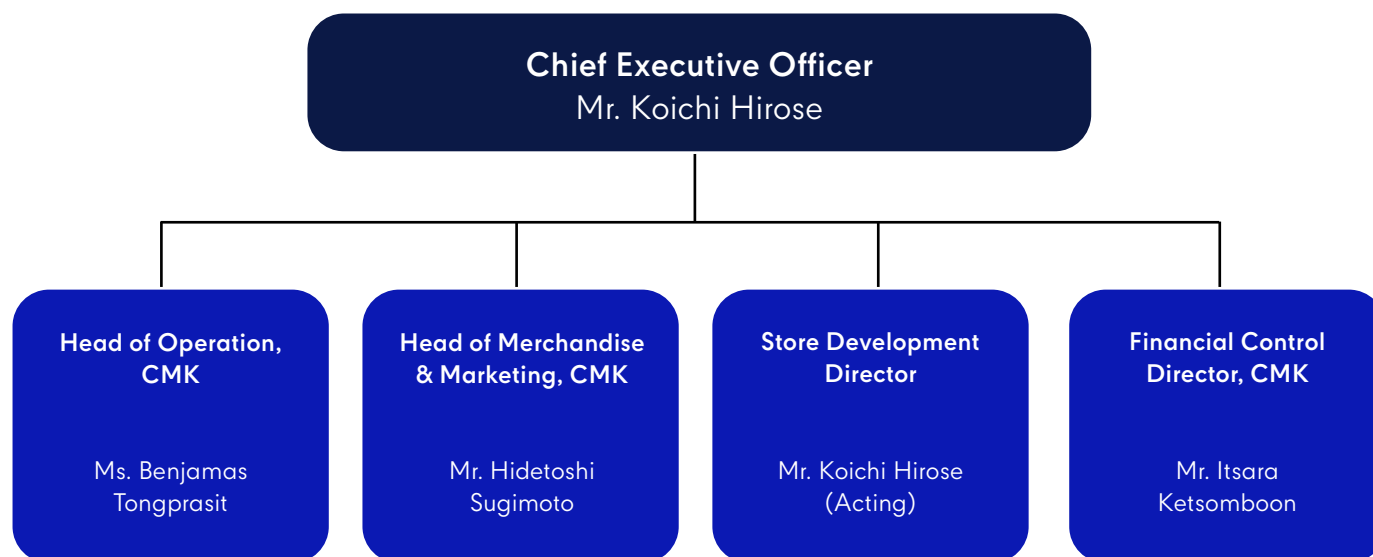
In the fiscal year ended 31 December 2023, five executives of CFM received the remuneration in the form of salaries and annual bonuses, approximately to THB 76 million for executive position under the Company's group of CFR.

(2) Other Remuneration

In the fiscal year ended 31 December 2023, CFM paid other remuneration to five executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

10. CMK

As of 31 December 2023, 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

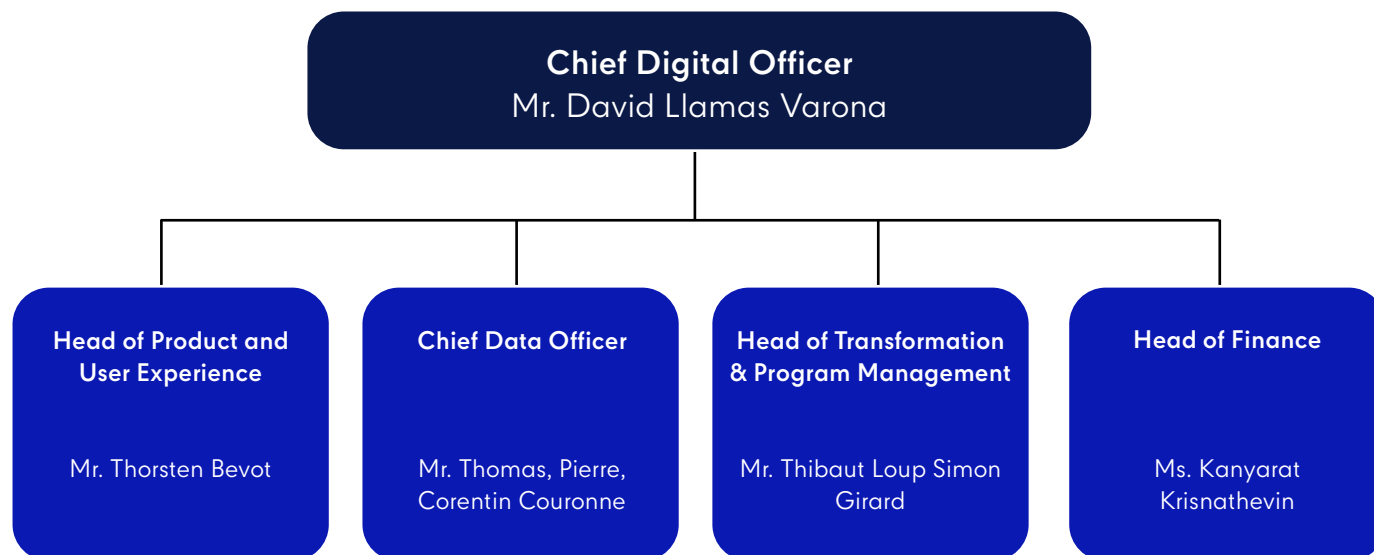
In the fiscal year ended 31 December 2023, CMK paid remuneration to four executives in the form of salaries, approximately to THB 8 million. (Mr. Koichi Hirose, Ms. Benjamas Tongprasit and Mr. Itsara Ketsomboon received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period).

(2) Other Remuneration

In the fiscal year ended 31 December 2023, CMK paid other remuneration to four executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

11. CNGI

As of 31 December 2023, 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

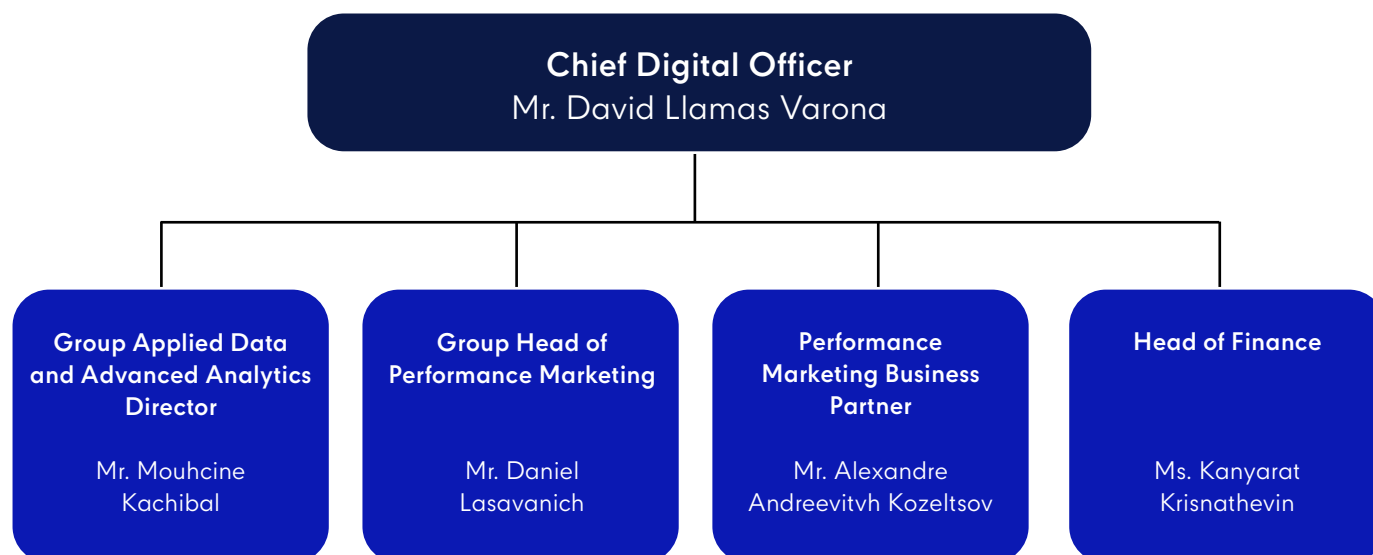
In the fiscal year ended 31 December 2023, CNGI paid remuneration to five executives in the form of salaries, approximately to THB 50 million. (Mr. Thibaut Loup Simon Girard and Ms. Kanyarat Krisnathevin received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period.)

(2) Other Remuneration

In the fiscal year ended 31 December 2023, CNGI paid other remuneration to five executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

12. CGO

As of 31 December 2023, 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 2023, executives of CGO received the remuneration in the form of salaries, approximately to THB 48 million. (Mr. David Llamas Varona and Ms. Kanyarat Krisnathevin received remuneration for the executive positions under the Company's Group from CNGI. Mr. Mouhcine Kachibal and Mr. Alexandre Andreevitch Kozeltsov 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 2023, CGO paid other remuneration to five executives in the form of Provident Fund contributions, Social Security Fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

13. LR

As of 31 December 2023, 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

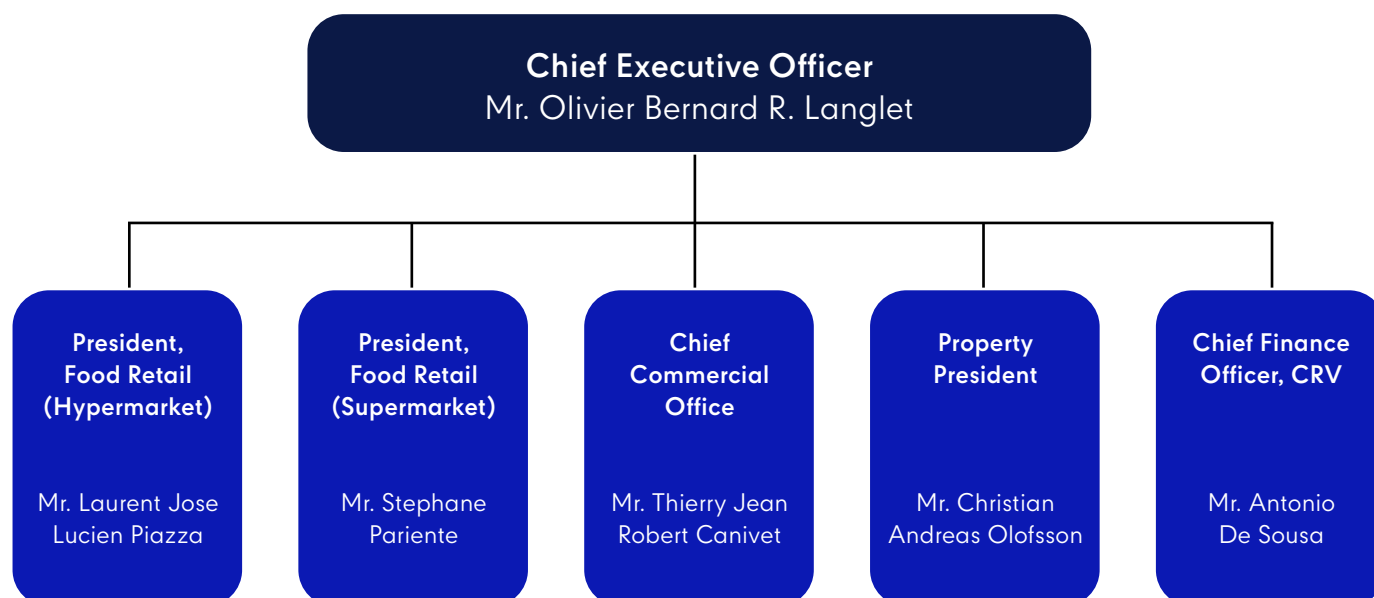
In the fiscal year ended 31 December 2023, LR paid remuneration to five executives in the form of salaries and annual bonuses, approximately to THB 81 million (Mr. Giuseppe D'Amato received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period).

(2) Other Remuneration

In the fiscal year ended 31 December 2023, LR paid other remuneration to five executives in the form of provident fund contributions, social security fund contributions, health insurance, travel expenses, fuel and telephone bills, etc.

14. GO! Vietnam

GO! Vietnam has one Central Subsidiary, namely Cap C which has details as follows: As of 31 December 2023, the management structure of Cap C was as follows:



Remark: See more detail in Enclosure 1

Remuneration of Directors and Executives

(1) Monetary Remuneration

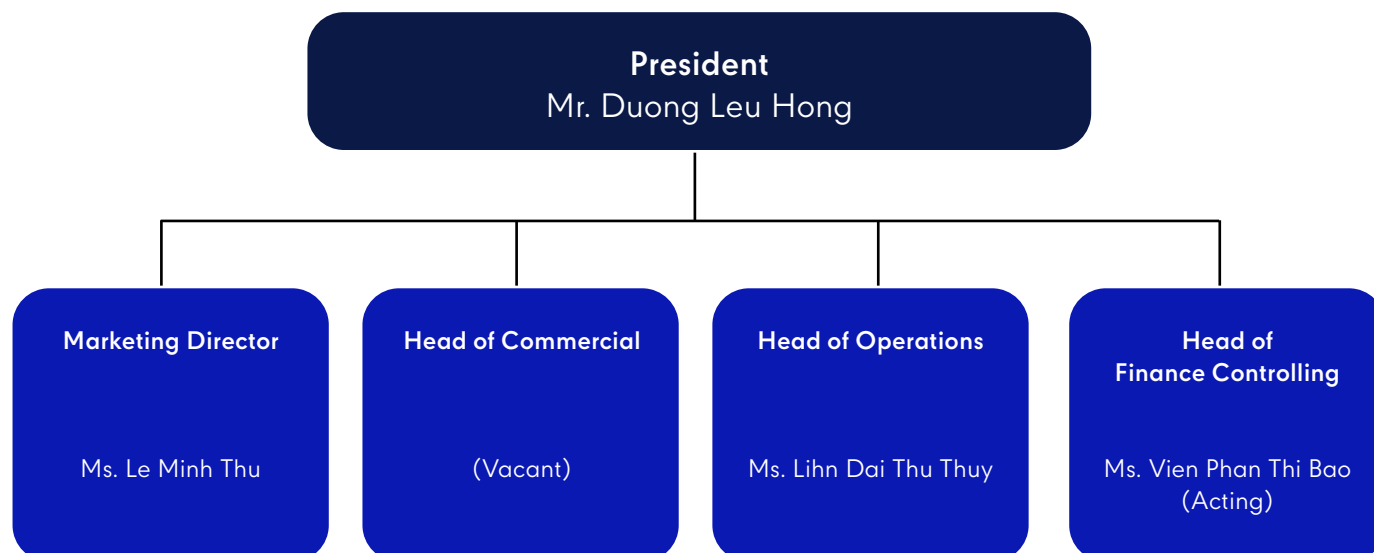
In the fiscal year ended 31 December 2023, six executives received remuneration from the management of subsidiaries under GO! Vietnam Group in the form of salaries and annual bonuses, approximately to THB 119 million.

(2) Other Remuneration

In the fiscal year ended 31 December 2023, six executives received other remuneration from the management of subsidiaries under Go! Vietnam 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 2023, 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 2023, NK Trading paid remuneration to four executives in the form of salaries and annual bonuses, approximately to THB 19 million (Mr. Duong Leu Hong, Ms. Le Minh Thu, Ms. Vien Phan Thi Bao and Ms. Lihn Dai Thu Thuy received remuneration that was not based on a full 12-month year since they held positions during the intervals of the period).

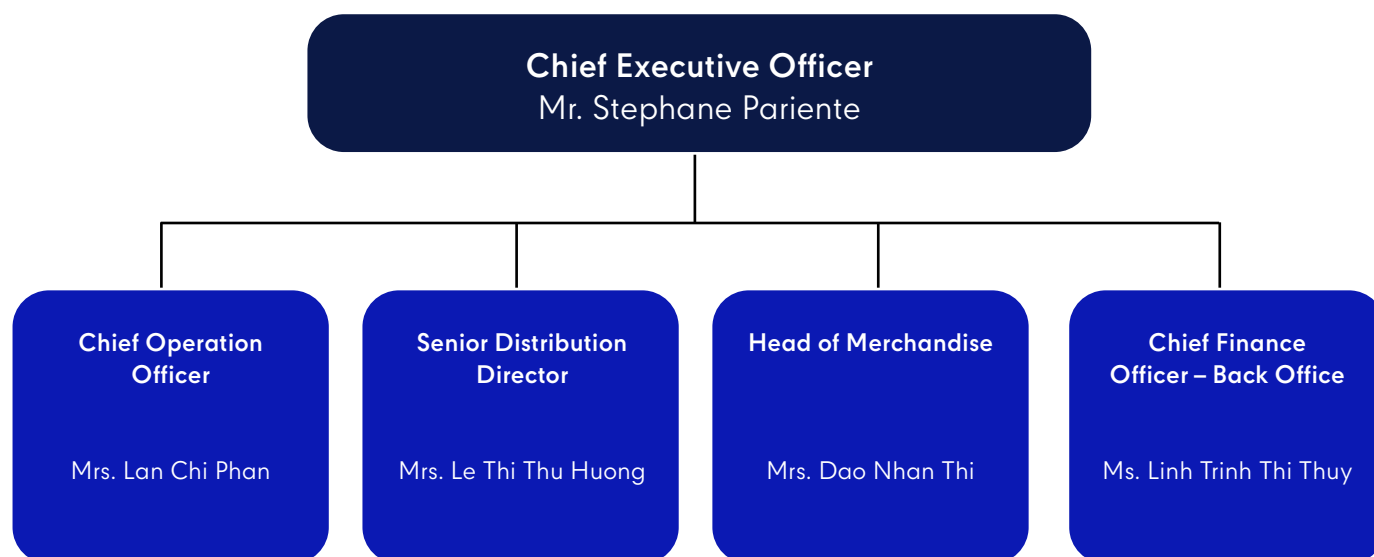
(2) Other Remuneration

In the fiscal year ended 31 December 2023, NK Trading paid other remuneration to four 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 companies which is the independent subsidiary operating the core business which has its own business operations such as LC Investment, LC Ha Nam and LC Trading which are under the same management. Details are as follows:

As of 31 December 2023, 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 2023, Lanchi Investment paid remuneration to four executives which is inclusive a not only limited to LC Investment, LC Ha Nam and LC Trading in the form of salaries and annual bonuses, approximately to THB 13 million. (Mr. Stephane PARIENTE received remuneration for executive position under the Company' group of GO! Vietnam)

(2) Other Remuneration

In the fiscal year ended 31 December 2023, four executives received other remuneration from the management of subsidiaries under Lanchi Group, which included 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.

7.5 Personnel

(A) Number of Employees

As of 31 December 2023, the Company had full-time employees, temporary, and part-time employees. The total number of 60,507 people is 40,981 full-time employees in Thailand, thus making it as one of large private employers in Thailand and the Company hired additional temporary and part-time employees. In addition, the Company had 17,789 employees from suppliers and external service providers working in its stores. Since May until December 2021, that the Group has announced the Anti-Corruption Policy, 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 2023				
	Thailand	Vietnam	Italy	Total Number of Employees
Full-time employees	40,981	13,609	1,596	56,186
Temporary and part-time employees	3,541	780	0	4,321

Employees in Thailand

The table shows the number of full-time employees in Thailand, divided into departments as of the specified date.

31 December 2023			
Department	2021	2022	2023
Operation/ Administration	27,295	28,208	29,985
Product Management	955	1,339	1,012
Marketing	1,114	837	1,321
E-commerce / Online / Omnichannel	559	1,394	632
Organization ⁽¹⁾	2,462	3,535	2,828
Logistics and Value Chain/ Plant	4,467	3,922	5,203
Total Number of Employees	36,852	39,235	40,981

⁽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

Employees in Vietnam

The table shows the number of full-time employees in Vietnam, divided into departments as of the specified date

31 December 2023			
Department	2021	2022	2023
Operation/ Administration	10,218	11,253	11,157
Product Management	165	169	345
Marketing	59	177	173
E-commerce / Online / Omnichannel	735	776	295
Organization ⁽¹⁾	884	1,098	908
Logistics and Value Chain/ Plant	910	914	731
Total Number of Employees	12,971	14,387	13,609

⁽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

Employees in Italy

The table shows the number of full-time employees in Italy, divided into departments as of the specified date

31 December 2023			
Department	2021	2022	2023
Store Network	1,197	1,301	1,392
Procurement	84	87	103
Marketing and Communication	14	18	19
E-commerce Online / Omnichannel	29	25	25
Organization ⁽¹⁾	48	53	54
Logistics and Value Chain/ Plant	3	3	3
Total Number of Employees	1,375	1,487	1,596

⁽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 the Year 2023, the Company expanded its business in Thailand and Italy to even more cover all areas in order to enhance its customer base and support the needs of its customers. The part-time employment plan was reduced during the high season of the Food business and Hypermarket, which is the main business group in Vietnam. Overall, the number of employees did not increase or decrease significantly from the Year 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 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, for example company cooperative, cremation funds, and Employee Joint Investment Program (EJIP). The program details are shown in Item 7.4

The Company paid remuneration of approximately THB 22,609 million and THB 24,916 million to its employees in 2022 and in the fiscal year ended 31 December 2023, 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), as amended, 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's 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 from the first day of membership to the fund.
2. For the contributions of department manager (DM)



level or equivalent to vice president (VP) level, 3–15 percent of salaries of the members (employees) is contributed to the fund, and 3 percent of salaries of the employer (Company) is 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 no significant labor disputes to the Company's operations during the past three years.

(F) Personnel Development Policy

The Company realizes the importance of the human resource as a significant asset in the business operation, as well as an essential parts to drive the Company towards its goals. Therefore, the Company has set up a policy aiming to develop personnel skills and ideas 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 Company has established policies and guidelines as follows:

- (1) The Company encourages its personnel to develop their knowledge and expertise from 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 trainings to improve the operation at the Company.
- (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 on the life and health of the personnel, Central Retail Corporation Public Company Limited has determined the policy on Occupational Safety, Health and Work Environment matter taking into consideration the benefits upon implementation of measures that control, oversee and manage appropriately for protection, maintenance our human resource which deemed as a major force of our organization. This Occupational Safety, Health, and Work Environment Policy come into force from 1 December 2021 and latest revised with effective on 6 November 2023 onwards with the following details:

- (1) Promote a safe working environment covering all operations, employees, contractors, and individuals working within the Company operations.
- (2) Support by providing adequate tools, equipment, and safety devices for the working conditions.
- (3) Promote and support to raise awareness of potential dangers during work or operation among the Company personnel.

- (4) Advise and explain the reasons and ways to prevent accidents, injuries, occupational diseases, and illness by following the Company's standards and procedures for occupational health, safety, and work environment in order 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 and work plan management and development.
 - (6) Every supervisor must supervise, oversee, respond to occupational safety, health, and work environment matters for their subordinates and the Company personnel to ensure strict occupational safety and health 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) Disclose 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 international standards, law, and regulations that is universally recognised.
 - (10) Any violation of the measures, regulation, requirement, guidelines, or handbook relating to occupational safety, health, and work environment must be reported to the supervisor, Head of Human Resource Department, and Head of Loss Prevention and Safety Department for further proceed on work regulation immediately.
 - (11) Committed to review and improve objectives, goals, and plans for occupational health, safety, and work environment continuously and efficiently.
-

7.6 Other significant Information

7.6.1 Name List of Designated Persons as the Person in Charge of Accounting Supervision, the Company Secretary, the Head of Internal Audit, and the Head of Compliance

Person in Charge of Accounting Supervision

Mr. Yingyai Eumkhong, Head 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 Enclosure 1 of this document.



Company Secretary

Mrs. Ngamchit Kiattanavith, Head of Company Secretary Office, has been appointed by the Board of Directors meeting no. 6/2019 held on 13 May 2019, to be the Company Secretary, effective from 21 May 2019 onwards. The qualifications can be found in Enclosure 1 of this document.

Head of Internal Audit

Mr. Phisoot Suksangtip, Head of Internal Audit, has been appointed as the Head of Internal Audit from 28 March 2019. The qualifications can be found in Enclosure 3 of this document.

Head of Compliance

Mrs. Lasanan Leelamanee, Head 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 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:

Ms. Rangsirach Pornsutee

Head of Investor Relations and Risk Management

Central Retail Corporation Public Company Limited (Headquarter)

22, Soi Somkid, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

Telephone Number: +66 (0) 2650 3600

E-mail: ir@central.co.th

7.6.3 Audit Fee and Accounting

Audit Fee

For the year ended 31 December 2023, the Company and subsidiaries paid audit fees of THB 27.6 million to KPMG Phoomchai Audit Company Limited, THB 16.3 million to KPMG International, and THB 3.6 million to other accounting offices.

Non-Audit Fee

For the year ended 31 December 2023, the Company and subsidiaries paid non-audit fees, as service fees for the preparation of report according to the tax regulations, of THB 0.8 million to KPMG Phoomchai Tax Company Limited, THB 1.9 million to KPMG International, and THB 24.3 million to other companies overseas.

08

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

The Nomination and Remuneration Committee shall nominate and select qualified persons in terms of experience, knowledge, and abilities useful to the Company's business operations and deserving the posts as directors / independent directors for the Board of Directors to consider at its meetings and for shareholders' meetings to consider and appoint in line with the Company's Articles of Association.

When nominating new directors, the Nomination and Remuneration Committee shall consider candidates whose qualifications match with requirements mentioned by the Charter of the Board of Directors and the Board Skill Matrix, which has already been approved by the Board of Directors for consistency with the Company's business strategy and shall be reviewed on an annual basis. Also considered is the Board Diversity in terms of qualifications, sex, age, race, religion, nationality and country of origin for the purposes of upholding equality and preventing discriminatory selection. The Director Pool compiled by the Thai Institute of Directors (IOD) has also been used in the nomination. In the past year, the Company also gave shareholders the right to nominate qualified persons to the election of the Company's directors. The announcement on the right was

posted on its website. However, no shareholder has made the nomination.

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. 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. Additional information is available in Appendix 5 under the topic of the Charter of the Board of Directors.

Presently, 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	13
2. Economics, Investment, Policy Formulation and Planning	4	13
3. Risk and Business Continuity Management	4	13
4. Central Retail's Core Business (Retail-Consumer Discretionary)	5	9

Specific Skills and Expertise	Number of Directors Needed	Number of Directors at Present
5. Finance and Taxation	3	10
6. Accounting	3	7
7. Good Corporate Governance and Sustainability	4	8
8. Marketing and Public Relations	4	7
9. Human Capital Development	3	5
10. Laws and Regulations of Thai Listed Companies	3	5
11. Digital / Online Retailing & Information Technology	2	2

Selection of Chief Executive Officer (CEO) and Senior Executives

When a position of the CEO 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 Plan for the Chief Executive Officer (CEO) 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 Board of Directors has assigned the Nomination and Remuneration Committee to prepare succession plans for the posts of the CEO as well as senior executives for it to consider every year. To ensure appropriateness and transparency, the following criteria and regulations apply:

Qualifications of Successors

- 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) On an annual basis, review the various strategies needed to drive the growth of the business, as well as the retirement plans of the CEO 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. Development of Directors

In 2023, the Company organized trainings and encouraged directors to attend training programs that were beneficial to their performance of duties as follows:

Name of Directors	Training Course	Organization	Detail
Dr. Prasarn Trairatvorakul	• Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC.	Central Retail Corporation PCL.	9 February 2023
	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
Mr. Suthikiati Chirathivat	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
Mr. Sudhitham Chirathivat	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
Mr. Roongrote Rangsiyopash	• Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC.	Central Retail Corporation PCL.	9 February 2023
	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
Mrs. Pratana Mongkolkul	• Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC.	Central Retail Corporation PCL.	9 February 2023
	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
	• How to Develop a Risk Management Plan (HRP) 35/2023	IOD	6-7 June 2023
	• Successful Formulation & Execution of Strategy (SFE) 42/2023	IOD	27-28 June 2023
	• Hot Issue for Directors : Climate Governance 2/2023	IOD	29 September 2023



Name of Directors	Training Course	Organization	Detail
Mrs. Patareeya Benjapolchai	• Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC.	Central Retail Corporation PCL.	9 February 2023
	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
	• ESG in the Boardroom: The Practical Guide for Board 0/2023	IOD	9 September 2023
	• Hot Issue for Directors : Climate Governance 2/2023	IOD	29 September 2023
Mr. Sompong Tantapart	• Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC.	Central Retail Corporation PCL.	9 February 2023
	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
Mr. Kanchit Bunajinda	• Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC.	Central Retail Corporation PCL.	9 February 2023
	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
	• The Role of Chairman (RCP) 53/2023	IOD	30-31 March 2023
	• Strategic Board Master Class (SBM) 12/2023	IOD	10, 17, 24 July 2023
Prof.Dr. Suthiphand Chirathivat	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
Mr. Suthilaksh Chirathivat	• Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC.	Central Retail Corporation PCL.	9 February 2023
	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023

Name of Directors	Training Course	Organization	Detail
Mrs. Yuwadee Chirathivat	<ul style="list-style-type: none"> Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC. 	Central Retail Corporation PCL.	9 February 2023
	<ul style="list-style-type: none"> The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG 	Central Retail Corporation PCL.	22 June 2023
	<ul style="list-style-type: none"> Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch) 	Central Retail Corporation PCL.	22 June 2023
	<ul style="list-style-type: none"> Director Certification Program (DCP) 344/2023 	IOD	7, 11, 18, 25 August 2023 1, 8 September 2023 2 October 2023
Mr. Prin Chirathivat	<ul style="list-style-type: none"> The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG 	Central Retail Corporation PCL.	22 June 2023
	<ul style="list-style-type: none"> Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch) 	Central Retail Corporation PCL.	22 June 2023
	<ul style="list-style-type: none"> Board Nomination and Compensation Program (BNCP) 16/2023 	IOD	9-10 March 2023
Mr. Tos Chirathivat	<ul style="list-style-type: none"> The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG 	Central Retail Corporation PCL.	22 June 2023
	<ul style="list-style-type: none"> Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch) 	Central Retail Corporation PCL.	22 June 2023
Mr. Pichai Chirathivat	<ul style="list-style-type: none"> Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC. 	Central Retail Corporation Plc.	9 February 2023
	<ul style="list-style-type: none"> The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG 	Central Retail Corporation PCL.	22 June 2023
	<ul style="list-style-type: none"> Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch) 	Central Retail Corporation PCL.	22 June 2023
	<ul style="list-style-type: none"> Hot Issue for Directors : Climate Governance 2/2023 	IOD	29 September 2023

Name of Directors	Training Course	Organization	Detail
Mr. Yol Phokasub	• Global and Thailand Economic Outlook 2023 by lecturer from Bangkok Bank PLC.	Central Retail Corporation PCL.	9 February 2023
	• The Concept of Integrating Organizational Management According to The Principles GRC and Risk Management by lecturer from KPMG	Central Retail Corporation PCL.	22 June 2023
	• Economic and Retail Business Situation in Vietnam by lecturer from Bangkok Bank PLC. (Vietnam Branch)	Central Retail Corporation PCL.	22 June 2023
	• Hot Issue for Directors : Climate Governance 2/2023	IOD	29 September 2023

Currently, the numbers of the Company's directors attending the Director Certification Program (DCP) and Director Accreditation Program (DAP) of the Thai Institute of Directors are nine and ten respectively. Of all 15 directors of the Company, 14 have already attended at least one of these programs. The percentage is 93.33. Details of the programs attended by the directors are shown in Enclosure 1 "Details of Directors, Executive, Controlling Person, Person in charge of Finance and Accounting, Head of Controller and Company Secretary". The Company has informed directors of upcoming useful training and seminars on a regular basis.

3. Directors and Chief Executive Officer (CEO) Assessment

Directors Assessment

The Company has arranged for the assessment and review of the Board of Directors' / committees' performance at least once a year by applying the Stock Exchange of Thailand's self-assessment guidelines for directors to its Board of Directors' structure and characteristics. The framework has enabled the checks of the Board of Directors' work. The Company has also encouraged joint reviews of performance and obstacles related to the Company's operations and corporate governance.

In 2023, the Board of Directors at its meeting resolved to revise the performance assessment forms for the Board of Directors as recommended by the Corporate Governance and Sustainability Committee. Covering both collective performance form and self-assessment form, the resolution aims to enhance directors' performance assessment efficiency and update the forms in line with current situation.

Collective Performance Assessment

The assessment scale are divided into "Suitable" and "Needs Improvement", as well as questions that allow directors to express their opinions independently. There are three assessment topics as follows:

- (1) Structure and Qualifications
- (2) Roles, Duties, and Responsibilities
- (3) Meetings

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 sends the collective self-assessment form to each director.
4. The Company Secretary collects the completed forms, and prepares a summary of results to be proposed to the Board of Directors for consideration.

5. The Company Secretary coordinates the assessment results and recommendations to enhance the effectiveness of directors' performance and related duties.

The results of the Board of Directors' collective performance assessment for the year 2023 was rated as "suitable".

Individual Performance Assessment

Consist of three 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 sends an assessment form to each director to conduct an individual assessment (self-assessment).
4. The Company Secretary collects the completed forms, and prepares a summary of results to be proposed to the Board of Directors for consideration.
5. The Company Secretary coordinates the assessment results and recommendations to enhance the effectiveness of directors' performance and related duties.

The results of the Board of Directors' individual performance assessment for the year 2023 was 97.40 percent.

Sub-committees Performance Assessment

The process for sub-committee's performance assessment is 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.

The results of performance assessment for the year 2023 of the Audit Committee, the Risk Policy Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainability Committee, and the Executive Committee were 100, 97.40, 99.20, 98.63, and 100 percent respectively.

CEO Assessment

The Nomination and Remuneration Committee and the Board of Directors have reviewed an annual performance assessment of the CEO to pave the way for the results to be used in determining CEO remuneration that is given in the forms of both monthly salary and bonus. Taken into consideration are CEO's current performance and performance that is consistent with long-term goals / plans using KPIs that are clearly identified in each year. KPIs of CEO consist of financial indicators¹, management indicators², and human resources management indicators³.

Notes:

- ¹ Financial indicators are Revenue, Earning Before Interest, Taxes, Depreciation, Amortization (EBITDA), Earnings Before Interest and Taxes (EBIT), Return on Investment Capital (ROIC), and include other relevant financial efficiency indicators.
- ² Management indicators are business-development success, the development of new and existing projects in line with the Company's strategy, and collaborations with trade partners.
- ³ Human resources management indicators are organizational development, employee engagement, and development of executives in support of succession plans.



Assessment process

At the beginning of the year, CEO of the Company agrees to the assessment (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 the Directors

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 each of the directors must attend at least 75 percent of the meetings in a year.

In 2023, there were 9 meetings of the Board of Directors, 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	Independent 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. Mr. Roongrote Rangsiyopash	Lead Independent Director	1/1	9/9	2/2	-	-	-	-	-
	Chairman of the Nomination and Remuneration Committee	-	-	-	-	-	5/5	-	-
5. Mrs. Pratana Mongkolkul ⁽¹⁾	Independent Director	1/1	9/9	2/2	-	-	-	-	-
	Chairman of the Audit Committee	-	-	-	12/12	-	-	-	-
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	-	2/2

⁽¹⁾ Mrs. Pratana Mongkolkul was appointed as a member of the Corporate Governance and Sustainability Committee at the Board of Director's Meeting No.4/2023 which was held on 15 May 2023.

Directors	Position in the Board of Directors and Sub-committees	Meetings								
		Shareholders	Board of Directors	Independent Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Executive Committee	Corporate Governance and Sustainability Committee	
6. Mrs. Patareeya Benjapolchai	Independent Director	1/1	9/9	2/2	-	-	-	-	-	
	Member of the Audit Committee	-	-	-	12/12	-	-	-	-	
	Chairman of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	-	4/4	
	Member of the Risk Policy Committee	-	-	-	-	4/4	-	-	-	
7. Mr. Sompong Tantapart	Independent Director	1/1	9/9	2/2	-	-	-	-	-	
	Member of the Audit Committee	-	-	-	12/12	-	-	-	-	
	Member of the Nomination and Remuneration Committee	-	-	-	-	-	5/5	-	-	
8. Mr. Kanchit Bunajinda	Independent Director	1/1	9/9	2/2	-	-	-	-	-	
	Chairman of the Risk Policy Committee	-	-	-	-	4/4	-	-	-	
9. Prof.Dr. Suthiphand Chirathivat	Director	1/1	9/9	-	-	-	-	-	-	
	Member of the Nomination and Remuneration Committee	-	-	-	-	-	5/5	-	-	
10. Mr. Suthilaksh Chirathivat	Director	1/1	9/9	-	-	-	-	-	-	
11. Mrs. Yuwadee Chirathivat	Director	1/1	8/9	-	-	-	-	-	-	
	Member of the Executive Committee	-	-	-	-	-	-	14/14	-	
12. Mr. Prin Chirathivat	Director	1/1	9/9	-	-	-	-	-	-	
	Member of the Risk Policy Committee	-	-	-	-	4/4	-	-	-	
13. Mr. Tos Chirathivat	Director	1/1	8/9	-	-	-	-	-	-	
	Chairman of the Executive Committee	-	-	-	-	-	-	14/14	-	
	Member of the Nomination and Remuneration Committee	-	-	-	-	-	5/5	-	-	
14. Mr. Pichai Chirathivat	Director	1/1	9/9	-	-	-	-	-	-	
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	-	4/4	
15. Mr. Yol Phokasub	Director	1/1	9/9	-	-	-	-	-	-	
	Member of the Risk Policy Committee	-	-	-	-	4/4	-	-	-	
	Member of the Executive Committee	-	-	-	-	-	-	14/14	-	
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	-	4/4	

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 for payment of remuneration to directors, sub-committee members, comprising members of the Audit Committee, members of the Risk Policy Committee, members of the Nomination and Remuneration Committee, members of the Corporate Governance and Sustainability Committee, Independent Director, 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 2023, the Board of Directors' Meeting No. 2/2023 which was held on February 28, 2023, has endorsed the criteria of quarterly remuneration and meeting allowance payment for the year 2023. The 2023 Annual General Meeting of Shareholders held on April 28, 2023 resolved to approve the remuneration of directors and sub-committee members for the year 2023, not exceeding THB 25 million. This was an increase from THB 20.5 million in 2022, with remuneration for 2023 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	240,000	88,000
Director	90,000	45,000
The Audit Committee		
Chairman of the Audit Committee	140,000	70,000
Member of the Audit Committee	135,000	55,000
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	40,000
Member of the Nomination and Remuneration Committee, and Advisor (if any)	None	35,000

Position	Quarterly Remuneration (THB)	Meeting Allowance (THB/Time/Person)
The Risk Policy Committee		
Chairman of the Risk Policy Committee	None	40,000
Member of the Risk Policy Committee	None	35,000
The Corporate Governance and Sustainability Committee		
Chairman of the Corporate Governance and Sustainability Committee	None	40,000
Member of the Corporate Governance and Sustainability Committee	None	35,000
Independent Director		
Lead Independent Director	None	40,000
Independent Director	None	35,000

Directors who are executives or employees of the Company are not entitled to quarterly remuneration or meeting allowance of sub-committees, and members of the Audit Committee are not entitled to the 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 2023, 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 2023

During 1 January 2023 to 31 December 2023, the Company paid quarterly remuneration, meeting allowance of approximately THB 16.6 million to the directors with details as below:

1) Monetary Remuneration In 2023, the Board receives the following monetary remuneration:

Directors	Position in the Board of Directors and Sub-committees	Bonus ⁽²⁾	Board of Directors	Independent Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Corporate Governance and Sustainability Committee	Total
1. Dr. Prasarn Trairatvorakul	Chairman	442,750	1,752,000	-	-	-	-	-	2,194,750
2. Mr. Suthikiati Chirathivat	Vice Chairman	385,000	765,000	-	-	-	-	-	1,150,000
3. Mr. Sudhitham Chirathivat	Director	385,000	765,000	-	-	-	-	-	1,150,000
4. Mr. Roongrote Rangsiyopash	Lead Independent Director	423,500	765,000	80,000	-	-	-	-	1,468,500
	Chairman of the Nomination and Remuneration Committee	-	-	-	-	-	200,000	-	-
5. Mrs. Pratana Mongkolkul	Independent Director	423,500	405,000	70,000	-	-	-	-	2,368,500
	Chairman of the Audit Committee	-	-	-	1,400,000	-	-	-	-
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	70,000	-
6. Mrs. Patareeya Benjapolchai	Independent Director	385,000	405,000	70,000	-	-	-	-	2,360,000
	Member of the Audit Committee	-	-	-	1,200,000	-	-	-	-
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	160,000	-
	Member of the Risk Policy Committee	-	-	-	-	140,000	-	-	-

Directors	Position in the Board of Directors and Sub-committees	Bonus ⁽²⁾	Board of Directors	Independent Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Corporate Governance and Sustainability Committee	Total
7. Mr. Sompong Tantapart	Independent Director	385,000	405,000	70,000	-	-	-	-	2,235,000
	Member of the Audit Committee	-	-	-	1,200,000	-	-	-	-
	Member of the Nomination and Remuneration Committee	-	-	-	-	-	175,000	-	-
8. Mr. Kanchit Bunajinda	Independent Director	385,000	765,000	70,000	-	-	-	-	1,380,000
	Chairman of the Risk Policy Committee	-	-	-	-	160,000	-	-	-
9. Prof.Dr. Suthiphand Chirathivat	Director	385,000	765,000	-	-	-	-	-	1,325,000
	Member of the Nomination and Remuneration Committee	-	-	-	-	-	175,000	-	-
10. Mr. Suthilaksh Chirathivat	Director	385,000	765,000	-	-	-	-	-	1,150,000
11. Mrs. Yuwadee Chirathivat	Director	385,000	720,000	-	-	-	-	-	1,105,000
	Member of the Executive Committee	-	-	-	-	-	-	-	-
12. Mr. Prin Chirathivat	Director	385,000	765,000	-	-	-	-	-	1,290,000
	Member of the Risk Policy Committee	-	-	-	-	140,000	-	-	-
13. Mr. Tos Chirathivat	Director	385,000	720,000	-	-	-	-	-	1,280,000
	Chairman of the Executive Committee	-	-	-	-	-	-	-	-
	Member of the Nomination and Remuneration Committee	-	-	-	-	-	175,000	-	-



Directors	Position in the Board of Directors and Sub-committees	Bonus ⁽²⁾	Board of Directors	Independent Directors	Audit Committee	Risk Policy Committee	Nomination and Remuneration Committee	Corporate Governance and Sustainability Committee	Total
14. Mr. Pichai Chirathivat	Director	385,000	765,000	-	-	-	-	-	1,290,000
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	140,000	-
15. Mr. Yol Phokasub ⁽¹⁾	Director	-	405,000	-	-	-	-	-	405,000
	Member of the Executive Committee	-	-	-	-	-	-	-	-
	Member of the Risk Policy Committee	-	-	-	-	-	-	-	-
	Member of the Corporate Governance and Sustainability Committee	-	-	-	-	-	-	-	-
	Chief Executive Officer	-	-	-	-	-	-	-	-

Remark;

⁽¹⁾ The Chief Executive Officer receives only the Board of Directors' meeting allowance.

⁽²⁾ At the Board of Directors' Meeting No. 2/2024 on February 28, 2024, the bonuses for directors were resolved.

2) Other Remuneration

-None-

Remuneration of Directors of Subsidiaries Operating Core Business

In 2023, no remuneration was paid to the directors of subsidiaries, except LR with details as follows:

Remuneration for fiscal year ended 31 December 2023

LR

As of 31 December 2023, 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 2023, LR paid total remuneration of approximately EUR 48,000 to Mr. Vittorio Radice under the Consultancy Agreement for the performance of duties as director.

(2) Other Remuneration

For the year ended 31 December 2023, LR paid other remuneration to the director under the Consultancy Agreement in the forms of 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).

The Board of Directors’ Meeting No. 2/2019, held on November 14, 2019, determined the policy 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 December 4, 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 Supervision 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 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 information 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 follow 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.
- (g) The directors, executives 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 Supervisory 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 persons who may have conflicts of interest and/or related parties, including those involved in the transaction, are required to disclose information regarding their interests and affiliations to the Company for acknowledgement and have no authority to approve the transaction in which he/she has interests. Such policy applies to the directors, executives, and employees of the Company and its subsidiaries.

The Company prescribes in the Charter of the Board of Directors 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 Annual Report (56-1 One Report). More information can be found in topic 9.2.

In 2023, there was no wrongdoing by the directors, executives, and employees of the Company and its subsidiaries in terms of conflicts of interests or operations in violation of relevant policies, regulations, and laws.

In the past year, the Company has monitored compliance with the Preventing Conflict of Interest Policy and required

all executives to submit Conflict of Interest Disclosure Form on an annual basis via its internal system.

(2) Prevention of Misuse of Insider Information

The Board of Directors has ensured the use of inside information proceeds in line with laws and the principles of good corporate governance through a written policy. Pursuant to the policy, the Company's information that may affect the prices of its securities, the Company's information that may cause damage to the Company or put it at a disadvantage, the Company's information that is confidential and material, and/or the Company's non-public information must neither be disclosed to the public nor used for illegitimate gains. Communications have been made to ensure directors, executives, and employees know the policy in the forms of orientation session, emails, the Company's intranet system, e-Learning and e-Testing. Monitoring of the compliance with the policy can be summarized 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, executives, employees, and workers 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.

Non-compliance shall be considered a disciplinary offence as per the Company's work rules. Punishments shall be properly meted out on a case-by-case basis, ranging from a verbal warning, a letter of reprimand, probation to the termination of employment.

- Report on Holding of the Company's Securities: Directors and senior executives have the duty to report to the Board of Directors or a person assigned by the Board of Directors their intention to trade securities at least one day in advance. Any change to their, their spouse's, their cohabiting couple's and underage child's securities holding must be reported to the SEC Office within three workdays from the date of change pursuant to Article 59 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) with a copy of the report sent to the Company on the same day.

The Company Secretary shall inform directors, executives, and relevant employees of Blackout Period via emails one month ahead of the public release of financial statements. In addition, the Company Secretary shall monitor any change in the securities holding of directors / senior executives, their spouse, their cohabiting couple, and underage child and report it to the Board of Directors on a quarterly basis. In 2023, directors and executives of the Company traded the Company's securities seven times. There was no transaction done by directors, executives, and relevant employees during blackout period. Also, the Company did not receive any complaint about directors, executives, or non-compliance in relation to this policy.

(3) Anti-Corruption

The Company, which recognizes the importance of anti-corruption, is committed to ethically conducting its business operations within corporate governance framework. Embracing the principles of good corporate governance and business ethics, the Company has demonstrated responsibility to society, the environment and stakeholders. Its business operations therefore are transparent, fair, and accountable. Since 30 June 2022, it has been certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC). It declared an intention to serve as the CAC Change Agent on 20 March 2023.



The Company has formulated the Anti-Corruption Policy in writing to provide itself as well as its subsidiaries with guidelines on how to conduct businesses. The policy has also been regularly reviewed. Moreover, the Company has assessed business risks in relation to corruption, with assessment scope extending through Business Line to subsidiaries like Thaiwatsadu, Tops Supermarket, Central Department Store, and Robinson and also to other subsidiaries namely COL Public Company Limited (COL), Power Buy Company Limited (PWB), CRC Sports Company Limited (SPS), and Central Trading Company Limited (C-Trading) for comprehensive coverage. Moreover, the Company has issued guidelines and measures to prevent corruption risks. Audits of compliance have been regularly performed, and so have audits to determine the adequacy of internal control system. Internal communications and training for directors, executives, and employees have sought to ensure that every work process strictly complies with laws. Relevant external communications have also been made via Live, participation in CAC SME project, and Success Story talks in collaboration with CAC over CAC's website, YouTube and all channels of the Company.

In addition, the Company has audited the adequacy, efficiency, and effectiveness of its anti-corruption process. The Audit Committee has assigned Compliance units to develop Conflict of Interest (COI) disclosure system for all executives. The system can assess 93 percent of COI.

In 2023, the Company did not detect any employees' non-compliance with the Anti-Corruption Policy / Manual. However, executives and relevant units have constantly communicated about the policy and manual to promote awareness and compliance.

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's internal control adequacy 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 Compliance Department supervise and report the results of business operation according to Anti-Corruption Policy and 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 have 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, announcements, 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 complaining towards the CEO, 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 CEO, the CEO 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 the report, the CEO or the Audit Committee is responsible for screening and investigation.
- (2) During investigation, the CEO or the Audit Committee may assign representatives 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. The CEO or the Audit Committee has duty to receive complaints, gather information, investigate, and report to the Board of Directors for consideration and defining disciplinary action as appropriate. The decision of the Chief Executive Officer or the Audit Committee is considered final.

(4) Whistleblowing

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

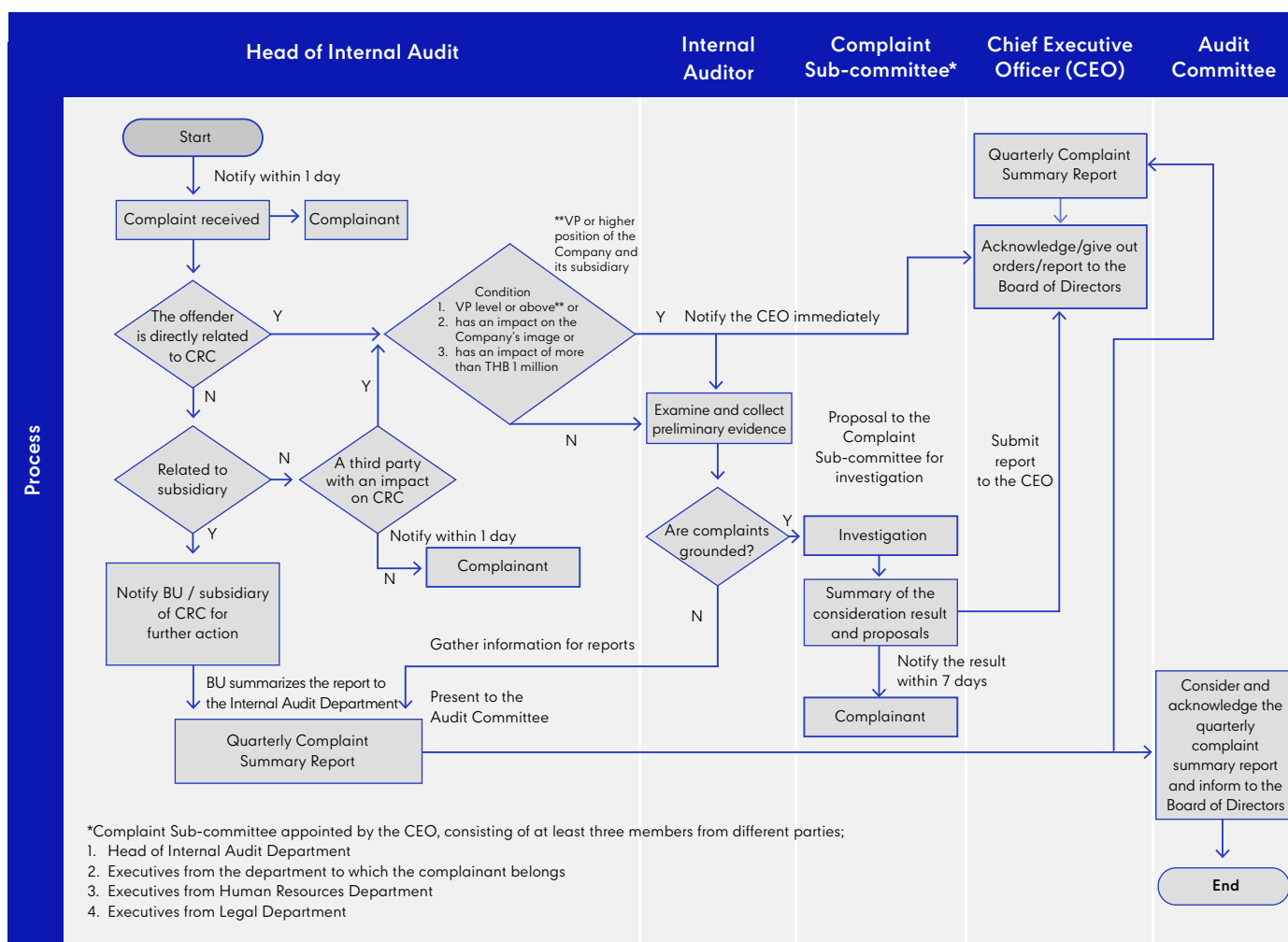
In case of complaining towards the CEO, complaints have to be filed directly with the Chairman of the Audit Committee AuditChairman@central.co.th or by post:

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 2022, to be more concise for more efficient operations. The process can be summarized as follows:



*Complaint Sub-committee appointed by the CEO, consisting of at least three members from different parties;

1. Head of Internal Audit Department
2. Executives from the department to which the complainant belongs
3. Executives from Human Resources Department
4. Executives from Legal Department

In the past year, the Company and subsidiaries received 66 complaints. Of them, 13 were related to corruption. All corruption complaints involved employees’ wrongdoings that caused damage to the Company. None were about the Company’s offences against government agencies or external organizations in pursuit of its interests. Not a single complaint has materially damaged the Company. In response to the complaints, the Company conducted probes, punished wrongdoers, and prescribed measures to prevent / solve problems so as to improve stakeholders’ satisfaction.

(5) Compliance

- **Compliance Unit**

The Company's Compliance Unit is responsible for supervising personnel and internal functions within the Company in business operation in line with the relevant regulations, both inside and outside of the Company as well as any other tasks or duties assigned.

- **Compliance Progress Report**

In 2023, the Compliance Department supervised the business operation of the Company and its subsidiaries in order to adhere to relevant regulations and reported the following directly to the Audit Committee:

- 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.
- Developing a system on corporate governance in accordance with the Governance, Risk, and Compliance (GRC) to enhance the trust from the stakeholders and vendors in operation within the Group participating in GRC workshop with relevant functions in terms of the integration of GRC by the top company and subsequently conducting GRC plan from 2024 onwards.
- Developing a system for document registration and relevant compliance both inside and outside of the Company (Compliance Universe) including reporting non-compliance in central database in Compliance Monitoring System (CMS). In addition, to ensure the submission of cases relating to non-compliance and review of policies, regulations, announcements, and directions of the Group is accurate, comprehensive, and up to date, the Company has been continuously developing CMS.

In 2023, reporting through the coordinated compliance unit by a representative from the Group (Compliance Agents), found that no significant non-compliance case such as rules, regulations, or announcements both inside and outside the Company of 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 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. In this regard, 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’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 external 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 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. Rangsirach Pornsutee serving as secretary of the Risk Policy Committee from October 1, 2022.

In 2023, the Risk Policy Committee held four meetings (2022: 5 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 and ordered central risk management units and/or core business units to present risk information at its meetings.
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. Reviewed Risk Maturity Level and the Company's / core business units' improvement plans.
6. Considered and ordered IT unit to present risk information at its meeting.
7. Considered and ordered the implementation of Risk Culture & Awareness Project.
8. Supported and promoted the application of Governance, Risk, and Compliance (GRC).
9. Reviewed members and roles of the Risk Policy Committee.
10. 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.
11. Assessed the performance of the Risk Policy Committee in various aspects including the structure, qualification, meetings, and implementation of the corresponding duties specified in the charter, in order to further improve its efficiency.
12. 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.
13. Reported the progress to the Board of Directors on a regular basis.

The Risk Policy 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 2023, the Nomination and Remuneration Committee held five 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 2023 Board diversity, comprising the information on the number of independent directors, gender, and Board skills 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 2023 Annual General Meeting of Shareholders. The Committee proposed the re-appointment of directors retiring by rotation in 2023 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 the structure and determined the 2023 remuneration for the Board of Directors and the sub-committees, comprising the Audit Committee, the Risk Policy Committee, the Corporate Governance and Sustainability 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. The remuneration rates were compared with those of other companies in the same or similar industry and approved by the shareholders' meeting.
5. Considered the assessment criteria for the 2023 performance of the CEO and senior executive positions and submitted them to the Board of Directors for approval.
6. Reviewed succession plans for CEO and senior executives posts to ensure the Company's business continuity and presented results to the Board of Directors for acknowledgement.
7. Acknowledged and issued opinions on the policy / performance on human capital and organizational management in 2023, as well as the CRC 5-Year People Strategy.
8. Considered the extension of the Employee Joint Investment Program ("EJIP") by three more years during which employees can still submit their financial contributions to the program (1 April 2024 to 31 March 2027), and presented it to the Board of Directors for approval.
9. Reviewed the Nomination and Remuneration Committee Charter. In 2023, no amendment was made since the current Charter was still complete and suitable for the situation.
10. Acknowledged and reviewed the results of the Nomination and Remuneration Committee's self-assessments for 2023 performance in support of its performance improvement based on the principles of good corporate governance.

The Nomination and Remuneration 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 consists of four members, all of whom being appointed by the Board of Directors. It has the duty to monitor the Company's corporate-governance and sustainable-development practices to ensure compliance with relevant policies and goals, to enable the Company's business operations to proceed in line with the principles of good corporate governance, to uphold transparency in the Company's operations, and protect shareholders'/stakeholders' interests on a sustainable basis. The Committee has Mrs. Patareeya Benjapolchai as its chair, and Mr. Pichai Chirathivat and Mr. Yol Phokasub as its members. Its additional member is Mrs. Pratana Mongkolkul, who was appointed by the Board of Directors on May 15, 2023.

In 2023, the Corporate Governance and Sustainability Committee carried out its duties and responsibilities in accordance with the charter of the Committee. A total of four meetings were held, whereby every member of the Committee attended every meeting. The Committee reported its work to the Board of Directors regularly. This can be summarized as follows:

1. Corporate Governance

- 1.1 Approved the annual review of the Charter of the Board of Directors, the Corporate Governance Policy, as well as relevant guidelines and other related policies namely the Human Rights Policy, the Occupational Safety, Health and Work Environment Policy, the Environmental Policy, the Supplier Code of Conduct, and the Scope of the Company Secretary's Duties and Responsibilities before forwarding it to the Board of Directors for consideration and approval.
- 1.2 Approved the annual review and revision of the Corporate Governance and Code of Conduct Handbook, and initiated the translation of their content into local languages of foreign countries where the Company has estimated a business presence namely Italy and Vietnam to ensure staff there can understand and apply them.
- 1.3 Approved development plans based on the Corporate Governance Report of Thai Listed Companies (CGR) assessment and provided recommendations to the Board of Directors so that the Company could efficiently upgrade its corporate governance based on CGR criteria. As a result, the Company received a 5-star rating, "Excellent CG Scoring" for three consecutive years under CGR 2023 from the Thai Institute of Directors (IOD) with SET support. The Company has also earned 100 full marks from the Thai Investors Association's AGM Checklist (5 symbols) for four consecutive years.
- 1.4 Reviewed the work in accordance with the Corporate Governance Code for listed companies (CG Code) for listed companies (CG Code) of the Securities and Exchange Commission, 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.
- 1.5 Issued an opinion on the hiring of an external consultant for the independent assessment of the Board of Directors' performance based on reasonableness and the Company's operational approach for the Board of Directors to consider.
- 1.6 Acknowledged and issued an opinion on corporate governance plan that promoted employees' awareness of the Code of Conduct. The plan, for example, covered the production of CEO's / senior executives' messages on marching towards the sustainable future on the basis on ethics and corporate governance; posters, e-Learning video clips, video clips on educational seminars, and campaigns supporting



the Integrated GRC (Governance, Risk and Compliance) application; “Message from CEO”, e-Bulletin and e-Rulebook via the Company’s various internal channels.

2. Sustainable Development

- 2.1 Provided an opinion and ESG Gap Analysis guidelines including preliminary assessments and improvements needed on material topics. The given guidelines recommended maintaining standards, improving practices, and using the analysis’ results for the proper formulation of improvement guidelines and strategies.
- 2.2 Approved the review of material sustainability topics, as well as short-term and long-term sustainability goals with a focus on ESG, which supports planning and formulation of strategies to drive businesses towards sustainability.
- 2.3 Acknowledged the Company’s participation in the SET ESG RATINGS and Dow Jones Sustainability Indices (DJSI) 2023, which paved the way for the Company to stay on SET ESG RATINGS for three consecutive years. The Company, moreover, won the Commended in Sustainability Awards from SET Awards 2023 and entered DJSI via both World and Emerging Markets categories. Its scores have also been rising throughout the past three years.
- 2.4 Reviewed the revision of policies that aimed to upgrade sustainability performance. Covered were the Supplier Code of Conduct, the Occupational Safety, Health and Work Environment Policy, the Environmental Policy, the Human Rights Policy, and the Commitment on Biodiversity Conservation and No Deforestation. The revision aims to bring the policies and commitment to par with international standards with equal considerations for all stakeholder groups. Also, the Committee made recommendations for the Board of Directors to review performance to ensure proper application in business context.
- 2.5 Acknowledged the results of sustainability assessments and sustainability reports from environment panels / ESG panels of all business groups.
- 2.6 Approved sustainability plan and budget for Year 2024 to ensure that sustainability is integrated into the development of business guidelines and that ESG development will continue.
- 2.7 Approved the appointment of the Environment Committee to ensure the environmental part of sustainability practices will continue with quality, comprehensive coverage and in line with international standards.

3. Others

- 3.1 Approved the Corporate Governance and Sustainability Committee Charter for the Year 2023. The approval was granted after it found that the charter’s content was still in line with the principles of good corporate governance and relevant to the current situation. With the approval, it asked the Board of Directors to consider using the current charter.
- 3.2 Acknowledged the performance assessment results of the Corporate Governance and Sustainability Committee for the Year 2023, it was found that the structure and components of the Committee are appropriate, enabling them to perform their duties comprehensively and efficiently.
- 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

09

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. 2/2024 held on 28 February 2024 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.
- In March 2023, the Company declared its intention to be a CAC Change Agent with the mission to promote business transparency among suppliers and encouraging them to join the CAC Project.

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.
- In September 2023, the Company set up the CRC Governance Committee. Comprising management units, compliance units and internal audit units based in Thailand, Vietnam and Italy, this committee is in charge of facilitating coordination, sharing information, and giving advice on policies, procedures and best practices. It provides assurances that supervision complies with the Company's policies as well as laws / regulations.
- In addition, the Company has prepared the GRC E-Rule book to provide employees with knowledge and understanding of key GRC (Governance Risk and Compliance) concepts in support of application.

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 Transactions

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	-	Sibling 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	-	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

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	-	Wife 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. Mr. Theerakiati Chirathivat	-	Son of the Director or Mr. Suthikiati
32. Mrs. Somkamol Chirathivat	-	Son 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 ⁰
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	-	Son 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	Director of the Company, Mr. Tos and relevant persons directly holds 49.98% of shares.
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 19.99% of the shares. One of its Board of Directors members is the same as the Company's, which is Mr. Suthilaksh.
9. Post-ACP Company Limited	Advertising	The major shareholder is Bangkok Post Public 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
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.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
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.
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

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
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
Harg Central Department Store Limited (HCDS) and Its Subsidiaries called together with HCDS as the HCDS Group		
23. Harg 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.
24. Central Food Retail Ratchada Company Limited	Supermarkets	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.



Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
28. CRC Power Retail Company Limited	Buying and selling of on own account of non-residential buildings	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 49.99% of the shares. One of its Board of Directors members are the same as the Company's, which is Mr. Tos
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.
32. Central Wealth Solution Mutual Fund Brokerage Securities Company Limited	Mutual Fund Broker	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 including (1) Mr. Suthilaksh (2) Mr. Prin
33. Evergrow Asia Ltd.	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 Ltd.	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.

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
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.
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 Investment 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 99.99% 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

Persons or juristic persons who might be involved in a conflict of interest	Nature of Business Operation	Relations with the Company
45. Central Payment Company Limited	Gift Voucher Supplier	The major shareholder is HCDS which directly holds 99.99% of the shares. Four of its Board of Directors members are the same as the Company's, which are (1) Mr. Suthilaksh (2) Mrs. Yuwadee (3) Ms. Prin and (4) Mr. Tos
46. The1 Central Company Limited	Reward Point Trade and Relevant Services	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. Yol
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 99.99% of the shares
48. Central People Development Center Company Limited	Business and Conference Service	The major shareholder is Miss Sukulaya Uahwatanasakul which directly holds 99.99% of the shares. Nine of its Board of Directors members are the same as the Company's, which are (1) Mr. Suthichai (on the transaction date) (2) Mr. Suthilaksh (3) Mr. Sudhitham (4) Mr. Prin (5) Mr. Tos (6) Mr. Suthikiati (7) Mrs. Yuwadee (8) Mr. Pichai (9) Mr. Yol
49. Central Retail International Ltd.	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 70.99 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.
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	<p>The major shareholder is HCDS which directly holds 29.84% of the shares.</p> <p>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.</p>
59. Ploenruedee Company Limited	Real Estate Holding Company	<p>The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 99.99% of the shares.</p> <p>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</p>
60. Paton 1 Company Limited	Real Estate Holding Company	<p>The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares.</p> <p>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</p>
61. Paton 2 Company Limited	Real Estate Holding Company	<p>The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares.</p> <p>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</p>
62. Paton 3 Company Limited	Real Estate Holding Company	<p>The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 99.99% of the shares.</p> <p>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</p>
63. Vivify Company Limited	Real Estate Holding Company	<p>The major shareholder is HCDS indirectly holding shares via Tiang Chirathivat Company Limited which directly holds 100% of the shares.</p> <p>Two of its Board of Directors members are the same as the Company's, which are (1) Mr. Suthilaksh and (2) Mr. Prin</p>

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 99.77% 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 37.61% of the shares. The following directors of the Company directly hold the shares: (1) Mr. Sudhitham directly holds 9.59% of the shares (2) Mr. Suthilaksh directly holds 9.59% of the shares (3) Mr. Tos directly holds 9.59% 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 Board of director members which are (1) Mr. Tos (2) Mr. Sudhitham (3) Suthilaksh (4) Mr.Pichai indirectly holding shares via Hold Col Company Limited which directly holds 47.43% of the shares and the major shareholder is HCDS which indirectly holds the shares via The 1 Central Company Limited which directly holds 20.69% of the shares and indirectly holds the shares via Central Embassy Hotel Limited which directly holds 18.11 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. Central Tham Social Enterprise Company Limited	Other retail sale in nonspecialized 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
72. 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 2021, 2022 and 2023 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	2021	2022	2023		
1.1 Rental land, building, and space in building and other services expense						
HCDS Group: - Harg Central Department Store Limited - Tiang Chirathivat Company Limited - Central Embassy Hotel Company Limited - Overseas Fashions 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 - Centerl Inter Pattana Company Limited - Suannaklua 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 Intertraie Co., Ltd. - Central Insurance Services Company Limited	Rental and service expenses	2,158.50	2,430.63	2,612.85	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	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	1.59	1.25	2.09	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	2021	2022	2023		
1.2 Rental land, building, and space in building and other services income						
HCDS Group: - Harg 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 Insurance Services Company Limited - The1 Central Company Limited - Central Garment Factory Company Limited - Teenee Wongsawang Company Limited	Rental and service income	73.25	78.53	77.70	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	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: - Food Passion Company Limited - F.T. Sales and Service Company Limited - Flour Shoppe Co., Ltd. - RIS Company Limited	Rental and service income	13.54	11.06	12.23	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	2021	2022	2023		
2.1 Sales of goods						
HCDS Group: - Central JD Commerce Company Limited - PT Central Retail Indonesia Co., Ltd - Harg 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 - The1 Central Company Limited - Teenee Wongsawang Company Limited - Ploen Ruedee Company Limited - C.D.S Restaurant Co., Ltd. - Central Marketing Group Intertraie Co., Ltd. - Siam Retail Development Company Limited - CRC Power Retail Company Limited - Central Payment Company Limited	Revenue from sales of goods	100.30	63.11	9.51	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.

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2021	2022	2023		
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021.)	Revenue from sales of goods	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 Senses Company Limited - Jindatawee Company Limited - Osodtong Company Limited - Sala Rattanakosin Company Limited - Sala Phuket Company Limited - Plaengpak Thammachart Company Limited - Spaghetti Factory Company Limited - Sakura Restaurant Company Limited - Sapsaimanee Company Limited - Pingsuwan Company Limited - RIS Company Limited - Circle Restaurant Company Limited - Sala Hospitality Company Limited	Revenue from sales of goods	2.44	2.15	3.49	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	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	2021	2022	2023		
3.1 Management fee expenses						
HCDS Group: - Harg Central Department Store Limited - The1 Central Company Limited - CGE Investment Limited	Management fee expenses	318.77	310.13	341.15	<p>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.</p> <p>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.</p>	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.



Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2021	2022	2023		
	Management fee expenses - Accounting and Finance	354.07	356.93	380.90	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	80.25	96.33	114.22	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.
	Management fee expenses - Legal - Tax	71.39	126.51	94.75	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	14.50	13.17	7.95	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	164.62	165.17	143.58	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.

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2021	2022	2023		
3.2 Training expense						
HCDS Group: - Harg Central Department Store Limited - Central People Development Center Company Limited	Training expenses	141.96	138.58	192.69	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: - Harg Central Department Store Limited - Lagrange Estate S.R.L. - Rina Estate Italia S.r.l. - The1 Central Company Limited	Management fee income	21.14	15.86	11.24	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.
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021)	Management fee income	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	2021	2022	2023		
4.1 Trading of The 1 point after business restructuring						
HCDS Group: The1 Central Limited	The1 point expenses (point-earned)	640.17	675.75	724.66	The Group entered into an agreement with The1. The1 point-earned and point redemption rate are fixed rates which are comparable with other companies in The1 group.	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.
	The1 point income (point redemption)	1,119.80	1,306.68	1,263.22		
	Management Fee – The1	169.61	196.03	210.31		
	Sales promotion expenses	41.84	79.85	52.09	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.	

Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2021	2022	2023		
4.2 Other Expenses						
HCDS Group: - Harg Central Department Store Limited - Central Embassy Hotel Company Limited - Z Retail Tech Company Limited - Central Payment Company Limited - The 1 Central Company Limited - Paton 1 Company Limited - Central Garment Factory Company Limited - Tiang Chirathivat Company Limited - CRC Property Company Limited - Central JD Commerce Company Limited - CRC Power Retail Company Limited - Siam Retail Development Company Limited - Bangna Department Store Company Limited - Overseas Fashions Company Limited - Central Tham Social Enterprise Company Limited - Teenee Wongsawang Company Limited - Phuket Hill Resort Company Limited - Teenee Khonkhaen Company Limited - Suannaklua Company Limited - Prin Inter Trade Company Limited	Other Expenses	151.22	275.98	235.39	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.
COL Group: (CRC group acquired COL Group as subsidiaries in February 2021.)	Other Expenses	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	368.73	426.29	235.39	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: - Harg Central Department Store Limited - The1 Central Company Limited - Central Insurance Services Company Limited - Central Payment Company Limited - Central Embassy Hotel Company Limited - Tiang Chirathivat Company Limited - Central JD Commerce Company Limited - Central People Development Company Limited - C.D.S. Restaurant Company Limited - CRC Power Retail Company Limited - Central Marketing Group Intertrade Company Limited - PT Central Retail Indonesia Co., Ltd - Teenee Wongsawang Company Limited	Other Income	150.91	78.51	48.55	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.



Persons or Companies which may have conflict of interest	Transaction value (Baht : Million)				Necessity and rationale of transactions	Audit Committee's Opinion
	Transaction	2021	2022	2023		
COL Group including (CRC group acquired COL Group as subsidiaries in February 2021.)	Other Income	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: - Terasoft Solutions Development Company Limited - RIS Company Limited - Flour Shoppe Co., Ltd.	Other Income	9.63	3.05	3.86	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
	2021		2022		2023		
	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. - Harg 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 - 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 - Bangna Department Store Company Limited - Overseas Fashions Company Limited - Central Food Retail Ratchada Company Limited - Frederick Wholesales Company Limited - Prin Intertrade Company Limited - CGE Investment Ltd	763.02	185.94	548.80	151.36	292.77	160.43	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.
Other related companies Group: - RIS Company Limited - Flour Shoppe Company Limited - Sala Hospitality Company Limited - Sala Samui Property Company Limited - Circle Restaurant Company Limited	12.64	-	2.75	-	6.34	-	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
	2021		2022		2023		
	Account payables	Other non-current liabilities	Account payables	Other non-current liabilities	Account payables	Other non-current liabilities	
HCDS Group: - Harg Central Department Store Limited - Tiang Chirathivat Company Limited - Central Garment Factory 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 - 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 - PT Central Retail Indonesia Co., Ltd - 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 Co., Ltd. - Siam Retail Development Co., Ltd. - Teenee Wongsawang Company Limited - Illum A/S - Phuket Hill Resort Company Limited - The 1 Central Company Limited - CGE Investment Ltd - Central Food Retail Ratchada Company Limited - C.D.S. Restaurant Company Limited - Vivify Company Limited - Central Condominium Company Limited - Central WHA Alliance Company Limited - Central Inter Pattana Company Limited - Suannaklua Company Limited - Cha-am Seaview Company Limited - Teenee Khonkhaen Company Limited	612.22	835.59	806.53	1,041.67	520.04	223.62	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.
Other related companies Group: - RIS Company Limited - SpicyDisc Company Limited - Bangkok Post Public Company Limited	470.80	-	439.05	-	478.02	-	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 3

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 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 2023.

Prasarn Trairatvorakul
Chairman

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 2023, 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 2023 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
<p>As at 31 December 2023, the Group had goodwill of Baht 37,121 million.</p> <p>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.</p> <p>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.</p>	<p>My audit procedures were as follows:</p> <ul style="list-style-type: none"> • 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
<p>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.</p> <p>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.</p>	<p>My audit procedures were as follows:</p> <ul style="list-style-type: none"> • 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
<p>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.</p> <p>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.</p>	<p>My audit procedures were as follows:</p> <ul style="list-style-type: none"> • 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 2024

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
Current assets					
Cash and cash equivalents	6	14,371,231,842	14,715,999,461	2,482,832,467	4,797,731,999
Other current financial assets	30	442,394,922	900,654,976	-	-
Trade receivables	5, 7	5,544,700,213	5,420,915,039	529,661,532	517,109,493
Other current receivables	5, 8	12,692,989,674	11,270,464,404	498,061,268	2,002,991,465
Short-term loans	5	42,495,139	43,495,135	28,854,812,228	29,335,618,119
Current portion of finance lease receivables	5	35,206,684	-	-	-
Inventories	9	46,412,520,273	43,675,110,136	-	-
Derivative assets	30	124,738,440	73,551,150	119,622,178	69,895,116
Other current assets		289,491,399	431,341,910	-	-
Total current assets		79,955,768,586	76,531,532,211	32,484,989,673	36,723,346,192
Non-current assets					
Investments in subsidiaries	11	-	-	128,274,347,225	116,459,175,246
Investments in associates	10	569,894,500	480,964,437	52,501,000	52,501,000
Investments in joint ventures	10	5,744,378,730	5,837,217,433	-	-
Other non-current financial assets	30	2,186,132,751	1,978,288,010	16,291,587	15,033,427
Finance lease receivables	5	2,198,922,335	2,170,721,443	-	-
Investment properties	12	17,689,246,209	17,291,765,248	-	-
Property, plant and equipment	13	57,496,652,132	49,044,595,698	22,080,401	21,827,940
Right-of-use assets	14	61,724,171,594	63,279,440,898	245,095,725	20,989,386
Goodwill	17	37,120,791,192	38,019,489,741	-	-
Intangible assets other than goodwill	18	9,969,725,556	9,426,387,532	194,794,389	126,086,292
Deferred tax assets	28	4,807,233,559	4,599,526,342	12,664,875	-
Long-term derivative assets	30	3,938,126	138,649,323	3,938,127	110,386,957
Other non-current assets		7,630,251,044	7,185,858,232	444,265,830	371,330,285
Total non-current assets		207,141,337,728	199,452,904,337	129,265,979,159	117,177,330,533
Total assets		287,097,106,314	275,984,436,548	161,750,968,832	153,900,676,725

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		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
		(in Baht)			
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	19, 30	30,917,329,259	34,953,665,329	23,203,484,842	26,445,377,885
Trade payables	5, 30	41,831,463,049	39,828,144,351	-	-
Other current payables	5, 20, 30	20,914,185,345	19,838,548,576	530,776,024	496,734,777
Derivative liabilities	30	4,597,673	59,798,671	-	-
Current portion of long-term borrowings	19, 30	16,931,897,255	6,561,383,424	16,000,000,000	1,500,000,000
Current portion of lease liabilities	5, 19, 30	7,045,936,530	6,524,040,110	14,613,664	17,055,690
Short-term borrowings from related parties	5, 19, 30	-	-	4,924,027,552	7,166,440,733
Corporate income tax payable		860,061,748	722,583,501	-	-
Total current liabilities		118,505,470,859	108,488,163,962	44,672,902,082	35,625,609,085
Non-current liabilities					
Long-term borrowings	19, 30	29,281,612,007	39,779,750,937	28,442,083,333	37,950,000,000
Lease liabilities	5, 19, 30	48,387,438,771	49,252,536,583	114,578,951	9,070,952
Debentures	19, 30	6,993,265,593	-	6,993,265,592	-
Deferred tax liabilities	28	2,729,001,240	2,917,913,582	-	3,890,187
Non-current provisions for employee benefits	21	2,351,075,965	2,234,671,300	124,020,077	105,794,714
Unearned lease income	5	5,493,179,377	5,480,988,159	-	-
Other non-current liabilities	5	3,095,799,545	2,945,262,060	43,493,827	34,552,614
Total non-current liabilities		98,331,372,498	102,611,122,621	35,717,441,780	38,103,308,467
Total liabilities		216,836,843,357	211,099,286,583	80,390,343,862	73,728,917,552

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
Liabilities and equity					
		<i>(in Baht)</i>			
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)	(2,833,147,597)	-	-
Retained earnings					
Appropriated					
Legal reserve	22	632,000,000	632,000,000	632,000,000	632,000,000
Unappropriated		18,304,992,101	13,157,564,259	7,960,068,016	6,772,208,747
Difference arising from change of non-controlling interests		(21,815,803,176)	(23,264,610,853)	-	-
Other components of equity		(144,346,794)	1,515,262,524	(23,903,060)	(24,909,588)
Equity attributable to owners					
of the parent		67,059,513,111	62,122,886,910	81,360,624,970	80,171,759,173
Non-controlling interests		3,200,749,846	2,762,263,055	-	-
Total equity		70,260,262,957	64,885,149,965	81,360,624,970	80,171,759,173
Total liabilities and equity		287,097,106,314	275,984,436,548	161,750,968,832	153,900,676,725

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		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
Revenue					
Revenue from sale of goods	23	221,925,768,268	211,903,483,270	-	-
(Gross revenue 2023 : Baht 267,261 million and 2022 : Baht 252,608 million)					
Revenue from rental services	23	7,785,094,924	6,583,314,360	-	-
Revenue from rendering of services	23	1,727,404,998	1,411,238,584	1,829,121,107	1,810,174,140
(Gross revenue 2023 : Baht 2,903 million and 2022 : Baht 2,348 million)					
Dividends income	5, 23	5,307,702	3,576,157	1,674,042,616	5,298,886,989
Interest income	23	292,433,178	210,141,931	1,080,304,898	553,666,186
Other income	24	16,952,424,217	16,133,029,004	3,840,196,273	879,295,318
Total revenue		248,688,433,287	236,244,783,306	8,423,664,894	8,542,022,633
(Gross revenue 2023 : Baht 295,199 million and 2022 : Baht 277,886 million)					
Expenses					
Cost of sales of goods		162,589,922,928	157,498,903,253	-	-
Cost of rental and rendering of services		2,351,449,055	2,148,049,134	-	-
Selling expenses	25	49,672,542,850	45,674,132,841	-	-
Administrative expenses	26	20,350,703,792	18,865,454,687	2,109,833,593	1,961,772,019
Total expenses		234,964,618,625	224,186,539,915	2,109,833,593	1,961,772,019
Profit from operating activities		13,723,814,662	12,058,243,391	6,313,831,301	6,580,250,614
Finance costs		(4,641,760,256)	(3,478,943,858)	(2,247,916,318)	(1,157,756,888)
Share of profit of associates and joint ventures accounted for using equity method	10	990,008,187	820,055,074	-	-
Profit before income tax expense		10,072,062,593	9,399,354,607	4,065,914,983	5,422,493,726
Tax expense (income)	28	1,549,541,796	1,794,207,609	(16,806,694)	15,161,125
Profit for the year		8,522,520,797	7,605,146,998	4,082,721,677	5,407,332,601

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Consolidated financial statements		Separate financial statements		
	Year ended 31 December		Year ended 31 December		
	Note	2023	2022	2023	2022
					<i>(in Baht)</i>
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements		(1,839,931,314)	367,221,274	-	-
Gain (loss) on cash flow hedges		(23,146,104)	31,193,203	-	-
Income tax relating to items that will be reclassified subsequently to profit or loss	28	5,555,065	(7,486,369)	-	-
Total items that will be reclassified subsequently to profit or loss		(1,857,522,353)	390,928,108	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain on investments in equity instruments designated at FVOCI		241,473,457	202,469,476	1,258,160	1,028,211
Gain (loss) on remeasurements of defined benefit plans	21	(10,336,403)	10,350,527	-	6,232,149
Income tax relating to items that will not be reclassified subsequently to profit or loss	28	(46,967,000)	(40,463,991)	(251,632)	(1,452,072)
Total items that will not be reclassified subsequently to profit or loss		184,170,054	172,356,012	1,006,528	5,808,288
Other comprehensive income (expense) for the year, net of tax		(1,673,352,299)	563,284,120	1,006,528	5,808,288
Total comprehensive income for the year		6,849,168,498	8,168,431,118	4,083,728,205	5,413,140,889
Profit attributable to:					
Owners of the parent		8,016,308,971	7,174,985,616	4,082,721,677	5,407,332,601
Non-controlling interests		506,211,826	430,161,382	-	-
		8,522,520,797	7,605,146,998	4,082,721,677	5,407,332,601
Total comprehensive income attributable to:					
Owners of the parent		6,357,074,789	7,745,288,889	4,083,728,205	5,413,140,889
Non-controlling interests		492,093,709	423,142,229	-	-
		6,849,168,498	8,168,431,118	4,083,728,205	5,413,140,889
Basic earnings per share (in Baht)		1.33	1.19	0.68	0.90

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

Central Retail Corporation Public Company Limited and its Subsidiaries

Statement of changes in equity

Note	Consolidated financial statements														
	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	Retained earnings		Difference arising from change of non-controlling interests	Other components of equity					Equity attributable to owners of the parent	Non-controlling interests	Total equity
					Legal reserve	Unappropriated		Translation reserve (in Baht)	Cash flow hedging reserve	Fair value reserve	Gain (loss) on remeasurements of defined benefit plans	Total other components of equity			
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															
<i>Distributions to owners of the parent</i>															
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)
<i>Changes in ownership interests in subsidiaries</i>															
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		-	-	-	-	-	-	-	-	-	-	-	-	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 (expense)		-	-	-	-	-	-	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
Year ended 31 December 2023															
Balance at 1 January 2023	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
Transactions with owners, recorded directly in equity															
<i>Contributions by and distributions to owners of the parent</i>															
Initial public offering of subsidiary	4	-	-	-	-	-	1,445,251,741	-	-	-	-	-	1,445,251,741	319,310,759	1,764,562,500
Dividends	29	-	-	-	-	(2,894,862,408)	-	-	-	-	-	-	(2,894,862,408)	(343,853,654)	(3,238,716,062)
Total contributions by and distributions to owners of the parent		-	-	-	-	(2,894,862,408)	1,445,251,741	-	-	-	-	-	(1,449,610,667)	(24,542,895)	(1,474,153,562)
<i>Changes in ownership interests in subsidiaries</i>															
Acquisition of non-controlling interests with a change in control		-	-	-	-	-	-	94,531	-	-	-	94,531	94,531	3,525	98,056
Disposal of non-controlling interests without a change in control		-	-	-	-	25,981,279	3,555,936	-	-	-	(469,667)	(469,667)	29,067,548	(29,067,548)	-
Total changes in ownership interests in subsidiaries		-	-	-	-	25,981,279	3,555,936	94,531	-	-	(469,667)	(375,136)	29,162,079	(29,064,023)	98,056
Total transactions with owners, recorded directly in equity		-	-	-	-	(2,868,881,129)	1,448,807,677	94,531	-	-	(469,667)	(375,136)	(1,420,448,588)	(53,606,918)	(1,474,055,506)
Comprehensive income (expense) for the year															
Profit		-	-	-	-	8,016,308,971	-	-	-	-	-	-	8,016,308,971	506,211,826	8,522,520,797
Other comprehensive income (expense)		-	-	-	-	-	-	(1,822,741,436)	(17,591,039)	190,611,994	(9,513,701)	(1,659,234,182)	(1,659,234,182)	(14,118,117)	(1,673,352,299)
Total comprehensive income (expense) for the year		-	-	-	-	8,016,308,971	-	(1,822,741,436)	(17,591,039)	190,611,994	(9,513,701)	(1,659,234,182)	6,357,074,789	492,093,709	6,849,168,498
Balance at 31 December 2023	6,031,000,000	66,761,460,014	123,358,563	(2,833,147,597)	632,000,000	18,304,992,101	(21,815,803,176)	(1,310,325,910)	3,888,359	1,448,018,771	(285,928,014)	(144,346,794)	67,059,513,111	3,200,749,846	70,260,262,957

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	
	2023	2022	2023	2022
	(in Baht)			
Cash flows from operating activities				
Profit for the year	8,522,520,797	7,605,146,998	4,082,721,677	5,407,332,601
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense (income)	1,549,541,796	1,794,207,609	(16,806,694)	15,161,125
Finance costs	4,641,760,256	3,478,943,858	2,247,916,318	1,157,756,888
Depreciation and amortisation	17,722,315,886	17,170,528,868	36,930,378	35,956,033
Expected credit losses	120,604,057	39,516,718	1,669,323	58,256,747
(Reversal of) impairment loss	81,352,227	(95,510,922)	-	-
Allowance for impairment loss on investment in joint ventures	3,747,932	-	-	-
Unrealised (gain) loss on exchange rate	56,321,621	48,800,603	286,280,349	(357,095,761)
Unrealised (gain) loss on derivative	5,176,804	(140,309,236)	56,721,769	(180,585,733)
Share of profit of associates and joint ventures accounted for				
using equity method, net of tax	(990,008,187)	(820,055,074)	-	-
Loss on inventories devaluation	1,024,777,344	464,273,573	-	-
(Gain) loss on disposal of investment property, property, plant and equipment, right-of-use assets and intangible assets				
and remeasurement of right-of-use assets	124,384,566	41,396,820	(93,230)	4,632,833
(Gain) loss on disposal of investment in subsidiaries	-	(397,732,559)	(3,012,292,500)	589
Gain on disposal of investment in associate	-	(438,702)	-	-
Realised unearned lease income	(360,345,126)	(424,433,694)	-	-
Non-current provisions for employee benefits	268,500,640	166,451,175	18,225,362	10,170,410
Dividends income	(5,307,702)	(3,576,157)	(1,674,042,616)	(5,298,886,989)
Interest income	(292,433,178)	(210,141,931)	(1,080,304,898)	(553,666,186)
	<u>32,472,909,733</u>	<u>28,717,067,947</u>	<u>946,925,238</u>	<u>299,032,557</u>
<i>Changes in operating assets and liabilities</i>				
Trade receivables	(201,608,340)	(578,648,734)	(12,552,039)	(400,754,549)
Other current receivables	(1,497,256,798)	(1,363,289,827)	(43,915,774)	(44,327,428)
Inventories	(3,762,187,481)	(7,538,411,892)	-	-
Finance lease receivable	(45,420,646)	53,659,200	-	-
Other current assets	178,846,369	(112,552,041)	-	-
Other non-current assets	(66,193,153)	18,673,491	4,038,222	27,896,505
Trade payables	2,003,318,698	2,918,080,037	-	-
Other current payables	326,015,124	1,451,193,954	34,283,923	159,240,564
Non-current provisions for employee benefits	(169,570,263)	(124,162,106)	-	(296,655)
Unearned lease income	372,536,345	271,941,147	-	-
Other non-current liabilities	149,718,382	155,622,176	8,941,213	33,848,513
Net cash generated from operations	<u>29,761,107,970</u>	<u>23,869,173,352</u>	<u>937,720,783</u>	<u>74,639,507</u>
Taxes paid	(2,277,790,557)	(1,409,461,965)	(89,473,767)	(72,782,952)
Net cash from operating activities	<u>27,483,317,413</u>	<u>22,459,711,387</u>	<u>848,247,016</u>	<u>1,856,555</u>

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	
	2023	2022	2023	2022
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Payment from disposal of subsidiaries, net of cash acquired	-	(11,936,756)	-	-
Proceeds from disposal of subsidiaries	39,149,780	-	4,369,792,500	209
Acquisition of subsidiaries, net of cash acquired	-	(187,214,055)	-	-
Increase in investment of subsidiaries	-	-	(4,419,999,980)	(6,164,973,400)
Increase in share capital of subsidiaries	-	-	(8,752,671,998)	(1,690,183,355)
Proceeds from disposal of investment in associate	-	438,702	-	-
Increase in investment of joint venture	-	(45,000,000)	-	-
Increase in share capital of joint venture	(80,000,000)	(40,000,000)	-	-
Proceeds from disposal of other current financial assets	7,931,697,120	8,112,279,961	-	-
Acquisition of other current financial assets	(7,467,431,528)	(7,792,807,720)	-	-
Acquisition of other non-current financial assets	-	(159,405,313)	-	-
Proceeds from disposal of property, plant and equipment	182,425,482	266,007,994	4,852,010	59,592
Acquisition of property, plant and equipment	(16,228,895,545)	(14,395,302,334)	(14,277,530)	(7,142,490)
Acquisition of investment properties	(69,917,513)	(248,247,304)	-	-
Proceeds from disposal of other intangible assets	39,533,088	2,390,500	100,892	-
Acquisition of other intangible assets	(1,404,012,162)	(949,463,814)	(73,884,853)	(112,336,578)
Proceeds from repayment of short-term to related parties	-	100,000,000	71,025,648,692	55,618,510,362
Short-term loans to related parties	-	-	(70,544,842,800)	(63,610,413,796)
Proceeds from repayment of short-term to other parties	999,996	416,665	-	-
Short-term loans to other parties	-	(2,000,000)	-	-
Dividends received	1,023,989,456	310,083,964	3,258,973,529	3,713,956,076
Interest received	271,750,649	191,655,901	1,041,994,643	498,127,523
Net cash used in investing activities	(15,760,711,177)	(14,848,103,609)	(4,104,314,895)	(11,754,395,857)

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	
	2023	2022	2023	2022
	(in Baht)			
Cash flows from financing activities				
Proceeds from initial public offering of subsidiary	1,764,562,500	-	-	-
Proceeds from issue of ordinary shares of subsidiary	120	35,873,328	-	-
Proceeds from bank overdrafts and short-term borrowings from financial institutions	128,462,835,456	158,759,474,809	96,511,121,501	136,943,898,396
Repayment of bank overdrafts and short-term borrowings from financial institutions	(132,668,088,959)	(159,074,683,479)	(100,054,765,996)	(132,934,846,500)
Proceeds from short-term borrowings from related parties	-	-	64,963,225,722	48,023,965,120
Repayment of short-term borrowings from related parties	-	-	(67,189,719,703)	(47,796,781,373)
Proceeds from long-term borrowings from financial institutions	10,068,477,908	33,280,227,713	10,000,000,000	33,000,000,000
Repayment of long-term borrowings from financial institutions	(10,187,411,067)	(28,644,401,531)	(5,000,000,000)	(22,400,000,000)
Payment of lease liabilities	(10,731,425,435)	(10,238,185,939)	(145,675,610)	(23,804,029)
Proceeds from issuing debentures	7,000,000,000	-	7,000,000,000	-
Cash paid for finance cost from issuance of debenture	(7,000,000)	-	(7,000,000)	-
Dividends paid to owners of the Company	(2,894,862,408)	(1,809,235,404)	(2,894,862,408)	(1,809,235,404)
Dividends paid to non-controlling interests	(343,853,654)	(485,973,400)	-	-
Interest paid	(2,673,453,855)	(1,461,172,183)	(2,241,181,709)	(1,117,479,852)
Net cash from (used in) financing activities	(12,210,219,394)	(9,638,076,086)	941,141,797	11,885,716,358
Net increase (decrease) in cash and cash equivalents, before effect of exchange rate changes	(487,613,158)	(2,026,468,308)	(2,314,926,082)	133,177,056
Effect of exchange rate changes on cash and cash equivalents	292,278,990	339,121,036	26,550	(1,724)
Translating foreign operations	(149,433,451)	(176,043,408)	-	-
Net increase (decrease) in cash and cash equivalents,	(344,767,619)	(1,863,390,680)	(2,314,899,532)	133,175,332
Cash and cash equivalents at 1 January	14,715,999,461	16,579,390,141	4,797,731,999	4,664,556,667
Cash and cash equivalents at 31 December	14,371,231,842	14,715,999,461	2,482,832,467	4,797,731,999
Non-cash transactions				
Payable for property, plant and equipment	3,029,710,636	2,258,402,475	2,665,863	1,798,073
Payable for other intangible assets	373,933,730	396,068,918	714,110	659,722
Receivable for disposal of subsidiaries	-	39,873,341	-	-
Payable for acquisition of subsidiaries	42,181,519	42,441,743	-	-
Transfer from property, plant and equipment to investment property	1,182,308,468	2,430,115,575	-	-
Transfer from investment property to right-of-use assets	-	495,268,864	-	-
Transfer from right-of-use assets to investment property	780,467,939	-	-	-
Transfer from other non-current assets to long-term borrowings	12,500,000	-	12,500,000	-

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 2023****Note Contents**

1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Changing of non-controlling interests in subsidiary and 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

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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 2024.

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 Phatumvan, Bangkok, Thailand.

The parent company during the financial year were Harn 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	2023 Ownership interest (%)	2022 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	Service	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 Hardline Limited	Investing	Thailand	99.99	-
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	98.39	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 ⁽¹⁾	Dormant company	Thailand	-	98.36

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Name of the entity	Type of business	Country of incorporation	2023 Ownership interest (%)	2022 Ownership interest
Robinson Department Store (Vietnam) Joint Stock Company	Department store	Vietnam	98.39	98.39
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 Food Minimarket Co., Ltd (Formerly 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	Retail and wholesales	Thailand	99.99	99.97
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	100.00	100.00
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
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. ⁽¹⁾	Dormant company	Malaysia	-	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
KHRING KHRING LIMITED	Software development	Thailand	55.94	-
OfficeMate (Thai) Limited	Office equipment retail	Thailand	99.74	99.74
B2S Vietnam Joint Stock Limited	Dormant company (in process of liquidation)	Vietnam	99.55	99.55

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Name of the entity	Type of business	Country of incorporation	2023 Ownership interest (%)	2022 Ownership interest (%)
COL Vietnam Joint Stock Company	Dormant company (in process of liquidation)	Vietnam	99.55	99.55
MEB Corporation Public Company Limited	E-Book store	Thailand	55.94	74.81
MP Synergy Company Limited	Manufacturer and distributor of Furniture	Thailand	59.99	59.99
Officemate Omni Franchise Co., Ltd.	Consultation service	Thailand	99.74	99.74
Officemate Logistic Limited	Distribution center	Thailand	99.74	99.74
Hytex Interactive Co., Ltd.	E-Book store	Thailand	41.95	56.10
Two Bees(HK) Limited	Investing	Hong Kong	99.74	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
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
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

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Name of the entity	Type of business	Country of incorporation	2023 Ownership interest (%)	2022
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	Dormant company	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
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

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

Name of the entity	Type of business	Country of incorporation	2023 Ownership interest (%)	2022
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	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 ⁽¹⁾	Dormant company	Thailand	-	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	99.99

⁽¹⁾ Liquidation completed during 2023

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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023***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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****(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.

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.

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

(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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****(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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023***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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****(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.

(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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****(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.

For contract liabilities recognized from the prepayment for its performance obligation to transfer goods or services in the future, if the Group expects to be entitled to a breakage amount, the expected breakage amount shall be recognized as revenue in proportion to the pattern of rights exercised by the customer when the likelihood of the customer exercising its remaining rights becomes remote. The Group shall consider the probability of breakage revenue recognition by reference to historical data of exercising right, customer behaviors and other related factors. The Group consistently evaluates the assumptions related to probabilities.

(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 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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

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 Changing of non-controlling interests in subsidiary and acquisitions of subsidiaries***In 2023***

On 14 February 2023, MEB Corporation Public Company Limited (MEB) offered ordinary shares to the initial public offering (IPO) totalling to 75.5 million shares at price of Baht 28.5 per share which separated to (1) Ordinary shares of capital increase of 22.5 million shares and (2) Ordinary shares of existing shareholders of 53 million shares.

After such event, the Group has retained control over MEB Corporation Public Company Limited (MEB) by decreasing of its ownership interests from 74.81% to 55.94%. The Group present the effect of change of its interest in such subsidiary of Baht 1,445 million as difference arising from change of non-controlling interests in the consolidated statement of changes in equity.

MEB has started trading in Market for Alternative Investment (MAI) on 14 February 2023.

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.

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

<i>Identifiable assets acquired and liabilities assumed</i>	Fair value <i>(in million Baht)</i>
Cash and cash equivalents	32
Inventories	79
Other current receivables	22
Property, plant and equipment	94
Intangible assets	78
Other non-current assets	2
Other current payables	(23)
Long-term loans	(25)
Deferred tax liabilities	(18)
Total identifiable net assets	241
<i>Less Non-controlling interests (40%)</i>	<i>(96)</i>
Total identifiable net assets received	145
Goodwill arising from the acquisition	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.

<i>Identifiable assets acquired and liabilities assumed</i>	<i>(in million Baht)</i>
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)

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:

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Name of entities	Country of incorporation/ nationality	Nature of relationships
CGE Investments Limited	United Kingdom	Common parent
Lagrange Estate	Italy	Common parent
PT Central Retail Indonesia Co., Ltd	Indonesia	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
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 Fintech 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 2 Co., Ltd.	Thailand	Some common directors
Central Pattana Rama 3 Co., Ltd.	Thailand	Some common directors
Central Pattana Rattanaibeth 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 Sukhontha Hotel Co., Ltd.	Thailand	Some common directors
Central Tham Social Enterprise Company Limited	Thailand	Some common directors
Central WHA Alliance Co., Ltd.	Thailand	Some common directors
Central World Co., Ltd.	Thailand	Some common directors
Central World Hotel Company Limited	Thailand	Some common directors
CPN City 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 International Food Co., Ltd.	Thailand	Some common directors
Ekkamai Lifestyle Center Co., Ltd.	Thailand	Some common directors
Federic World Sales Company Limited	Thailand	Some common directors
Flour Shoppe Co., Ltd.	Thailand	Some common directors
Overseas Fashion Ltd.	Thailand	Some common directors
Petchkasem Power Center Company Limited	Thailand	Some common directors
Prin Intertrade Co., Ltd.	Thailand	Some common directors
Sala Samui Co., Ltd.	Thailand	Some common directors
Siam Future Development Public Company Limited	Thailand	Some common directors
Siam Future Property Co., Ltd.	Thailand	Some common directors

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Name of entities	Country of incorporation/ nationality	Nature of relationships
Spicy Disc Co., Ltd.	Thailand	Some common directors
Suan Na Klua Co., Ltd.	Thailand	Some common directors
The 1 Central 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

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Parent				
Rental and service income	30	27	-	-
Other income	13	14	2	2
Interest expense	83	61	-	-
Lease-related expense	75	26	-	-
Management fee expense	835	769	355	321
Other expenses	214	269	10	39
Subsidiaries				
Dividend income	-	-	1,434	5,168
Royalty income	-	-	384	353
Interest income	-	-	1,052	542
Management fee income	-	-	1,829	1,810
Gain on disposal of investment	-	-	3,012	-
Other income	-	-	190	48
Interest expense	-	-	42	80
Lease-related expense	-	-	14	11
Other expenses	-	-	26	27
Associates				
Rental and service income	198	163	-	-
Revenue from sales of goods	34	29	-	-
Dividend income	321	164	240	131
Other income	133	88	-	-
Purchases of goods or receiving of services	15	11	-	-
Other expenses	8	17	-	-
Joint ventures				
Rental and service income	162	150	-	-
Management fee income	123	101	1	-
Dividend income	703	146	-	-
Other income	28	28	-	-
Other expenses	3	2	-	-
Other related parties				
Rental and service income	404	357	-	-
Revenue from sales of goods	25	68	-	-
Utility income	53	46	-	-
Management fee income	29	53	-	-
Interest income	73	74	-	-

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Other related parties (Con't)				
Other income	83	117	15	20
Purchases of goods or receiving of services	13	53	-	-
Interest expense	326	341	1	1
Lease-related expense	1,000	421	8	-
Sales promotion expense	88	115	-	-
Utility expenses	817	682	-	-
Management fee expense	218	204	-	-
Other expenses	568	512	11	13
Key management personnel				
Short-term employee benefits	2,746	2,463	459	477
Post-employment benefits	89	74	19	7
Termination benefits	20	23	-	-
<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Trade receivables				
Parent	6	3	-	-
Subsidiaries	-	-	530	517
Associates	18	12	-	-
Joint ventures	16	18	-	-
Other related parties	168	141	4	4
	<u>208</u>	<u>174</u>	<u>534</u>	<u>521</u>
Less allowance for expected credit loss	<u>(7)</u>	<u>(4)</u>	<u>(4)</u>	<u>(4)</u>
Net	<u>201</u>	<u>170</u>	<u>530</u>	<u>517</u>
Other current receivables				
Parent	4	1	-	-
Subsidiaries	-	-	304	1,755
Associates	104	73	-	-
Joint ventures	6	4	-	-
Other related parties	241	258	8	1
	<u>355</u>	<u>336</u>	<u>312</u>	<u>1,756</u>
Less allowance for expected credit loss	<u>-</u>	<u>-</u>	<u>(11)</u>	<u>(9)</u>
Net	<u>355</u>	<u>336</u>	<u>301</u>	<u>1,747</u>
Short term loans to				
Subsidiaries	-	-	28,903	29,384
Joint ventures	42	42	-	-
	<u>42</u>	<u>42</u>	<u>28,903</u>	<u>29,384</u>
Less allowance for expected credit loss	<u>-</u>	<u>-</u>	<u>(48)</u>	<u>(48)</u>
Net	<u>42</u>	<u>42</u>	<u>28,855</u>	<u>29,336</u>

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

<i>Expected credit losses</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Trade receivables	3	-	-	-
Other receivables	-	-	2	9
Loans to	-	-	-	48
<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<i>Finance lease receivables</i>				
Other related party	2,234	2,171	-	-
<i>Trade payables</i>				
Other related parties	29	25	-	-
<i>Other current payables</i>				
Parent	122	51	1	1
Subsidiaries	-	-	10	15
Joint ventures	2	5	-	-
Other related parties	1,015	1,272	11	9
Total	1,139	1,328	22	25
<i>Short-term borrowings</i>				
Subsidiaries	-	-	4,924	7,166
<i>Lease liabilities</i>				
Parent	2,401	2,885	-	-
Subsidiaries	-	-	9	5
Other related parties	11,444	11,317	23	19
Total	13,845	14,202	32	24
<i>Unearned lease income</i>				
Other related parties	5,287	5,296	-	-
<i>Other non-current liabilities</i>				
Parent	2	-	42	33
Subsidiaries	-	-	1	1
Associates	59	54	-	-
Other related parties	16	100	-	-
Total	77	154	43	34
<i>Other commitments</i>				
Service agreements	354	341	354	341

Guarantor for credit facilities

As at 31 December 2023, the Company acted as guarantor for credit facilities from financial institutions for its related parties totaling Baht 487 million (2022: Baht 2,711 million).

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023*****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 - 38 years. The Group paid the compensation in advance as specified in the agreements and present as part of other non-current assets.

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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.

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

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.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023
Member card service agreement

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

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.

Rendering of services agreement

The Company has entered into service agreements to provide improvement of e-commerce and omnichannel to related parties. Related parties agreed to pay service fee at cost plus method as specified in the agreements.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Cash on hand	1,228	987	-	-
Cash at banks	12,015	13,069	2,483	4,798
Highly liquid short-term investments	1,128	660	-	-
Total	14,371	14,716	2,483	4,798

7 Trade receivables

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<i>At 31 December</i>	<i>(in million Baht)</i>			
Within credit terms	3,547	3,623	146	237
Overdue				
Less than 3 months	1,710	1,488	87	82
3 - 6 months	149	141	94	105
6 - 12 months	188	132	172	76
More than 12 months	234	333	35	21
Total	5,828	5,717	534	521
Less allowance for expected credit loss	(283)	(296)	(4)	(4)
Net	5,545	5,421	530	517
<i>Allowance for expected credit loss</i>				
At 1 January	296	384	4	4
Addition	106	119	-	-
Reversal	(61)	(123)	-	-
Write-off	(60)	(86)	-	-
Effect of exchange rate	2	2	-	-
At 31 December	283	296	4	4

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Information of credit risk is disclosed in note 30 (b.1).

8 Other current receivables

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Dividend receivables	-	-	-	1,585
Revenue Department receivables	2,464	1,439	-	-
Receivables from supplier	3,883	3,781	-	-
Prepaid expenses	2,646	2,306	5	3
Deferred promotion income	2,212	2,514	358	310
Interest receivables	7	4	146	108
Others	1,794	1,563	9	15
	13,006	11,607	518	2,021
<i>Less</i> allowance for expected credit loss	(313)	(337)	(20)	(18)
Net	12,693	11,270	498	2,003

9 Inventories

	Consolidated financial statements	
	2023	2022
	<i>(in million Baht)</i>	
Merchandise	48,274	45,246
Goods in transit	947	1,083
Others	35	29
	49,256	46,358
<i>Less</i> allowance for devaluation	(2,843)	(2,683)
Net	46,413	43,675
Inventories recognised as an expense in 'administrative expense':		
- (Reversal of) write-down to obsolescence and slow moving	56	(460)
- Write-down to shrinkage and damage inventories	969	924
	1,025	464

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023
10 Investments in associates and joint ventures

	Type of business	Ownership interest		Paid-up capital		Cost		At equity method		Impairment loss		At equity method - net		Dividend income for the year	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
		(%)		(in million Baht)						(in million Baht)					
Direct associates															
Central Watson Co., Ltd.	Retail	28.89	28.89	182	182	53	53	152	165	-	-	152	165	240	131
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	5	6	-	-	5	6	-	-
Associate under “Central Marketing Group Co., Ltd.” Samsonite (Thailand) Co., Ltd. ⁽¹⁾	Fashion	50.41	50.41	21	21	9	9	357	262	-	-	357	262	80	32
Associate under “Central Trading Co., Ltd.” Kokuyo International (Thailand) Co., Ltd.	Fashion	24.00	24.00	10	10	<u>2</u>	<u>2</u>	<u>56</u>	<u>48</u>	<u>-</u>	<u>-</u>	<u>56</u>	<u>48</u>	<u>1</u>	<u>1</u>
Total associates						<u>78</u>	<u>78</u>	<u>570</u>	<u>481</u>	<u>-</u>	<u>-</u>	<u>570</u>	<u>481</u>	<u>321</u>	<u>164</u>
Indirect joint ventures															
Joint ventures under “Central Department Store Limited” MUJI Retail (Thailand) Co., Ltd. ⁽¹⁾	Retail	50.00	50.00	820	660	410	330	497	445	-	-	497	445	80	40
Luxury Goods (Thailand) Ltd.	Retail	25.00	25.00	300	300	75	75	86	561	(4)	-	82	561	623	106
Bottega Venata (Thailand) Ltd.	Retail	25.00	25.00	100	100	25	25	56	40	-	-	56	40	-	-
Central DFS Co., Ltd. ⁽¹⁾	Retail	51.00	51.00	71	71	36	36	-	7	-	-	-	7	-	-

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Type of business	Ownership interest		Paid-up capital		Cost		At equity method		Impairment loss		At equity method - net		Dividend income for the year	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
		(%)		(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	50.00	90	90	45	45	45	45	-	-	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	5,064	4,739	-	-	5,064	4,739	-	-
Total joint ventures						5,086	5,006	5,748	5,837	(4)	-	5,744	5,837	703	146
Net Investments in joint ventures and associates						5,164	5,084	6,318	6,318	(4)	-	6,314	6,318	1,024	310

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Type of business	Ownership interest		Paid-up capital		Separate financial statements			
		2023	2022	2023	2022	Cost		Dividend income for the year	
		(%)		(in million Baht)		2023	2022	2023	2022
<i>Associates</i>									
Central Watson Co., Ltd.	Retail	28.89	28.89	182	182	53	53	240	131
Total						53	53	240	131

⁽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 Porto Worldwide Limited which was incorporated and mainly operates in Hong Kong.

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.

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

<i>Material movements</i> <i>For the year ended 31 December</i>	Consolidated	
	financial statements	
	2023	2022
	<i>(in million Baht)</i>	
<i>Joint ventures</i>		
Invest in Greengen Energy Co., Ltd.	-	45
Increase in share capital in MUJI Retail (Thailand) Co., Ltd.	80	40
Impairment loss	(4)	-

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%.

During 2023, the Group has loss on impairment of Luxury Goods (Thailand) Ltd., amounting to Baht 4 million.

Increase in share capital

During 2023, the Group made additional investments in MUJI Retail (Thailand) Co., Ltd. to increase share capital of 800,000 shares, amounting to Baht 80 million.

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.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023
11 Investments in subsidiaries

	Ownership interest		Separate financial statements									
			Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
			2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	(%)		(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	126	-
SSHD Co., Ltd.	99.99	99.99	255	255	255	255	-	-	255	255	-	-
PBHD Co., Ltd.	99.99	99.99	19,750	11,400	19,750	11,400	-	-	19,750	11,400	376	-
CRC Thaiwatsadu Co., Ltd.	74.99	99.99	5,430	5,430	4,071	5,429	-	-	4,071	5,429	814	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
SFM Holding Company Limited	-	99.99	-	1,805	-	4,929	-	-	-	4,929	-	-
CRC Hardline Limited	99.99	-	4,420	-	4,420	-	-	4,420	-	-	-	-
			(in million EUR)									
CRC Holland B.V.	100.00	100.00	-	-	989	989	-	-	989	989	-	-
Central Retail Investment Limited	100.00	100.00	130	130	4,811	4,811	-	-	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	118	456
Central Pet and Me Limited ⁽¹⁾	0.01	0.01	1	1	-	-	-	-	-	-	-	-
Central Food Retail Co., Ltd.	24.71	-	2,031	-	4,929	-	-	-	4,929	-	-	-
			(in thousand EUR)									
Quinam B.V. ⁽¹⁾	11.07	10.27	20	20	4,890	4,487	-	-	4,890	4,487	-	-
Total					128,274	116,459	-	-	128,274	116,459	1,434	5,168

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

⁽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.

<i>Material movements</i> <i>For the year ended 31 December</i>	Separate financial statements	
	2023	2022
	<i>(in million Baht)</i>	
<i>Subsidiaries</i>		
Purchase additional investment in SFM Holding Company Limited	-	1,354
Invest in CRC Hardline Limited	4,420	-
Invest in Central Retail Investment Limited	-	4,811
Increase in share capital in Quinam B.V.	403	1,690
Increase in share capital in PBHD Co., Ltd.	8,350	-
Sales investment in CRC Thaiwatsadu Co., Ltd.	(1,358)	-
<i>Movement from entire business transfer</i>		
Transferor: SFM Holding Company Limited	(4,929)	-
Transferee: Central Food Retail Co., Ltd.	4,929	-

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 2023, the Company made 99.99% new investment in CRC Hardline Limited, amounting to Baht 4,420 million.

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 2023, the Company made additional investments in Quinam B.V. to increase share capital of 180 shares, amounting to Baht 403 million, as a result, the Company's direct ownership interest increased from 10.27% to 11.07%, without effective change in the Group's ownership interest.

During 2023, the Company increase in share capital of PBHD Co., Ltd. of 83.5 million shares, amounting to Baht 8,350 million.

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.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023
Disposal of investment

During 2023, the Company sold investments in CRC Thaiwatsadu Co., Ltd. of 135.75 million shares at Baht 32.19 per share, amounting to Baht 4,370 million to its subsidiary, without effective change in the Group's ownership interest. Gain on disposal of such investment amounting to Baht 3,012 million presents as part of other income in the separate financial statements.

Business Transfer

During 2023, the Group has restructured its shareholding in Central Food Retail Co., Ltd. by the entire business transfer of SFM Holding Company Limited to Central Food Retail Co., Ltd. However, such restructuring does not affect the Group's controlling interests and ownership interest in Central Food Retail Co., Ltd.

12 Investment properties

	Note	Consolidated financial statements	
		2023	2022
		<i>(in million Baht)</i>	
Cost			
At 1 January		27,551	25,173
Additions		70	248
Transfer from property, plant and equipment and right-of use assets	<i>13,14</i>	1,704	2,181
Disposals		(170)	(45)
Effect of movements in exchange rates		(422)	(6)
At 31 December		28,733	27,551
Depreciation			
At 1 January		10,259	8,889
Depreciation charge for the year		1,314	1,166
Transfer from (to) property, plant and equipment and right-of use assets	<i>13,14</i>	(260)	247
Disposals		(168)	(42)
Effect of movements in exchange rates		(101)	(1)
At 31 December		11,044	10,259
Net book value			
At 31 December		17,689	17,292

Information relating to leases are disclosed in notes 15 and 16.

The fair value of investment properties as at 31 December 2023 of Baht 33,660 million (2022: Baht 30,917 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 2023

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 <i>(in million Baht)</i>	Furniture, fixtures and office equipment	Vehicles	Machine	Assets under construction	Total
Cost											
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		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 and At 1 January 2023		5,525	6,691	49,238	3,095	27,589	20,850	551	7	2,770	116,316
Additions		2,047	26	1,258	370	1,224	1,805	51	-	10,219	17,000
Transfers		(1)	243	5,611	14	2,698	811	-	1	(9,377)	-
Transfer from (to) investment property	12	(60)	10	(486)	-	(378)	(14)	(8)	-	(156)	(1,092)
Disposals		(7)	(143)	(1,031)	(184)	(1,097)	(999)	(26)	(1)	(9)	(3,497)
Effect of movements in exchange rates		(2)	139	(133)	13	(110)	46	(10)	-	(39)	(96)
At 31 December 2023		7,502	6,966	54,457	3,308	29,926	22,499	558	7	3,408	128,631

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023
Consolidated financial statements

	Note	Land and land improve- ments	Leasehold improve- ments	Building, construction and improvements	Information system equipment	Utility and building system equipment <i>(in million Baht)</i>	Furniture, fixtures and office equipment	Vehicles	Machine	Assets under construction	Total
<i>Depreciation and impairment losses</i>											
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 and											
At 1 January 2023		28	5,087	22,959	2,598	19,398	16,823	378	-	-	67,271
Depreciation charge for the year		11	314	2,635	279	1,802	1,744	61	1	-	6,847
(Reversal of) impairment losses		-	(3)	5	1	9	17	-	-	-	29
Transfer from (to) investment property	12	-	11	49	-	44	(5)	(8)	-	-	91
Disposals		-	(135)	(1,000)	(174)	(909)	(929)	(26)	-	-	(3,173)
Effect of movements in exchange rates		-	94	(26)	12	(46)	40	(5)	-	-	69
At 31 December 2023		39	5,368	24,622	2,716	20,298	17,690	400	1	-	71,134
<i>Net book value</i>											
At 31 December 2022											
Owned assets		5,497	1,604	26,279	497	8,191	4,027	173	7	2,770	49,045
At 31 December 2023											
Owned assets		7,463	1,598	29,835	592	9,628	4,809	158	6	3,408	57,497

Capitalised borrowing costs relating to the acquisition of the land and the construction of the new department store is amounted to Baht 24 million for the Group (2022: Baht 12 million) with a capitalisation rate of 2.60% - 7.15% per annum (2022: 1.51% - 5.95% per annum).

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

14 Right-of-use-assets

Consolidated financial statements						
	<i>Note</i>	Land and land improvements	Building, construction and improvements	Furniture, fixtures and office equipment <i>(in million Baht)</i>	Assets under construction	Total
Cost						
At 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	<i>12</i>	852	12	-	-	864
Disposals		(276)	(4,669)	(274)	-	(5,219)
Effect of movements in exchange rates		(10)	(878)	-	-	(888)
At 31 December 2022 and 1 January 2023		29,051	88,733	188	321	118,293
Additions		1,548	3,809	-	903	6,260
Remeasurement		117	2,329	-	-	2,446
Transfers		827	8	-	(835)	-
Transfer to investment property	<i>12</i>	(550)	(62)	-	-	(612)
Disposals		(353)	(3,621)	(29)	-	(4,003)
Effect of movements in exchange rates		(399)	481	-	-	82
At 31 December 2023		30,241	91,677	159	389	122,466

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023
Consolidated financial statements

	<i>Note</i>	Land and land improvements	Building, construction and improvements	Furniture, fixtures and office equipment <i>(in million Baht)</i>	Assets under construction	Total
<i>Depreciation and impairment losses</i>						
At 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	<i>12</i>	199	170	-	-	369
Disposals		(187)	(4,025)	(261)	-	(4,473)
Effect of movements in exchange rates		(12)	(348)	-	-	(360)
At 31 December 2022 and 1 January 2023		8,459	46,384	171	-	55,014
Depreciation charge for the year		1,255	7,560	11	-	8,826
(Reversal of) impairment losses		61	(16)	-	-	45
Transfer from investment property	<i>12</i>	9	160	-	-	169
Disposals		(154)	(3,269)	(28)	-	(3,451)
Effect of movements in exchange rates		(150)	289	-	-	139
At 31 December 2023		9,480	51,108	154	-	60,742
<i>Net book value</i>						
At 31 December 2022						
Owned assets		20,592	42,349	17	321	63,279
		20,592	42,349	17	321	63,279
At 31 December 2023						
Owned assets		20,761	40,569	5	389	61,724
		20,761	40,569	5	389	61,724

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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 2023, the Group leased land, buildings and equipment for 2-32 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.

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Sub-lease income	132	132	-	-
COVID-19 related rent concessions	(91)	(127)	-	-
Depreciation of right-of-use assets:				
- Land improvement	1,255	1,252	2	-
- Buildings	7,560	7,851	20	21
- Office equipment	11	19	-	-
Interest on lease liabilities	1,988	1,932	3	1
Expenses relating to short-term leases	366	356	23	11
Variable lease payments based on sales	1,035	584	-	-

In 2023, total cash outflow for leases of the Group and the Company were Baht 10,731 million and Baht 146 million, respectively. (2022: Baht 10,238 million and Baht 24 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.

<i>Lease payments to be received from finance lease receivables At 31 December</i>	Consolidated financial statements	
	2023	2022
	<i>(in million Baht)</i>	
1 st year	879	616
2 nd year	10	110
3 rd year	110	10
4 th year	10	110
5 th year	10	10
After 5 th year	4,028	4,038
Total	5,047	4,894

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

17 Goodwill

		Consolidated financial statements	
	<i>Note</i>	2023	2022
		<i>(in million Baht)</i>	
Cost			
At 1 January		40,823	40,889
Acquired through business combination	4	-	89
Effect of movements in exchange rates		(898)	(155)
At 31 December		<u>39,925</u>	<u>40,823</u>
Impairment losses			
At 1 January		(2,804)	(2,804)
At 31 December		<u>(2,804)</u>	<u>(2,804)</u>
Net book value			
At 31 December		<u><u>37,121</u></u>	<u><u>38,019</u></u>

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
At 1 January	4,738	4,876	21,021	21,035	4,631	4,634	7,130	7,041	499	499	38,019	38,085
Acquired through business combinations	-	-	-	-	-	-	-	89	-	-	-	89
Effect of movements in exchange rates	156	(138)	(847)	(14)	(187)	(3)	-	-	(20)	-	(898)	(155)
At 31 December	4,894	4,738	20,174	21,021	4,444	4,631	7,130	7,130	479	499	37,121	38,019

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 2023

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	
	2023	2022	2023	2022	2023	2022	2023	2022
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 5.00% 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 4.85% 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 2023**

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately Euro 969 million (2022: Euro 646 million) for la Rinascente S.p.A., VND 55,598 billion (2022: VND 64,121 billion) for Quinam B.V. and its subsidiaries, VND 915 billion (2022: VND 1,695 billion) for NKT New Solution and Technology Development Investment Joint Stock Company and its subsidiaries, and Baht 11,786 million (2022: Baht 13,658 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	
	2023	2022	2023	2022	2023	2022	2023	2022
Discount rate	12.49	7.47	4.80	4.68	(%) 0.50	0.88	7.57	8.26

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

18 Other intangible assets

	Consolidated financial statements					Total
	Software licenses	Trademarks and franchise	Customer relationship <i>(in million Baht)</i>	System development	Asset under installment	
Cost						
At 1 January 2022	3,176	6,555	582	2,257	305	12,875
Acquired through business combination	-	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 and 1 January 2023	3,104	6,319	583	2,462	1,139	13,607
Additions	158	1	-	59	1,163	1,381
Transfers	68	-	-	411	(479)	-
Disposals	(38)	-	-	(37)	-	(75)
Effect of movements in exchange rates	(30)	(41)	-	29	-	(42)
At 31 December 2023	3,262	6,279	583	2,924	1,823	14,871

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Consolidated financial statements					
	Software licenses	Trademarks and franchise	Customer relationship	System development	Asset under installment	Total
	<i>(in million Baht)</i>					
<i>Amortisation and impairment losses</i>						
At 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 and 1 January 2023	1,628	611	151	1,761	30	4,181
Amortisation for the year	358	4	78	307	-	747
(Reversal of) impairment loss	2	-	-	(1)	6	7
Disposals	(26)	-	-	(5)	-	(31)
Effect of movements in exchange rates	(16)	-	-	13	-	(3)
At 31 December 2023	1,946	615	229	2,075	36	4,901
<i>Net book value</i>						
At 31 December 2022	1,476	5,708	432	701	1,109	9,426
At 31 December 2023	1,316	5,664	354	849	1,787	9,970

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023
19 Interest-bearing liabilities

	Consolidated financial statements					
	2023			2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in million Baht)</i>					
Bank overdrafts and short-term borrowings from financial institutions	10,598	20,319	30,917	14,398	20,556	34,954
Current portion of long-term borrowings	283	16,649	16,932	3,809	2,752	6,561
Current portion of lease liabilities	-	7,046	7,046	-	6,524	6,524
Long-term borrowings	840	28,442	29,282	1,201	38,579	39,780
Lease liabilities	-	48,387	48,387	-	49,253	49,253
Debentures	-	6,993	6,993	-	-	-
Total interest-bearing liabilities	11,721	127,836	139,557	19,408	117,664	137,072

	Separate financial statements						
	Note	2023			2022		
		Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in million Baht)</i>						
Bank overdrafts and short-term borrowings from financial institutions		6,000	17,203	23,203	8,809	17,636	26,445
Short-term borrowings from related parties	5	-	4,924	4,924	-	7,166	7,166
Current portion of long-term borrowings		-	16,000	16,000	-	1,500	1,500
Current portion of lease liabilities		-	15	15	-	17	17
Long-term borrowings		-	28,442	28,442	-	37,950	37,950
Lease liabilities		-	115	115	-	9	9
Debentures		-	6,993	6,993	-	-	-
Total interest-bearing liabilities		6,000	73,692	79,692	8,809	64,278	73,087

**Assets pledged as security for liabilities
At 31 December**

	Consolidated financial statements	
	2023	2022
	<i>(in million Baht)</i>	
Fixed deposits	152	167
Investment properties	1,114	1,487
Property, plant and equipment	34	34
Total	1,300	1,688

As at 31 December 2023, the Group had unutilised credit facilities from financial institutions totaling Baht 66,865 million (2022: Baht 74,936 million).

As at 31 December 2023, the Company had unutilised credit facilities from financial institutions totaling Baht 30,303 million (2022: Baht 25,695 million).

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

As at 31 December 2023, 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 2.00% to 8.40% per annum (2022: 1.25% to 8.50% per annum).

As at 31 December 2023, the Company had short-term borrowings from financial institutions representing promissory notes repayable within 2024. Interests was charged at rates from 2.56% to 8.09% per annum (2022: 1.45% to 5.80% per annum).

As at 31 December 2023, 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 7.10% per annum (2022: 1.90% to 10.60% 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 2023, 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 4.07% per annum (2022: 1.90% to 3.93% 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.

As at 31 December 2023 the Company had the unsubordinated, unsecured debentures in registered form with debentures holders' representative, payable half-yearly totaling Baht 7,000 million.

Issued Date	Consolidated financial statements/ Separate financial statements		Term (Year)
	31 December 2023 (in million Baht)	Interest Rate (% p.a.)	
16 November 2023	5,700	3.26	3
16 November 2023	1,000	3.53	5
16 November 2023	300	3.84	7
Total	7,000		

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023
20 Other current payables

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Accrued operating expenses	5,971	6,147	222	173
Rental and service payable	4,670	4,946	3	13
Payable for purchase of assets	3,404	2,654	3	2
Accrued other tax expenses	2,670	2,243	66	52
Deposits and advances received	2,165	2,063	-	-
Accrued bonus	1,850	1,548	195	167
Others	184	238	42	90
Total	20,914	19,839	531	497

21 Non-current provisions for employee benefits
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.

<i>Present value of the defined benefit obligations</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		<i>(in million Baht)</i>			
At 1 January		2,235	2,213	106	102
<i>Recognised in profit or loss:</i>					
Current service costs and interest on obligation	27	269	221	18	10
Past service cost	27	-	(54)	-	-
<i>Recognised in other comprehensive income:</i>					
Actuarial (gain) loss					
- Demographic assumptions		-	(40)	-	(5)
- Financial assumptions		10	(195)	-	(4)
- Experience adjustment		-	225	-	3
Effect of movements in exchange rates					-
		7	(11)	-	-
Benefit paid		(170)	(124)	-	-
At 31 December		2,351	2,235	124	106

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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.

<i>Segment 1 Fashion</i>	Operating fashion business mostly under department store format in Thailand and overseas.
<i>Segment 2 Food Products</i>	Operating food retailing and wholesaling such as supermarket and convenience store.
<i>Segment 3 Hardline</i>	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 2023

<i>For the year ended 31 December</i>	Consolidated financial statement							
	Fashion		Food Products		Hardline		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in million Baht)</i>							
Information about reportable segments								
External revenues	69,156	60,857	87,811	85,875	74,769	73,380	231,736	220,112
Inter-segment revenue	8,712	11,520	10,526	6,268	2,041	1,738	21,279	19,526
Total revenue	77,868	72,377	98,337	92,143	76,810	75,118	253,015	239,638
Disaggregation of revenue								
Primary geographical markets								
Thailand	52,252	46,439	46,161	43,607	67,216	62,404	165,629	152,450
Italy	16,774	14,253	-	-	-	-	16,774	14,253
Vietnam	130	165	41,647	42,268	7,553	10,976	49,330	53,409
Others	-	-	3	-	-	-	3	-
Total revenue	69,156	60,857	87,811	85,875	74,769	73,380	231,736	220,112
Major products/service lines								
Sale of goods	62,579	55,496	85,155	83,556	74,192	72,852	221,926	211,904
Rental services	5,507	4,525	1,799	1,597	479	461	7,785	6,583
Rendering services	943	732	735	640	49	39	1,727	1,411
Investing	127	104	122	82	49	28	298	214
Total revenue	69,156	60,857	87,811	85,875	74,769	73,380	231,736	220,112
Segment profit before income taxes	4,069	2,557	1,657	2,165	4,346	4,677	10,072	9,399
Segment profit before interest, income taxes, depreciation and amortisation	16,152	13,566	7,651	7,932	8,633	8,551	32,436	30,049
Other income	3,615	3,386	8,261	7,909	5,076	4,838	16,952	16,133
Interest income	122	100	121	82	49	28	292	210
Interest expense	3,296	2,134	838	790	508	555	4,642	3,479
Depreciation and amortisation	8,787	8,876	5,156	4,977	3,779	3,318	17,722	17,171
Share of profit of investments in associates and joint ventures	620	697	370	123	-	-	990	820
Tax expense (income)	1,306	938	(134)	288	378	568	1,550	1,794

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

<i>For the year ended 31 December</i>	Consolidated financial statement							
	Fashion		Food Products		Hardline		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in million Baht)</i>							
Other material non-cash items:								
- (Reversal of) impairment losses on property, plant and equipment and other intangible assets	28	104	(56)	(231)	109	31	81	(96)
- (Reversal of) losses on inventories devaluation	111	(278)	844	679	70	63	1,025	464
Investments in associates and joint ventures	1,206	1,534	5,063	4,739	45	45	6,314	6,318
Segment assets	113,057	110,395	90,713	89,028	83,327	76,561	287,097	275,984
Segment liabilities	152,354	145,001	34,253	33,608	30,230	32,490	216,837	211,099

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

(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.

<i>Geographical information</i>	Consolidated financial statements			
	Revenues		Non-current assets	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Thailand	165,629	152,450	130,374	120,119
Italy	16,774	14,253	25,346	26,677
Vietnam	49,330	53,409	29,990	31,126
Other countries	3	-	15,117	15,213
Investments in associates and joint ventures	-	-	6,314	6,318
Total	231,736	220,112	207,141	199,453

(c) *Major customer*

For the years 2023 and 2022, the Group had no customers with revenue greater than 10% of the Group's revenues.

24 **Other income**

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Promotional and advertising income	9,754	9,158	174	202
Logistic and distribution income	2,971	2,775	-	-
Utilities income	685	550	-	-
Gain on disposal of investments	-	398	3,012	-
Royalty income	372	349	384	353
Income sharing	278	262	-	-
Management fee income	354	209	-	-
Technology service income	-	-	204	64
Gain on derivative	-	208	-	252
Others	2,538	2,224	66	8
Total	16,952	16,133	3,840	879

25 **Selling expenses**

	Consolidated financial statements	
	2023	2022
	<i>(in million Baht)</i>	
Employee benefit expense	16,567	15,060
Depreciation and amortization expense	14,953	14,601
Utilities expense	5,557	4,834
Marketing and promotion expense	4,407	4,151
Rental and service expense	1,975	1,470
Others	6,214	5,558
Total	49,673	45,674

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023
26 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Employee benefit expense	8,349	7,549	1,080	1,071
Technology service expenses	1,546	1,835	57	56
Management fee expense	1,801	1,708	355	321
Depreciation and amortisation expense	1,225	1,160	37	36
Professional fee expense	724	1,098	57	99
Loss on derivative expense	227	-	278	-
Maintenance	612	604	-	-
Loss from inventories devaluation	1,025	464	-	-
Rental and service expenses	338	345	24	12
Net loss on foreign exchange	56	49	-	153
Others	4,448	4,053	222	214
Total	20,351	18,865	2,110	1,962

27 Employee benefit expenses

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		<i>(in million Baht)</i>			
Salaries and wages		19,245	17,617	796	749
Bonus		1,632	1,534	153	154
Defined contribution plans		203	182	14	12
Defined benefit plans	21	269	167	18	10
Others		3,567	3,109	99	146
Total		24,916	22,609	1,080	1,071

28 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Current tax expense				
Current year	2,207	1,704	-	-
Under (over) provided in prior years	(313)	86	-	-
Deferred tax expense				
Movements in temporary differences	(344)	4	(17)	15
	1,550	1,794	(17)	15

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Consolidated financial statements					
	2023			2022		
<i>Income tax</i>	Before tax	Tax expense (income)	Net of tax	Before tax	Tax expense	Net of tax
	<i>(in million Baht)</i>					
<i>Recognised in other comprehensive income (loss)</i>						
Defined benefit plan actuarial gain (loss)	(10)	2	(8)	10	(2)	8
Cash flow hedges reserve	(23)	5	(18)	31	(7)	24
Financial assets at FVOCI	241	(48)	193	202	(38)	164
Total	208	(41)	167	243	(47)	196

Reconciliation of effective tax rate

	Consolidated financial statements			
	2023		2022	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		10,072		9,399
Income tax using the Thai corporation tax rate	20	2,014	20	1,880
Effect of different tax rates in foreign jurisdictions		89		35
Share of profit of joint ventures and associates accounted for using equity method		(198)		(162)
Income not subject to tax		(174)		(313)
Expenses not deductible for tax purposes		161		240
Recognition of previously unrecognised tax losses		(37)		(190)
Current year losses for which no deferred tax asset was recognised		344		333
Deferred tax asset in prior year which recognised in this period		(147)		41
Expenses with additional deduction for tax purposes		(214)		(181)
Under (over) provided in prior years		(313)		86
Others		25		25
Total	15.39	1,550	19.08	1,794

Reconciliation of effective tax rate

	Separate financial statements			
	2023		2022	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		4,066		5,422
Income tax using the Thai corporation tax rate	20	813	20	1,084
Income not subject to tax		(345)		(1,060)
Expenses not deductible for tax purposes		3		8
Expenses with additional deduction for tax purposes		(2)		(1)
Recognition of previously unrecognised tax losses		(486)		(16)
Total	(0.42)	(17)	0.28	15

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>Deferred tax</i> <i>At 31 December</i>	Consolidated financial statements			
	Assets		Liabilities	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Total	5,516	5,244	(3,438)	(3,562)
Set off of tax	(709)	(644)	709	644
Net deferred tax assets (liabilities)	4,807	4,600	(2,729)	(2,918)

<i>Deferred tax</i> <i>At 31 December</i>	Separate financial statements			
	Assets		Liabilities	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Total	42	35	(29)	(39)
Set off of tax	(29)	(35)	29	35
Net deferred tax assets (liabilities)	13	-	-	(4)

<i>Deferred tax</i>	Consolidated financial statements					
	<i>(Charged) / Credited to:</i>					
	At 1 January	Profit or loss	Other comprehen- sive income <i>(in million Baht)</i>	Acquired in business combination	Effect of movements in exchange rates	At 31 December
2023						
Deferred tax assets						
Trade and other current receivables	121	14	-	-	1	136
Inventories	533	38	-	-	-	571
Loans to other parties	22	-	-	-	-	22
Property, plant and equipment	84	54	-	-	(1)	137
Right-of-use assets	1,259	76	-	-	1	1,336
Non-current provisions for employee benefits	427	21	1	-	1	450
Loss carry forward	941	(71)	-	-	14	884
Accrued expenses	503	(9)	-	-	(3)	491
Others	1,354	103	-	-	32	1,489
Total	5,244	226	1	-	45	5,516
Deferred tax liabilities						
Financial assets measured at FVOCI	(315)	-	(48)	-	-	(363)
Property, plant and equipment Fair value from business combination	(278)	(26)	-	-	(2)	(306)
Derivatives	(2,776)	130	-	-	51	(2,595)
Others	(42)	10	5	-	-	(27)
Others	(151)	4	-	-	-	(147)
Total	(3,562)	118	(43)	-	49	(3,438)
Net	1,682	344	(42)	-	94	2,078

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Consolidated financial statements					At 31 December
	At 1 January	Profit or loss	Other comprehen- sive income <i>(in million Baht)</i>	Acquired in business combination	Effect of movements in exchange rates	
Deferred tax						
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

Unrecognised deferred tax assets	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Loss carry forward	<u>1,722</u>	<u>2,426</u>	<u>353</u>	<u>839</u>

(in million Baht)

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.

Global minimum top-up tax

On 28 December 2023, the Group has adopted International Tax Reform – Pillar Two Model Rules – Amendments to TAS 12 Income Taxes. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and accounts for a current tax when it is incurred. In addition, Amendments to TAS 12 Income Taxes require the Group to disclose about the Pillar Two exposure in the financial statements for the year ended 31 December 2024. The mandatory exception applies retrospectively.

In jurisdiction which the Group operates, the new tax legislation to implement the global minimum top-up tax has not been enacted as at 31 December 2023, therefore, there is no impact on the Group's financial statements.

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

29 Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2023				
2022 annual dividend	28 April 2023	May 2023	0.48	2,895
2022				
2021 annual dividend	29 April 2022	May 2022	0.30	1,809

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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					Fair value			
	Carrying amount			Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
<i>At 31 December</i>	Hedging instruments	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI						
2023									
Financial assets									
Investment in debt instruments	-	34	-	-	34	-	-	34	34
Investment in equity instruments	-	-	2,186	-	2,186	-	-	2,186	2,186
Interest rate swaps	5	43	-	-	48	-	48	-	48
Cross currency and interest rate swaps	-	81	-	-	81	-	81	-	81
Financial liabilities									
Forward exchange contract	-	5	-	-	5	-	5	-	5
Debentures	-	-	-	6,993	6,993	-	7,071	-	7,071

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

<i>At 31 December</i>	Consolidated financial statements					Fair value			
	Carrying amount								
	Hedging instruments	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
					<i>(in million Baht)</i>				
2022									
Financial assets									
Investment in debt instruments	-	34	-	-	34	-	-	34	34
Investment in equity instruments	-	-	1,944	-	1,944	-	-	1,944	1,944
Forward exchange contract	28	114	-	-	142	-	142	-	142
Cross currency and interest rate swaps	-	70	-	-	70	-	70	-	70
Financial liabilities									
Forward exchange contract	-	60	-	-	60	-	60	-	60

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Carrying amount			Separate financial statements			Fair value		Total
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total (in million Baht)	Level 1	Level 2	Level 3		
At 31 December									
2023									
Financial assets									
Investment in equity instruments	-	16	-	16	-	-	16	-	16
Interest rate swaps	43	-	-	43	-	43	-	-	43
Cross currency and interest rate swaps	81	-	-	81	-	81	-	-	81
Financial liabilities									
Debentures	-	-	6,993	6,993	-	7,071	-	-	7,071
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

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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.
Debentures	The fair value of debentures reference to the price provide by the Thai Bond Market Association, which is Thailand's bond market data center.

(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 2023

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 2023, 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.

<i>At 31 December</i>	Carrying amount	Contractual cash flows			Total
		1 year or less	More than 1 year but less than 5 years	More than 5 years	
Consolidated financial statements					
(in million Baht)					
2023					
Non-derivative financial liabilities					
Bank overdrafts and short-term borrowings from financial institutions	30,917	30,974	-	-	30,974
Trade payables	41,831	41,831	-	-	41,831
Other current payables	20,914	20,914	-	-	20,914
Long-term borrowings	46,214	18,453	29,822	1,076	49,351
Lease liabilities	55,433	8,356	22,175	46,974	77,505
Debentures	6,993	18	6,740	301	7,059
	202,302	120,546	58,737	48,351	227,634
Derivative financial liabilities					
Forward exchange contract					
- Cash outflow	(5)	(255)	-	-	(255)
- Cash inflow	-	250	-	-	250
	(5)	(5)	-	-	(5)

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>At 31 December</i>	Consolidated financial statements				
	Carrying amount	1 year or less	Contractual cash flows More than 1 year but less than 5 years <i>(in million Baht)</i>	More than 5 years	Total
2022					
<i>Non-derivative financial liabilities</i>					
Bank overdrafts and short-term borrowings from financial institutions	34,954	35,021	-	-	35,021
Trade payables	39,828	39,828	-	-	39,828
Other current payables	19,839	19,839	-	-	19,839
Long-term borrowings	46,341	7,709	39,981	1,742	49,432
Lease liabilities	55,777	7,853	22,775	38,091	68,719
	196,739	110,250	62,756	39,833	212,839
<i>Derivative financial liabilities</i>					
Forward exchange contract					
- Cash outflow	(60)	(945)	-	-	(945)
- Cash inflow	-	885	-	-	885
	(60)	(60)	-	-	(60)
2023					
<i>Non-derivative financial liabilities</i>					
Short-term borrowings	28,128	28,167	-	-	28,167
Other current payables	531	531	-	-	531
Long-term borrowings	44,442	17,490	29,817	-	47,307
Lease liabilities	129	19	33	177	229
Debentures	6,993	18	6,740	301	7,059
	80,223	46,225	36,590	478	83,293
2022					
<i>Non-derivative financial liabilities</i>					
Short-term borrowings	33,611	33,652	-	-	33,652
Other current payables	497	497	-	-	497
Long-term borrowings	39,450	2,563	39,329	-	41,892
Lease liabilities	26	17	9	-	26
	73,584	36,729	39,338	-	76,067

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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.

(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						
2023			2022			
Exposure to foreign currency at 31 December	USD	Others	Total	USD	Others	Total
	<i>(in million Baht)</i>					
Financial assets	27	4	31	544	9	553
Financial liabilities	<u>(2,516)</u>	<u>(322)</u>	<u>(2,838)</u>	<u>(5,050)</u>	<u>(1,485)</u>	<u>(6,535)</u>
Net statement of financial position exposure	(2,489)	(318)	(2,807)	(4,506)	(1,476)	(5,982)
Forward exchange contracts	254	1	255	902	-	902
Currency swaps contracts	<u>(1,128)</u>	<u>(4,944)</u>	<u>(6,072)</u>	<u>(1,589)</u>	<u>(3,867)</u>	<u>(5,456)</u>
Net exposure	<u>(3,363)</u>	<u>(5,261)</u>	<u>(8,624)</u>	<u>(5,193)</u>	<u>(5,343)</u>	<u>(10,536)</u>
Separate financial statements						
2023			2022			
Exposure to foreign currency at 31 December	USD	EUR	Total	USD	EUR	Total
	<i>(in million Baht)</i>					
Financial assets	3	5	8	3	4	7
Financial liabilities	<u>(1,777)</u>	<u>-</u>	<u>(1,777)</u>	<u>(2,980)</u>	<u>(930)</u>	<u>(3,910)</u>
Net statement of financial position exposure	(1,774)	5	(1,769)	(2,977)	(926)	(3,903)
Currency swaps contracts	<u>(1,128)</u>	<u>(4,944)</u>	<u>(6,072)</u>	<u>(1,589)</u>	<u>(3,867)</u>	<u>(5,456)</u>
Net exposure	<u>(2,902)</u>	<u>(4,939)</u>	<u>(7,841)</u>	<u>(4,566)</u>	<u>(4,793)</u>	<u>(9,359)</u>

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

Central Retail Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

<i>Impact to profit or loss</i>	Movement (%)	Consolidated financial statements		Separate financial statements	
		Strengthening	Weakening (in million Baht)	Strengthening	Weakening
2023					
USD	1	34	(34)	29	(29)
EUR	1	50	(50)	49	(49)
2022					
USD	1	52	(52)	46	(46)
EUR	1	51	(51)	48	(48)

(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.

<i>Exposure to interest rate risk at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<i>(in million Baht)</i>				
Financial instruments with variable interest rates				
Financial assets	-	-	-	-
Financial liabilities	(40,894)	(36,049)	(34,942)	(29,950)
Net statement of financial position exposure	(40,894)	(36,049)	(34,942)	(29,950)
Interest rate swaps	2,342	4,896	2,000	402
Net exposure	(38,552)	(31,153)	(32,942)	(29,548)

Interest rate swap contract

During 2020, the Group entered into an interest rate swap agreement for a long-term borrowing amounted of EUR 9 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 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 2023, the Company entered into a cross currency and interest rate swap agreement for a short-term borrowing amounted of Baht 4,439 million swapping a currency of THB to EUR, amounted of EUR 115 million and a fixed interest rate of 2.65% per annum, to a fixed interest rate of 5.45% per annum, with maturity aligned to the loan granted.

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

During 2023, the Company entered into a cross currency and interest rate swap agreement for a short-term borrowing amounted of Baht 574 million swapping a currency of THB to EUR, amounted of EUR 15 million and a fixed interest rate of 3.36% per annum, to a fixed interest rate of 5.57% per annum, with maturity aligned to the loan granted.

During 2023, the Company entered into a cross currency and interest rate swap agreement for a short-term borrowing amounted of Baht 1,151 million swapping a currency of THB to USD, amounted of USD 33 million and a fixed interest rate of 3.30% per annum, to a fixed interest rate of 7.19% 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	
	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
<i>Impact to profit or loss</i>				
2023				
Financial instruments with variable interest rate	386	(386)	369	(369)
2022				
Financial instruments with variable interest rate	312	(312)	295	(295)

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.

32 Commitments with non-related parties

	Consolidated financial statements	
	2023	2022
	<i>(in million Baht)</i>	
<i>Capital commitments</i>		
Land	-	268
Buildings and other constructions	2,708	1,349
System development	11	3
Furniture, fixtures and office equipment	116	43
Total	2,835	1,663
<i>Future minimum lease payments under non-cancellable operating leases</i>		
Within 1 year	14	7
1 - 5 years	1	3
Total	15	10

Central Retail Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Consolidated financial statements	
	2023	2022
	<i>(in million Baht)</i>	
<i>Other commitments</i>		
Unused letters of credit for goods and supplies	4,657	5,603
Bank guarantees	2,195	1,951
Service agreements	348	122
Total	<u>7,200</u>	<u>7,676</u>

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. On 29 March 2023, the plaintiff has filed a petition and a request for permission to petition. The case is pending before the Supreme Court. 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 (TAR). On 31 December 2022. The Regional Administrative Court declared the order in relation to the disputed construction permit 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. Whereby the party fails to file an appeal on the construction permit within the said period. Therefore, the issue of disputed construction permit is considered final. However, on the issue of the claim with 8 individual appeals requesting for indemnification requesting compensation for the alleged damage, that would have derived from the illegitimacy of the permits that allowed the construction of the store. Such illegitimacy, initially ascertained by the Council of State, has been now fully legitimated by the favorable decision confirmed both by the Council of State and by the TAR. Even if the Court has not yet set scheduled for hearing the dispute, the judgment of the Council of State, as well as the sentence of the TAR cannot fail to affect these judgements. Management believes that such appeals are unlikely to succeed and a provision for future payments is not necessary. On 18 October 2023, the notices of cancellation relating to the appeals indicated above, were served by the Court. Following this notice, each appellant has 120 days to submit a new request to schedule a hearing to confirm their interest in pursuing the appeal; if this did not happen, there would be a declaration of

Central Retail Corporation Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

expiry. The Management trust that the appellants will not make any step. In this sense the appeals will be cancelled and there will be no prejudicial consequences for the Group.

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. On 18 December 2023, the Civil Court dismissed the case. The plaintiff can submit an appeal to the 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. However, on 7 April 2023, the Supreme Court ruled in favour of the related party on another civil case which had important issue related to the Administrative Court's case. The ruling has a positive effect on the case of the 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*Dividend payment*

At the Board of Director's meeting of the Company held on 28 February 2024, the directors approved the appropriation of annual dividends based on the operating profit for the year 2023 of Baht 0.55 per share, amounting to Baht 3,317 million. The dividend will be paid to shareholders during 2024. Such dividend is subject to the approval of the Shareholders at the Annual General Meeting to be held on 25 April 2024.

Land acquisition of subsidiary

At the Board of Director's meeting of the Company held on 28 February 2024, the directors approved to propose to the Shareholders at the Annual General Meeting of 2024 which will be held on 25 April 2024 to approve the land acquisition of subsidiary from 2 related parties. The agreed price will not exceed Baht 5,566.5 million.

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 5 operating segments based on business units, including hardline, food, fashion, property, and health and wellness 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	Harn 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

Board of Directors

Dr. Prasarn Trairatvorakul

Age 71 years

Position 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

- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

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 Enterprises Supervisory Board
2015 - 2019	Member, National Competitive Enhancement Committee
2015 - 2019	Member, National Anti-Corruption Commission
2017 - 2019	Chairman, Public Procurement Committee
2017 - 2019	Member, Education Reform Committee
2017 - 2019	Chairman, Economic Reform Committee
2018 - 2020	Distinguished Scholar, Faculty of Commerce and Accountancy - Chulalongkorn University

2019 - 2022	Chairman of the Board, Mahidol Wittayanusorn School
2021 - 2024	Chairman of the Board, The Stock Exchange of Thailand
2021 - 2024	Chairman of the Board, Thailand Futures Exchange (TFEX)
2021 - 2024	Chairman of the Board, Capital Market Development Fund

GICS Industry Experience: Retailing

2004 - 2010	President - Retail Banking and Financial Leasing at Kasikornbank PCL
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Shareholdings (Ordinary Shares) (as at 2 February 2024)

• Held personally	:	-None-
• Held by spouse or minor children	:	-None-

Family Relationship among Directors and Executives

-None-

Meeting attendance in 2023

• Annual General Meeting of Shareholders 2023	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 81 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
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

Board Member/Management in Other Listed Company

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
2002 - 2022 Director, Central Pattana Public Company Limited

GICS Industry Experience: Retailing

1968 - Present Assistant General Manager/ Director, Harg Central Department Store Company Limited
1981 - 2019 Director, Central Trading Company Limited

Shareholdings (Ordinary Shares) (as at 2 February 2024)

• 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 and (4) Mr. Pichai Chirathivat

Meeting attendance in 2023

• Annual General Meeting of Shareholders 2023	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 76 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

- GRC and Risk Management by speakers from KPMG
- Vietnam economic outlook by speakers from Bangkok Bank Vietnam branch

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 to the Nomination and Remuneration Committee, Central Pattana Public Company Limited
2009 - 2013	Chairman of the Executive Committee, Central Group of Companies Company Limited
2011	Director, Big C Supercenter Public Company Limited
2015 - 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 - 2022	Chairman, Grand Canal Land Public Company Limited (currently as Honorary Chairman)

GICS Industry Experience: Retailing

1991 - 1992	Executive Vice President/ Director, Harg Central Department Store Company Limited
2009 - 2013	Chairman of the Executive Committee, Central Group of Companies Company Limited

Shareholdings (Ordinary Shares) (as at 2 February 2024)

• 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 and (4) Mr. Pichai Chirathivat

Meeting attendance in 2023

• Annual General Meeting of Shareholders 2023	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. Roongrote Rangsiyopash

Age 60 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, USA
- B.E. (Mining), Chulalongkorn University

Training organized by Thai Institute of Directors Association (IOD)

- Directors Accreditation Program (DAP) 2004

Other Training

- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch
- Generative Artificial Intelligence (Generative AI) by speakers from the Siam Cement Public Company Limited
- Metaverse Sharing, The Siam Cement Public Company Limited

Position in Other Company / Organization / Institution

2016 - 2023	President, Member of CSR Committee for Sustainable Development The Siam Cement Public Company Limited
2015 - Present	Director, The Siam Cement Public Company Limited
2023 - Present	Chairman, SCG Decor

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

GICS Industry Experience: Retailing

2016 - 2019 Director, SCG Distribution Company Limited

Shareholdings (Ordinary Shares) (as at 2 February 2024)

- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives

-None-

Meeting attendance in 2023

• Annual General Meeting of Shareholders 2023	1/1
• The Board of Directors meeting	9/9
• The Independent meeting	2/2
• The Nomination and Remuneration 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-

Mrs. Pratana Mongkolkul

Age 60 years

Independent Director, Chairman of the Audit Committee,

Member of the Corporate Governance and Sustainability 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
- How to Develop a Risk Management Plan (HRP) 35/2023
- Successful Formulation & Execution of Strategy (SFE) 42/2023
- Engaging Board in ESG: The Path to Effective Sustainability 2023

Other Training

- Director Diploma Examination 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.
- ESG Priorities - Key consideration for Audit Committee, KPMG
- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

Board Member / Management in Other Listed Company

2023 - Present	Independent Director, Member of the Audit Committee, Chairman of the Corporate Governance and Sustainability Committee, Synnex (Thailand) Public Company Limited
2023 - Present	Independent Director, Member of the Audit Committee, Member of the Corporate Governance Committee, True Corporation Public Company Limited
2017 - Present	Vice President, Independent Director, Chairman of the Audit Committee, Rojukiss International 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, Member of the Executive Committee, Dusit Thani PLC.
2014 - 2018	Member of Board Commissioners, Chairman of the Audit Committee, Port Authority of Thailand
2015 - 2023	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.
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
2019 - 2023	Independent Director, Plus Tech Innovation Public Company Limited (Former names as TBSP Public Company Limited)
2020 - 2023	Independent Director, Member of Audit Committee, Member of the Nomination and Remuneration Committee, Member of the Corporate Governance Committee, Total Access Communication PLC.
2022	Director, Pomelo Fashion Company Limited
2014 - Present	Associate Judge, The Central Intellectual Property and International Trade Court

GICS Industry Experience: Retailing (1992 - 2022)

- Group Chief Financial Officer, Minor International Public Company Limited
- Senior Vice President of Finance & Accounting Department, Central Pattana Public Company Limited
- Director, FN Factory Outlet Public Company Limited
- Director, Pomilo Fashion Company Limited
- Director and Group Chief Financial Officer, MC Group Public Company Limited

Shareholdings (Ordinary Shares) (as at 2 February 2024)

• Held personally	:	-None-
• Held by spouse or minor children	:	-None-

Family Relationship among Directors and Executives -None-

Meeting attendance in 2023

• Annual General Meeting of Shareholders 2023	1/1
• The Board of Directors meeting	9/9
• The Independent meeting	2/2
• The Audit Committee meeting	12/12
• The Corporate Governance and Sustainability Committee meeting	2/2

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 69 years

Independent Director, Chairman of the Corporate Governance and Sustainability Committee, Member of the Audit Committee and Member of the Risk Policy Committee 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 (AACCP) 42/2021
- Hot Issue for Directors: Climate Governance 2/2023
- ESG in the Boardroom: The Practical Guide for Board 0/2023

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)
- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

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 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
 2013 - Present Independent Director and Chairman of the Audit Committee, Bangkok Glass Public Company Limited
 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.
 2006 - 2008 Member, National Legislative Assembly
 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 2 February 2024)

- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives

-None-

Meeting attendance in 2023

- Annual General Meeting of Shareholders 2023 1/1
- The Board of Directors meeting 9/9
- The Independent meeting 2/2
- The Audit Committee meeting 12/12
- The Risk Policy Committee meeting 4/4
- The Corporate Governance and Sustainability 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. Sompong Tantapart

Age 66 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

- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

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 - 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 2 February 2024)

- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives:

-None-

Meeting attendance in 2023

- | | |
|---|-------|
| • Annual General Meeting of Shareholders 2023 | 1/1 |
| • The Board of Directors meeting | 9/9 |
| • The Independent meeting | 2/2 |
| • The Audit Committee meeting | 12/12 |
| • The Nomination and Remuneration 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. Kanchit Bunajinda

Age 56 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
- Master of Business Administration in 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
- Role of the Chairman Program (RCP) 53/2023
- Strategic Board Master Class (SBM) 12/2023

Other Training

- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

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	Director, Executive director, 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 2 February 2024)

- Held personally : -None-
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives:

-None-

Meeting attendance in 2023

• Annual General Meeting of Shareholders 2023	1/1
• The Board of Directors meeting	9/9
• The Independent meeting	2/2
• The Risk Policy 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-

Prof.Dr. Suthiphand Chirathivat

Age 70 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, France
- Maitrise ès Sciences Economiques (Economics), Aix-Marseille University, France
- D.E.A en Sciences Economiques (Economics), Paris I - Pantheon-Sorbonne University, France
- Doctorat de 3e cycle ès Sciences Economiques (Economics)

Training Programs

- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

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 2 February 2024)

- 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 and (4) Mr. Pichai Chirathivat

Meeting attendance in 2023

- | | |
|---|-----|
| • Annual General Meeting of Shareholders 2023 | 1/1 |
| • The Board of Directors meeting | 9/9 |
| • The Nomination and Remuneration 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. Suthilaksh Chirathivat

Age 68 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

- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

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

1995 - 2017 Business Development / Executive Director and Chief Operating Officer, Central Retail Corporation Public Company Limited

1994 - Present Director, Harg Central Department Store Company Limited

Shareholdings (Ordinary Shares) (as at 2 February 2024)

- 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 and (4) Mr. Pichai Chirathivat

Meeting attendance in 2023

- Annual General Meeting of Shareholders 2023 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. Yuwadee Chirathivat

Age 70 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
- Director Certification Program (DCP) 344/2023

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
- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

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 Chief Executive Officer and President - Department Store Group, Central Group of Companies Company Limited

GICS Industry Experience: Retailing

1981 - 1996 Managing Director, Central Department Store Company Limited
1996 - 2013 President, Central Department Store Company Limited
2014 - 2017 Chief Executive Officer and President, Central Group

Shareholdings (Ordinary Shares) (as at 2 February 2024)

- 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 Mr. Pichai Chirathivat

Meeting attendance in 2023

- Annual General Meeting of Shareholders 2023 1/1
- The Board of Directors meeting 8/9
- The Executive Committee meeting 14/14

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 1992 or Derivatives Act B.E. 2546 (2003)

-None-

Mr. Prin Chirathivat

Age 61 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
- Board Nomination and Compensation Program (BNCP) 16/2023

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 2019, Royal Thai Police
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

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, Central Group of Companies Company Limited
2006 - 2022	Director, Robinson Public Company Limited

Shareholdings (Ordinary Shares) (as at 2 February 2024)

• Held personally	:	0.4065%
• 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 Mrs. Yuwadee Chirathivat
- Elder Brother of Mr. Tos Chirathivat
- Cousin of Mr. Pichai Chirathivat

Meeting attendance in 2023

• Annual General Meeting of Shareholders 2023	1/1
• The Board of Directors meeting	9/9
• The Risk Policy Committee meeting	4/4

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 1992 or Derivatives Act B.E. 2546 (2003)

-None-

Mr. Tos Chirathivat

Age 59 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) 188/2021

Other Training

- Executive Program Class 3/2006, Capital Market Academy
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

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 of Companies Company Limited
- 2010 - Present Director, Central Embassy Hotel Company Limited

GICS Industry Experience: Retailing

- 2014 - Present Executive Chairman and Chief Executive Officer, Central Group of Companies Company Limited
- 2002 - 2014 Chief Executive Officer, Central Retail Corporation Public Company Limited

Shareholdings (Ordinary Shares) (as at 2 February 2024)

- Held personally : 0.6358%
- 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
- Younger Brother of (1) Mrs. Yuwadee Chirathivat and (2) Mr. Prin Chirathivat

- Cousin of Mr. Pichai Chirathivat

Meeting attendance in 2023

- Annual General Meeting of Shareholders 2023 1/1
- The Board of Directors meeting 8/9
- The Nomination and Remuneration Committee meeting 5/5
- The Executive Committee meeting 14/14

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 62 years

Authorized Director, Director, Member of the Corporate Governance and Sustainability Committee

Date of Appointment as a Director 6 September 2019 - Present



Education

- Master of Business Administration (Marketing), Pitzer College, USA

Training organized by Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) 169/2020
- Hot Issue for Directors: Climate Governance 2/2023

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
- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

Board Member/Management in Other Listed Company

2012 - Present Director, Malee Group Public Company Limited

Position in Other Company/Organization/Institution

- Honorary Advisor, IREDF (Founded by V.Vajiramedhi)
- Advisor, The Thai Chamber of Commerce
- Advisor, Strategic Committee (Digital Economy) - The Thai Chamber of Commerce
- Advisor, Young Entrepreneurs Chamber of Commerce (YEC) Committee - The Thai Chamber of Commerce
- Chairman, Energy Committee - The Thai Chamber of Commerce
- Vice Chairman, Sufficiency Economy and Reduce Inequality - The Thai Chamber of Commerce
- Director, Retail & Services Committee - The Thai Chamber of Commerce
- Director, BCG & ESG Committee - The Thai Chamber of Commerce
- Director, The Federation of THAI Industries (FTI)
- Vice Chairman, Climate Change Institute Committee - The Federation of Thai Industries (FTI)
- Director, The Institute of Industrial Energy - The Federation of Thai Industries (FTI)
- Vice President, Thai Renewable Energy (RE100) Association

Experiences

2003 - 2016 Chief Executive Officer, Central Trading Company Limited

GICS Industry Experience : Retailing

1995 - 2016 Vice President-Procurement, Central Department Store Company Limited

Shareholdings (Ordinary Shares) (as at 2 February 2024)

- 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 and (3) Mr. Tos Chirathivat

Meeting attendance in 2023

- Annual General Meeting of Shareholders 2023 1/1
- The Board of Directors meeting 9/9
- The Corporate Governance and Sustainability 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. Yol Phokasub

Age 62 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
- Hot Issue for Directors: Climate Governance 2/2023

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
- Global and Thailand Economic Outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

Board Member/Management in Other Listed Company

- 2017 - Present Chairman, Synergetic Auto Performance Public Company Limited
- 2018 - Present Independent Director, Millennium Group Corporation (Asia) Public Company Limited

Position in Other Company/Organization/Institution

12 Companies 4 Organizations

Experiences

- 2009 - 2015 Chairman, SCB Asset Management Company Limited
- 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, Unilever Thailand Company Limited
Managing Director, Unilever Thai Trading Company Limited
Managing Director, Unifoods Thailand Company Limited
- 2006 - 2007 Chief Operating Officer, Dutch Mill Group

Shareholdings (Ordinary Shares) (as at 2 February 2024)

- Held personally : 0.0077%
- Held by spouse or minor children : -None-

Family Relationship among Directors and Executives

-None-

Meeting attendance in 2023

- Annual General Meeting of Shareholders 2023 1/1
- The Board of Directors meeting 9/9
- The Risk Policy Committee meeting 4/4
- The Executive Committee meeting 14/14
- The Corporate Governance and Sustainability 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. Panet Mahankanurak

Age 54 years

Being person in charge of Finance and Accounting

Member of the Executive Committee, Chief Financial Officer

Date of Appointment 1 June 2023 - Present



Education

- Bachelor of Engineering, Chulalongkorn University
- Master of Business Administration, University of Illinois, USA

Other Training

- CFO Orientation for New IPOs 2023
- GRC and Risk Management by speakers from KPMG
- Vietnam Economic Outlook by speakers from Bangkok Bank Vietnam branch

Board Member/Management in Other Listed Company

-None-

Position in Other Company

5 Companies

Experiences

2014 - 2016	Head of Merger and Acquisition, Harg Central Department Store Limited
2016 - 2018	Chief Financial Officer - Corporate Finance, Central Department Store Limited
2018 - 2020	Senior Executive Vice President - Corporate Finance, Harg Central Department Store Limited
2020 - 2021	Deputy Chief Financial Officer, Central Retail Corporation Public Company Limited
2022 - 2023	Advisor to CEO and Board of Director, T.C. Pharmaceutical Industries Company Limited
2022 - 2023	Executive committee and Board of Director, Erawan HOP INN Company Limited

Shareholdings (Ordinary Shares) (as at 2 February 2024)

- Held personally : 0.0017%
- 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. 1992 or Derivatives Act B.E. 2546 (2003)

-None-



Mr. Olivier Langlet

Age 54 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 2 February 2024)

- Held personally : -None-
- Held by Spouse or minor child : -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 55 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 2 February 2024)

- 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. 1992 or Derivatives Act B.E. 2546 (2003)

-None-



Mr. Philippe Jean Broianigo

Age 63 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 Retail Corporation Public Company Limited |
| 2014 - 2021 | Vietnam Chief Executive Officer - Central Group Vietnam |

Shareholding (Ordinary Shares) (as at 2 February 2024)

- Held personally : 0.0006%
- Held by Spouse or minor child : -None-

Family Relationship among Directors and Executives

-None-

Penalty in the past 5-year regarding Securities and Exchange Act B.E. 1992 or Derivatives Act B.E. 2546 (2003)

-None-

Mr. Yingyai Eumkhong

Age 39 years

Person in charge of accounting

Position 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 2023, according to the requirement

Board Member/Management in Other Listed Company

-None-

Position in Other Company/Organization/Institution

1 Company

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 2 February 2024)

- Held personally : 0.0002%
- 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. 1992 or Derivatives Act B.E. 2546 (2003)

-None-

Mrs. Ngamchit Kiattanavith

Age 55 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
- Insight in SET - Class 1/2022, The Stock Exchange of Thailand
- Global and Thailand economic outlook 2023 by speakers from Bangkok Bank
- GRC and Risk Management by speakers from KPMG
- Vietnam economic outlook by speakers from Bangkok Bank Vietnam branch

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 2 February 2024)

- Held personally : 0.0006%
- 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. 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 which shall have scope of duties and responsibilities as follows:

- (1) Prepare and keep all documents relating to Central Retail Corporation Public Company Limited (CRC)'s statutory register of directors, the Board of Directors' meeting invitations, meeting minutes and supporting documents, annual reports, shareholders' meeting invitations, meeting minutes and supporting documents.
- (2) Submit a copy of report on interest prepared by a director or an executive under 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) business days from the date on which CRC has received such report and keep the report on interest filed by a director or an executive.
- (3) Provide initial advice 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) Supervise and coordinate to ensure that CRC accurately complies with laws, regulations, rules, the Board of Directors' resolutions and shareholders' meeting resolutions and the corporate governance policy.
- (5) Organize the Board of Directors meetings and shareholders' meeting according to applicable laws, CRC'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.
- (8) Supervise, promote, and encourage the importance of compliance with the good corporate governance principles in conducting business, along with adhering to the practical guidelines set by regulatory and assessment bodies standards such as CGR, DJSI, THSI, ACGS, and CG Code.

1.2.2 Responsibility of agents (overseas)

-None-



CENTRALRETAIL

Central Retail Corporation Public Company Limited

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